

Resolution 2022/23-6
2022-23 Resources Transfer

Oregon budget law requires that appropriation levels (instruction, support services, enterprise and community services, capital projects and debt service) must not be overspent. In accordance with ORS 294.450, budget law allows the Board of Directors to authorize transfers of appropriations and/or resources after declaring the need, purpose and amount of the transfer.

When the 2022-23 District budget was created, funds were set aside in the Capital Construction Fund (\$555,000) and Building Maintenance Fund (\$590,000) as unappropriated ending fund balance in order to provide cash for the start of the 2023/24 year. Additionally, when budgeting, several projects anticipated for the summer of 2023 were not scheduled to begin until July and it was anticipated that the UEFB would be used for those projects. Many of those projects were begun earlier as the crews became available.

Recently, several construction projects have become necessary or were prudent to begin before the fiscal year end. The District received a seismic retrofit grant for Yaquina View Elementary and wishes to begin the accompanying office remodel and installation of a safety vestibule in late May, in advance of the seismic work, rather than putting off the entire project until the summer of 2024/25. Additionally, private office spaces were needed at the TLC and a reception area is being created in order to manage the large number of meetings at the TLC. Last summer more extensive remodeling was needed than originally planned to relocate the K-12 Online School from a Newport High School classroom into a larger space at the Arcadia campus.

In order for these projects to be completed this fiscal year, staff recommends moving \$1,145,000 in appropriations from General Fund Contingency to General Fund Transfers and transferring those appropriations and resources to the Building Maintenance Fund. The amount of transfers to the Building Maintenance Fund in the 2023-24 Proposed Budget has been reduced by this amount since the UEFB will become available July 1st. Because general fund transfers are usually not made to the Capital Construction Fund and were not budgeted, expenses of up to \$555,000 in that fund will be moved to the Building Maintenance fund.

Resources and appropriations are more than adequate at this time to make this transfer and also meet the Board Policy requiring a 7% minimum ending fund balance in the General Fund, as well as allowing transfers to other special revenue funds at year end. The General Fund Excess ending fund balance available for transfer is currently \$9,875,000 with \$3,750,000 of that available as Contingency funds.

Recommended for transfer are the following appropriations and resources within the named funds:

	<u>Increase</u>	<u>Decrease</u>
General Fund		
– Transfers Out	\$1,145,000	
– Contingency		\$1,145,000
Building Maintenance Fund		
– Transfers In (Revenue)	\$1,145,000	
- Facilities Acquisition & Construction	\$1,145,000	

APPROVED BY A VOTE AT THE BOARD OF DIRECTORS MEETING HELD MAY 23, 2023

Board Chair

Superintendent