



To: CISD Board of Trustees
From: Diana Sircar
Date: September 25, 2023
cc: Brad Hunt

RE: Consideration of recommitting Operating Fund Balance the amount of \$16,834,415 under Governmental Accounting Standards Board (GASB) Statement No. 54 for fiscal year ended 2022-2023.

To ensure responsible fiscal management and financial integrity, the Board of Trustees previously adopted a Fund Balance Resolution committing the General Fund fund balance for potential litigation, land development, equipment replacement, special ed residential set-aside, and potential budget deficit. The Residential Set-aside presented below is in accordance with Texas Administrative Code, Title 19, Part II, Chapter 89, Subchapter AA §89.1092. The residential set-aside amount changes each year based upon the total IDEA-B entitlement for the year and is required to be 25% of the grant funds.

The Board adopted a resolution to commit \$9,677,852 in fund balance for any potential expenditures in excess of revenue on August 22, 2022. This amount has been adjusted for the potential deficit adopted for the 23-24 fiscal year and is included in the total committed fund balance.

Based upon the prior year's board action to constrain resources for potential litigation, land development, equipment replacement, and increase the special education residential set-aside by \$33,555, administration is requesting that the Board consider committing the amounts as follows:

- Potential Litigation; \$750,000
- Potential Land Development; \$1,000,000
- Potential Equipment/Capital Outlay Replacement; \$1,000,000
- Potential Residential Set-aside; \$501,408 and
- Potential Expenditures in excess of revenue; \$13,583,007

The re-commitment of funds is updated each year in September or October.

Recommendation: That the Coppel ISD Board of Trustees approves the resolution to commit \$16,834,415 in Operating Fund fund balance for 2022-2023.