



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC: Consideration for Approval of Designation(s) of General Fund Balance

SUBMITTED BY: Laida P. Benavides, CPA **OF:** Division of Finance

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____

DATE ASSIGNED FOR BOARD CONSIDERATION: November 18, 2010

RECOMMENDATION:

Administration recommends the Board approve the following designations to be effective as of August 31, 2010:

- | | | |
|-----|------------------|---|
| (1) | \$6,367,157 | for purchase of land sites |
| (2) | 1,000,000 | for purchase or construction of a warehouse |
| (3) | 3,000,000 | for purchase or construction of a transportation compound |
| (4) | 500,000 | for ongoing construction projects |
| (5) | 125,000 | for the District's self-insurance worker's compensation program |
| (6) | 95,000 | for matching portion of COPS Grants |
| (7) | 4,150,000 | for future debt payments |
| (8) | <u>1,050,000</u> | for student software management system and related equipment |

\$16,287,157 Total of Designations

RATIONALE:

Designations are necessary to earmark fund balance for bona fide purposes that will be fulfilled within a reasonable period of time. These amounts represent planned actions by the board which could result in expenditures in future period of time and are available for appropriation.

The land projects had been budgeted for the 2009-2010 year; however they were unable to be expended during the fiscal year. The unexpended funds went into fund balance at August 31, 2010.

BUDGETARY INFORMATION:

\$16,287,157 will have to be re-appropriated for their intended use through a budget amendment from fund balance. The projected August 31, 2010 undesignated, unreserved fund balance, with this action is \$50,031,250.

BOARD POLICY REFERENCE AND COMPLIANCE:

CA (Local) Fiscal Management Goals and Objectives

National Council on Governmental Accounting (NCGA) pronouncement 1, Section 120:

Classification and Terminology

GASB Statement No. 1 Authoritative Status of NCGA Pronouncements