

JANUARY 2024

FUND BALANCE OVERVIEW

Spring Branch Independent School District

WHAT A FUND BALANCE IS:

A FUND BALANCE:

The difference between assets and liabilities as of the close of the fiscal year. **Includes three categories:**

Nonspendable Examples include inventories, prepaid items, deferred expenditures, long-term receivables, and outstanding encumbrances

Assigned Examples include insurance deductibles and compensated absences

Unassigned Everything else

WHAT A FUND BALANCE IS NOT:

A FUND BALANCE IS NOT:

- True excess funds used for any purpose
- A self-replenishing source
- A yearly guarantee

BOARD POLICY CA (LOCAL)

The level of **adequacy for fund balances** shall be **19 percent of the current budget** for the **General Fund** (except for nonspendable and restricted).

How does SBISD use FUND BALANCE?

SBISD leverages unassigned fund balance to support the district's cash flow needs.

- SBISD's fiscal year end is June 30. **However, our teachers are paid based on their contract year (Sept. – Aug.), not our fiscal year.**
- SBISD's begins receiving property tax payments in December. However, the district has cash flow needs to fund operations in the summer and fall months.

The district has budgeted to use 25% of fund balance to current programming for the current 2023-24 fiscal year.

How does SBISD use FUND BALANCE?

SBISD uses fund balance for unforeseen catastrophic events such as weather events or damage to facilities.

Insurance reimbursements can take 1-2 years to be received.

Spring Branch ISD FUND BALANCE

Fund Balance as of June 30, 2023	
Non Spendable:	
Prepaid Expenditures	\$2,200,000
Inventory	\$2,400,000
Assigned:	
23/24 Use of Fund Balance	\$36,500,000
Capital Equipment Replacement	\$2,200,000
Compensated Absences	\$10,200,000
Disaster Response	\$14,000,000
Unassigned:	\$70,000,000
Total:	\$137,500,000

JUNE 30, 2023



QUESTIONS?

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