

Stephenville Independent School District
Board of Trustees

Date: December 17, 2018
To: Matt Underwood, Superintendent
From: Deborah Hummel, Executive Director of Finance and Operations
Subject: Approval, Attached Resolution to Commit Funds

Background:

As part of the budget process the Board approved to release \$1,400,000 General Operating Fund Balance to be used to transfer to Debt Services Fund for the purpose of paying outstanding debt for the previous year.

By passing this resolution, the Board is releasing those funds from committed to Debt Payment to committing those amounts from the fund balances of General Operating Funds for that purpose and changing that commitment to Construction and Capital Improvements.

Recommendation:

It is recommended that the Board pass and adopt attached resolutions authorizing the Committed Fund Balance.

Fiscal Impact/Support of Board Goals:

Fiscal Impact: Support Board Goals and formalize Budget intentions for 18-19 fiscal year

Attachment:

Resolution Authorizing Committed Fund Balance

Contact Person:

Deborah Hummel, Executive Director of Finance and Operations

Stephenville Independent School District

Board of Trustees

December 17, 2018

RESOLUTION AUTHORIZING COMMITTED FUND BALANCE

Whereas, the Government Standards Accounting Board (GASB) has issued Statement No. 54, establishing a hierarchy clarifying the constraints that govern how a government entity can use amounts reported as fund balance; and

Whereas, the Governing Board is the highest level of decision-making authority, and has the authority to commit, assign, or evaluate existing fund balance classifications and identify the intended uses of committed or assigned funds; and

Whereas, the committed fund balance classification reflects amounts subject to internal constraints self-imposed by the Governing Board; and

Whereas, once the committed fund balance constraints are imposed, it requires the constraint to be removed by the Governing Board prior to redirecting the funds for other purposes; and

Whereas, the Governing Board has determined it will no longer need to use \$1,400,000 General Operating Funds for the purpose of paying debt outstanding, the Stephenville Independent School District, in accordance with the provisions of GASB 54 hereby releases the above amount in General Operating Fund, and determines to commit that funding to Construction & Capital Improvement or Debt Repayment as indicated by the Committed Fund classification, and funds cannot be used for any purpose other than directed above, unless the Governing Board adopts another resolution to remove or change the constraint. This action will change Committed Fund Balances to:

General Fund:

Committed to Construction & Capital Improvements or

Debt Repayment

\$5,189,275

Committed to Technology Refresh and Continuation of 1 to 1

\$ 600,000

Total Committed Funds in General Operating and All Funds

\$5,789,275

On motion of Board Member _____, seconded by Board Member _____, this Resolution is PASSED and ADOPTED by the Stephenville Independent School Board of Trustees on December 18, 2018, and by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT: