

## Use of Beginning Fund Balance – Specific Purchase

**Recommended Action: BE IT RESOLVED**, that in accordance with C.R.S. 22-44-105, the Board of Education authorizes the use of a portion of the FY2003-04 Beginning Fund Balance for the following funds: General Fund, in the amount of \$50,000 for the purpose of purchasing additional science resources according to the district's curriculum plan; Capital Reserve, in the amount of \$75,000 for a roofing project at Anywhere Elementary.

**BE IT FURTHER RESOLVED**, the use of this portion of the Beginning Fund Balance for the purpose/s set forth above will not lead to an ongoing deficit.

### **Background:**

The district is projecting the Beginning Fund Balance of the General Fund to be approximately \$500,000. A portion of the Beginning Fund Balance will be used to purchase additional science resources according to the district's curriculum plan. The total projected cost of the science resources is \$100,000. Each year, the district designates a minimum of \$50,000 for curriculum purchases. Each curriculum subject area has varying needs. Generally, science and English/Reading are the most costly. This is a one-time expenditure for a specific purpose, leaving a projected Ending Fund Balance of \$450,000. The projected Ending Fund Balance is 5% of total budgeted revenue and is in addition to the required 3% TABOR Reserve. The Chief Financial Officer and Superintendent believe the use of Beginning Fund Balance as stated will not lead to an ongoing deficit.

The district is projecting the Beginning Fund Balance of the Capital Reserve Fund to be approximately \$200,000. A portion of the Beginning Fund Balance, in the amount of \$75,000, will be used for a roofing project at Anywhere Elementary School. This is a one-time expenditure for a specific purpose, leaving a projected Ending Fund Balance of \$125,000. The projected Ending Fund Balance is 2% of total budgeted revenue and is in addition to the required 3% TABOR Reserve. The Chief Financial Officer and Superintendent believe the use of Beginning Fund Balance, as stated, will not lead to an ongoing deficit.

<b>FUND</b>	<b>BEGINNING FUND BALANCE</b>	<b>AMOUNT TO BE USED</b>	<b>PROJECTED ENDING FUND BALANCE</b>
GENERAL FUND	\$500,000	\$50,000	\$450,000
CAPITAL RESERVE	\$200,000	\$75,000	\$125,000

Submitted by \_\_\_\_\_, District Financial Officer and \_\_\_\_\_,  
Superintendent

Date: \_\_\_\_\_

Dolores School District RE-4A, Dolores, Colorado