

CAPISTRANO UNIFIED SCHOOL DISTRICT
San Juan Capistrano, California

RESOLUTION NO. 2324-12

COMMITTING 2023-2024 ADOPTED BUDGET FUND BALANCES

WHEREAS, school district governing boards are responsible for maintaining the fiscal solvency of the schools they govern; and

WHEREAS, Governmental Accounting Standards Board (GASB) Statement No. 54 established the category of committed fund balance in February 2009 to improve financial reporting by providing fund balance categories that are easy to understand; and

WHEREAS, the State Board of Education revised their criteria and standards for fiscal solvency for budget and interim financial reports in December 2013; and

WHEREAS, the California Department of Education, in its website, urges school districts to commit to maintaining a prudent level of financial resources to protect against the need of reducing services due to revenue shortfalls, unpredictable expenditures, or State 10 percent reserve cap requirement; and

WHEREAS, the Board of Trustees of the Capistrano Unified School District has established committed fund balances in the general fund in conformance with GASB Statement No. 54 and the standards and criteria established by the State Board of Education pursuant to Education Code § 33127; and

WHEREAS, healthy reserves will provide the District with a higher rating from the credit rating agencies and lower interest rates in the event the District needs to obtain a loan; and

WHEREAS, California's tax system relies heavily on income taxes paid by individuals and businesses, which are volatile revenue sources, and maintaining positive cash flow will diminish the need for loan(s) and the incurring associated costs; and

WHEREAS, the District understands the ongoing fluctuations of funds allocated from the State as a result of the change in the enrollment and the economy that can impact instructional curriculums; and

WHEREAS, the District recognizes the potential financial impact of increasing pension employer contribution rates established by CalSTRS and CalPERS each year; and

WHEREAS, the District can perform emergency repairs for facilities as needs arise that may affect school attendance and associated funding; and

WHEREAS, the District has established technology needs as a priority and has implemented a replacement strategy for student technology devices and peripherals; and

WHEREAS, the District is committed to locally restricting fund balances to meet the goals of the district; and

It is hereby determined that the amount of \$20,721,138 is hereby committed from the general fund for the following purposes:

School Site Supply	\$849,691
LCFF Supplemental	\$1,106,874
One Time Monies	\$8,479,784
Gift Account	\$2,262,739
Declining Enrollment Reserve	\$5,000,000
Teacher Development	\$22,050
Deferred Maintenance	\$3,000,000

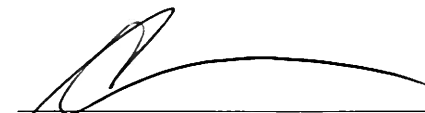
NOW THEREFORE BE IT RESOLVED, that the Capistrano Unified School District supports the 2023-2024 Adopted Budget Committed fund Balances.

PASSED AND ADOPTED by the Board of Trustees of the Capistrano Unified School District on August 16, 2023, by the following vote:

AYES (7)
NOES (0)
ABSTAIN (0)
ABSENT (0)

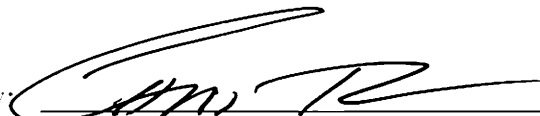
I, Christopher Brown, Secretary of the Capistrano Unified School District Board of Trustees, hereby certify that the above and foregoing Resolution was duly and regularly adopted by the said Board at the meeting on August 16, 2023, by a roll call vote.

By:



Amy Hanacek, Clerk of the Board of Trustees

By:



Christopher Brown, Ed.D.
Secretary of the Board of Trustee