

Tigard-Tualatin School District, 23J
Resolution 1314-14

**RESOLUTION MODIFYING DESIGNATIONS IN BOARD POLICY DBDB "FUND
BALANCE" FOR THE 2014-15 FISCAL YEAR**

WHEREAS, Board Policy DBDB Fund Balance includes specific designations as "best practices" in such a way to ensure an ending fund balance that will provide for sustainability. Fund balances in proposed budgets should be sufficient to:

1. Allow the District to deliver a sustainable level of program throughout recessionary periods; and
2. Protect the District from unnecessary borrowing in order to meet cash-flow needs; and
3. Provide prudent reserves to meet unexpected emergencies and protect against catastrophic events; and
4. Meet the uncertainties of state and federal funding; and
5. Help ensure a district credit rating that would qualify the District for lower interest costs and greater marketability of bonds that may be necessary in the construction and renovation of school facilities

WHEREAS, Board Policy DBDB permits the School Board to authorize deviations from the policy valid only for one year; and

WHEREAS, due to continued effects of the economic downturn and the use of reserves in the recent past, the District proposed a Budget for the 2014-15 fiscal year that does not comply with Board Policy DBDB and the Budget Committee approved the proposed budget. The District was able to increase the unappropriated ending fund balance from \$1 million adopted in the 2013-14 budget to \$4,254,986 or 3.8% of the budgeted current operating revenues. Contingency is budgeted at 2% (\$2,245,014) in accordance with Board Policy DBDB and the Rainy Day Reserve is budgeted at 0%, the same level adopted in 2013-14;

NOW THEREFORE, IT IS HEREBY RESOLVED that Tigard-Tualatin School District #23J hereby modifies the designations in policy DBDB for the 2014-15 fiscal year budget as follows:

- Rainy Day Reserve from five (5%) to zero (0%) percent (\$0)
- Unappropriated Ending Fund Balance from five (5%) to 3.8% percent (\$4,254,986)

Duly adopted this 9th day of June, 2014 at the regular meeting of the Board of Directors of the Tigard-Tualatin School District 23J.



Dana Terhune, Board Chair



Ernie Brown, Clerk of the Board