

**Red Wing Public Schools**  
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**School Board Meeting Agenda Item**

Topic: Establish Fiscal Year 2024 Committed and Assigned Fund Balance  
Presenter(s): Lisa Rider, Director of Finance & Operations

Nature of Action Requested

Board Action   
Board Information or Report

Background Information

Fund Balance Policy 714 revised July 1, 2023 follows GASB Statement No. 54 which allows for the highest decision-making authority of a government, our Board of Education, to commit fund balance for a specific purpose by taking action prior to year end while amounts can be determined in a subsequent period. Commitments would be calculated as follows:

**Carryover Funds:** Calculated through the audit process such as student activity and admin activity accounts, including multi-year grants/donations intended for a specific and particular purpose

**Facility Rental Funds:** Calculated through the audit process to allow planning and purpose for unused revenue generated through the facility rental process.

**Community Education Unspent Grant and Donated funds specified for a particular purpose:** Calculated through the audit process to allow for future use of community related grants and donated funds where completion expands over multiple years.

The same Fund Balance Policy 714 states the school board, by majority vote, may assign fund balances to be used for specific purposes when appropriate. An appropriation of an existing fund balance to eliminate the projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues satisfies the criteria to be classified as an assignment of fund balance. The exact amount of the assignment will be determined at the time of fund balance calculations for June 30, 2024 year end.

## Recommendation

That the Board of Education approves the commitment of fund balance for Fiscal Year 2024 to include fund balance resulting from carryover funds, facility rental funds, and unspent grant funds allowed to carry forward; and to assign fund balance to eliminate the projected budgetary deficit in FY25 unassigned fund balance and no greater than the projected budgetary deficit.