



Raymond School District

Undesignated Fund Balance
Warrant Article #6



Undesignated Fund Balance Warrant Article #6

Shall the School District vote to raise and appropriate up to \$50,000 (Fifty Thousand Dollars) to be placed in the existing Equipment, Facilities Maintenance, and Replacement Capital Reserve Fund (established in 2006), with such amount to be funded from the year-end undesignated fund balance available on July 1?

(Recommended by the School Board: Yes – 5; No – 0)

(Recommended by the Budget Committee: Yes – 5; No – 1)



Rationale for Warrant Article

- School Board and CIP Committee have recognized that School District Capital Reserve Funds are under funded
- CIP Committee recommended increasing amount of Capital Reserve Funds Warrant Article by 10% to increase District savings for future CIP projects



Rationale for Warrant Article (Cont.)

- This Warrant Article would allow for the transfer of up to \$50,000 out of the 2017-2018 year-end undesignated fund balance (surplus) into the Equipment, Facilities Maintenance, and Replacement Capital Reserve Fund
- The amount of the transfer would increase District savings for future CIP projects



Rationale for Warrant Article (Cont.)

- The maximum amount that could be transferred into the Capital Reserve Fund is \$50,000
- The transferred amount would reduce the fund balance (surplus) returned to Taxpayers
- If there is no surplus at the end of the 2017-2018 school year, there would be no transfer of funds

Rationale for Warrant Article (Cont.)

- If \$50,000 were transferred out of the Surplus, the Surplus returned to Taxpayers would be reduced by approximately \$0.054 per \$1,000
- The resulting balance in the Equipment, Facilities Maintenance, and Replacement Capital Reserve Fund would be higher by the amount of the transfer but would still remain under funded