

Use of Beginning Fund Balance Resolution

RESOLUTION NUMBER 24-28

A Resolution of the Board of Education of the Lake County School District R-1
Authorizing the Use of a Portion of
Beginning Fund Balance as Authorized by Colorado Statutes

WHEREAS, C.R.S. 22-44-105 states that a budget, duly adopted pursuant to this article, shall not provide for expenditures, inter-fund transfers, or reserves, in excess of available revenues and beginning fund balance.

WHEREAS, the Board of Education may authorize the use of a portion of the beginning fund balance in the budget, stating the amount to be used, the purpose for which the expenditure is needed, and the district's plan to ensure that the use of the beginning fund balance will not lead to an ongoing deficit.

NOW, THEREFORE, BE IT RESOLVED:

In accordance with C.R.S. 22-44-105, the Board of Education authorizes the use of a portion of the fiscal year 2023-2024 Beginning Fund Balance for the following funds:

* GENERAL FUND 10, in the amount \$728,581

Purpose: The General Fund 10 beginning fund balance request represents the sum of (a) \$362,581 approved by the Board of Education on January 29, 2024 and (b) an additional \$366,000 to fund potential health insurance claims assessed to the district for the FY24 school year for our self-insurance pool.

* GENERAL FUND 64, in the amount \$98,958 to spend down beginning fund balance.

Purpose: The Health Insurance Fund 64 beginning fund balance request is to fund potential health insurance claims assessed to the district for the FY24 school year for our self-insurance pool.

BE IT FURTHER RESOLVED, the use of this portion of the beginning fund balance for the purposes set forth above will not lead to ongoing deficit by implementing the following plan:

\$367,523 of additional General Fund 10 dollars will be allocated to the Health Insurance Fund 64 as part of the FY25 Original Budget. These funds will be held in the General Fund for a transfer to Fund 64 and used as needed to cover any additional health insurance needs.



John Baker, PRESIDENT OF THE BOARD

6/17/24
DATE



Miriam Lozano, SECRETARY OF THE BOARD

June 17, 2024
DATE

RESOLUTION NUMBER 24-26

A Resolution of the Board of Education of the Lake County School District R-1
To Define the Scope of the Use of Beginning Fund Balance Resolution (No. 24-28) for Fund 64

WHEREAS, the Board of Education was not notified until April 22nd, 2024 of an increase in the minimum aggregate stop-loss limit from \$1,000,000 for FY23 to over \$1,489,242.19 for FY24 as executed by the district on June 20th, 2023.

WHEREAS, the Final FY24 Budget approved by the Board of Education on January 29th, 2024 included budgeted deficit spending in the Health Insurance Fund that was not disclosed to the Board of Education at the time.

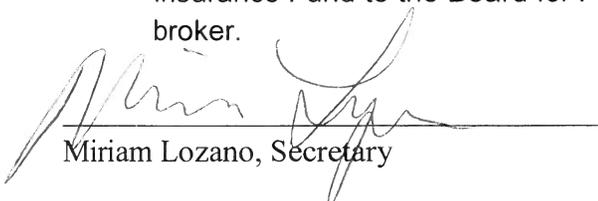
WHEREAS, in Resolution Number 24-19, the prior Use of Beginning Fund Balance Resolution for Fund 64, approved by the board on March 4th, 2024, as prepared by the district, cited that "our actuals at the moment are not tracking to run a deficit," and authorized only \$8,158 of deficit spending.

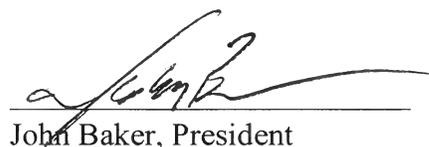
WHEREAS, by the date of this resolution, the district may have already deficit spent in the Health Insurance Fund in excess of the \$8,158 authorized by the Board of Education.

WHEREAS, the Board of Education has not approved nor does the Board of Education otherwise condone this potential unauthorized deficit spending.

NOW, THEREFORE, BE IT RESOLVED THAT:

- In Resolution 24-28, the Board of Education's intention is to ensure that the district is able to continue operations in compliance with CRS 22-44-105(1.5)(c).
- In Resolution 24-28, the Board of Education's intention is to authorize additional deficit spending on or after the date of passage. It is not the Board's intention to authorize deficit spending that may have occurred prior to the date of passage, however the Board recognizes that such spending, if it occurred, was made for legitimate expenditures which will not be reversed.
- This Resolution will be attached to Resolution 24-28.
- The Board of Education directs the district to provide monthly, reports on the Health Insurance Fund to the Board for FY25, or as is available from the Health Insurance broker.


Miriam Lozano, Secretary


John Baker, President

Dated: June 17, 2024