

NOVATO UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 18-2015/2016

OPEN FUND 17: SPECIAL RESERVE FUND FOR OTHER THAN CAPITAL OUTLAY PROJECTS

WHEREAS, The Novato Unified School District Board of Trustees has become increasingly aware of the District's need to set aside funds for future increases to the District's employer- paid contributions to the State Teachers Retirement System (STRS) and Public Employees Retirement System (PERS); and

WHEREAS, The California School Accounting Manual (CSAM) establishes Special Reserve Funds to be used for the proceeds of revenue set-asides that are deemed by the Board of Trustees as restricted or committed to expenditure for specified purposes; and

WHEREAS, The CSAM establishes Fund 17: Special Reserve Funds for Other Than Capital Outlay Projects to be used primarily to provide for the accumulation of general fund moneys for general operating purposes other than for capital outlay (Education Code Section 42840). Amounts from this special reserve fund must first be transferred into the general fund or other appropriate fund before expenditures may be made (Education Code Section 42842). Although this fund is authorized by statute, it does not meet the GAAP definition of a special revenue fund; it functions effectively as an extension of the general fund. For presentation in the audited financial statements, this fund may either be combined with the general fund or be reported separately and the departure from GAAP explained; and

WHEREAS, it is thereby desirable that the Novato Unified School District open and establish Fund 17: Special Reserve Fund for Other than Capital Outlay Projects for the specified purpose of setting aside District general fund dollars to reserve against future increases to STRS and PERS District paid employer contributions;

THEREFORE, BE IT RESOLVED that the Governing Board of the Novato Unified School District hereby authorizes the Marin County Auditor Controller's Office to open Fund 17: Special Reserve Fund for Other than Capital Outlay Projects.

PASSED AND ADOPTED this 14th day of June 2016, by the following vote to wit:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

State of California,
County of Marin

I, _____, Secretary/Clerk of the Novato Unified School District Board of Trustees, do hereby certify that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Trustees at a regularly called and conducted meeting held on said date.

Secretary/Clerk of Board of Trustees