

Subject Fund Transfer; Burnsville-Eagan-Savage School District

Authors Hanson, J. and others

Analyst Tim Strom

Date March 1, 2022

Overview

School districts are required to adopt and use a uniform system of records and accounting. The adopted system, a modified accrual accounting system, is known as Uniform Financial Accounting and Reporting System (UFARS). Under UFARS every district must maintain a number of operating funds (e.g., general fund, food service, community service) and nonoperating funds (e.g., building construction, debt service, trust, and agency). UFARS, statutory reserves, and the Minnesota's public indebtedness statutes prohibit certain types of fund transfers among funds and from certain reserved accounts.

Independent School District No. 191, Burnsville-Eagan-Savage, has determined that it has excess school facility space and the school board has developed a plan to right-size its facilities.

H.F. 2117 authorizes the Burnsville-Eagan-Savage school district to proceed with its facilities plan and allows the district to redirect funds received from lease payments of the underutilized school facilities and from the sale of certain school properties to its unreserved general fund. Requires that after the sale of a facility, before the district transfers money to the general fund, that the district first deposits an amount in the debt redemption fund sufficient to satisfy any outstanding principal and interest on bonds ascribed to that facility.

Summary

Section	Description
---------	-------------

- | | |
|----------|---|
| 1 | Fund transfer; Burnsville-Eagan-Savage school district.
Authorizes Independent School District No. 191, Burnsville-Eagan-Savage, to transfer the net proceeds from building lease payments, and the net proceeds from the sale of a facility, after bond obligations for that facility have been satisfied (or a sufficient |
|----------|---|

Section	Description
---------	-------------

	amount to cover future bond payments has been deposited in the debt redemption fund), to the unreserved general fund.
--	---



Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn/hrd | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155