



Legislation Details (With Text)

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Title:	A RESOLUTION TO ESTABLISH GUIDELINES FOR FUND BALANCE CLASSIFICATION OF GOVERNMENTAL FUNDS OF THE CITY OF JONESBORO, ARKANSAS, IN ACCORDANCE WITH GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENT NO. 54				
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4/27/2010	2	Finance & Administration Council Committee	Postponed Indefinitely	Pass

A RESOLUTION TO ESTABLISH GUIDELINES FOR FUND BALANCE CLASSIFICATION OF GOVERNMENTAL FUNDS OF THE CITY OF JONESBORO, ARKANSAS, IN ACCORDANCE WITH GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENT NO. 54

WHEREAS, the Governmental Accounting Standards Board on March 11, 2009 did issue Statement No. 54, to provide guidance to governments in the classification of fund balances. Said Statement being issued for the purpose of providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. And,

WHEREAS, the City Council finds it in the best interest of the City to establish fund classifications in conformance with GASB No. 54, which classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds as follows:

1. Nonspendable fund balances are legally or contractually required to be maintained intact.
2. Restricted fund balances include amounts that can be spent only for the specific purposes imposed externally by creditors, grantors, contributors, or laws or regulations of other government entities.
3. Committed fund balances include amounts whose use is constrained by limitations that City government imposes upon itself. Committed fund balances should be used only for the specific purposes determined by a formal action of the City governments highest level of decision-making authority.
4. Assigned fund balances are intended to be used by City government for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned fund balances can be established by an official delegated by the City governments highest level of decision-making authority.
5. Unassigned fund balances are the residual classification for City governments general fund and include all spendable amounts not contained in the other classifications.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1: The requirements of GASB No. 54 are hereby recognized, and shall be effective for the City's financial statements for the fiscal period ending December 31, 2011.