

DENALI BOROUGH, ALASKA

RESOLUTION NO. 11-15

A RESOLUTION OF THE ASSEMBLY OF THE DENALI BOROUGH TO ESTABLISH FUND BALANCE AND SPENDING PRIORITIZATION POLICIES AS REQUIRED BY GASB 54

WHEREAS, the Government Account Standards Board (GASB) has adopted Statement Number 54, a new standard for governmental fund balance reporting and governmental fund type definitions that is effective in fiscal year 2011; and

WHEREAS, the Denali Borough wishes to comply with GASB 54 requirements, and to apply such requirements to its financial statements beginning with the fiscal year 2011,

NOW THEREFORE BE IT RESOLVED that the Denali Borough Assembly hereby adopts the following policy to provide guidelines relative to classifying fund balance and setting spending prioritization in accordance with GASB 54:

Fund Balance Classification:

Nonspendable Fund Balance: The amounts of fund balance that cannot be spent because they are either (a) not in spendable form, such as consumable inventories or prepaid items, or (b) required to be maintained intact legally or contractually.

Restricted Fund Balance: The amounts of fund balance constrained for specific purpose by external parties, such as contractors, or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance: The amounts of fund balance constrained for specific purposes imposed by formal action of the Borough Assembly. Commitments may only be changed by the assembly taking the same formal action that imposed the constraint originally. Commitments of fund balance must be in place before the end of the fiscal year.

Assigned Fund Balance: The amounts of fund balance constrained for a specific purpose by the Borough Assembly, such as departmental budgets. These amounts are not restricted or committed, and are intended to be used for the purpose of the fund. An assigned fund balance can never be negative.

Unassigned Fund Balance: The residual classification of fund balance that represents amounts not assigned to other funds, and not restricted, committed, or assigned to specific purposes within the general fund.

Spending Prioritization:

The Borough's spending policy is to spend restricted fund balance first, followed by committed, assigned, and unassigned fund balance.

PASSED and APPROVED by the DENALI BOROUGH ASSEMBLY this 8TH day of JUNE, 2011.


Mayor David M Talerico

ATTEST: 
Gail Pieknik, Borough Clerk



AYES: HOLMES, ASBURY, WALKER, WINKLMANN, BULARD, EVANS and LAUSEN
NOES: KOHLSDORF
ABSENT: COOPER