

**RESOLUTION NO. 11-R-5**  
**FUND BALANCE REPORTING**

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WHEREAS, the Governmental Accounting Standards Board (GASB) released Statement 54 – “Fund Balance Reporting and Governmental Fund Type Definitions” on March 11, 2009 which is effective for the fiscal year ending June 30, 2011; and

WHEREAS, this new Statement is intended to improve the usefulness of the amount reported in fund balance by providing a more structured classification; and

WHEREAS, this Statement applies to fund balances reported in the General Fund, Special Revenue Fund, Debt Service Fund, Capital Projects Fund and Permanent Fund but does not apply to Enterprise Funds, Internal Service Funds, or extremely restricted reserves; and

WHEREAS, the certified public accountants for the Pleasantview Fire Protection District have recommended the adoption of a resolution confirming the District’s compliance with this Statement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Pleasantview Fire Protection District, an Illinois municipal corporation, Cook and DuPage Counties, Illinois, that the following fund balance policy is hereby adopted in the following hierarchy of GASB 54 classifications:

- Non-spendable Fund balance includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g, inventory, pre-paid items, permanent scholarships).
- Restricted Fund Balance includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds).
- Committed Fund Balance includes amounts constrained for a specific purpose by a government using its highest level of decision making authority (e.g. Major Maintenance, Capital Replacement Reserve, Land, Hail Reserve, and Campus Activity Funds).
- Assigned Fund Balance includes general fund amounts constrained for a specific purpose by a governing board or by an official that has been delegated authority to assign amounts.
- Unassigned Fund Balance is the residual classification for the general fund.

FURTHER RESOLVED, that in the notes to financial statements about amounts reported in fund balances prepared by or on behalf of the Pleasantview Fire Protection District, the following shall be disclosed:

- Description of authority and actions that lead to committed or assigned fund balance.
- District's policy regarding order in which restricted, committed, assigned, and unassigned amounts are spent (contained in this Resolution).
- Description of formally adopted minimum fund balance policies (contained in this Resolution)
- The purpose of each major special revenue fund.
- Encumbrances, if significant.

FURTHER RESOLVED, in circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, within the Special Reserve Funds, the order in which resources will be expended is as follows:

- Assigned Fund Balance;
- Committed Fund Balance; and
- Restricted Fund Balance.

FURTHER RESOLVED, that the Chief is authorized to assign fund balances for a specific purpose as provided for in this Resolution

PASSED and APPROVED by the President and Board of Trustees of the Pleasantview Fire Protection District, Cook and DuPage Counties, Illinois, this 9th day of August, 2011.

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 President, of the Board of Trustees of the Pleasantview Fire Protection District, an Illinois municipal corporation, Cook and DuPage Counties, Illinois

ATTEST:

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 James F. Gay, Secretary of the Board of Trustees of the Pleasantview Fire Protection District, an Illinois municipal corporation, Cook and DuPage Counties, Illinois