

FINANCE COMMITTEE

12-0184R

RESOLUTION COMMITTING SPECIFIC REVENUE SOURCES AND  
ASSIGNING GENERAL FUND BALANCES FOR THE YEAR ENDED  
DECEMBER 31, 2011

CITY PROPOSAL:

WHEREAS, the Governmental Accounting Standards Board has recently issued a new accounting standard Statement #54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

WHEREAS, one of the new requirements under Statement #54 is that amounts previously reported as fund balance designations and reserves should be reclassified into new fund balance categories created by this new pronouncement and formal action be taken to memorialize revenues committed for specific purposes.

WHEREAS, the City has previously reported the following fund balance reserves in the General Fund:

D.A.R.E. Program - Crime Prevention and youth related community policing efforts.

Police Training Services - Revolving fund for career fairs and other police training opportunities.

Fire Safety Education - Revolving fund for community fire safety education and child passenger safety.

WHEREAS, as of December 31, 2011 the year end balances in these accounts were as follows:

D.A.R.E. - \$18,319.53

Police Training Services - \$4,867.77

Fire Safety Education - \$2,166.00

WHEREAS, the administration recommends these balances be carried forward to 2012 as assigned fund balance for the purposes described above.

WHEREAS, the administration also recommends that future specific revenues for the programs identified below be committed as follows:

Program	Specific Revenue Source	Committed For
D.A.R.E.	D.A.R.E. police salary reimbursements	Crime prevention and youth community policing
Police Training Services	Police law enforcement training center reimbursements and donations	Revolving fund for police career fairs, citizens police academy, and law enforcement training center activities
Fire Safety Education	Fire safety donations	Revolving fund for community fire safety education and child passenger safety activities

THEREFORE, Be It Resolved by the Duluth City Council that the December 31, 2011 balances for the programs identified above are General Fund assigned fund balances and carried forward to 2012. Further Resolved, the specific revenue sources identified above are committed for the purposes described above in the General Fund.

Approved:

  
 Department Director

Approved for presentation to council:

  
 Chief Administrative Officer

Approved as to form:

  
 Attorney

Approved:

  
 Auditor

FINANCE      WE/rb      04/02/2012

STATEMENT OF PURPOSE: This resolution satisfies the GASB #54 requirement for committing funds for purposes of accounting and reporting funds previously reported as fund balance reserves in the General Fund as assigned fund balances. Historically the D.A.R.E., Police Training Services and Fire Safety Education programs were revolving funds. Any used funds were automatically rolled over into the next year's budget. GASB #54 now requires that revenues committed for a specific purpose be approved by the Council.