

**RESOLUTION TO ESTABLISH FUND BALANCE POLICIES**  
**AS REQUIRED BY GASB 54**  
**#01-2019**

At a regular meeting of the Central Sierra Regional Occupational Program Joint Powers Authority (JPA) Board of Trustees held on June 6, 2019, on a motion made by Superintendent \_\_\_\_\_ and seconded by Superintendent \_\_\_\_\_, the Board adopts the following resolution:

**WHEREAS**, the Governmental Accounting Standards Board (GASB) has adopted Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, that is effective in fiscal year 2019-2020, and

**WHEREAS**, the Central Sierra Regional Occupational Program Joint Powers Authority wishes to comply with GASB 54 as required for fiscal year July 1, 2019– June 30, 2020;

**NOW THEREFORE BE IT RESOLVED** that the Board of Trustees hereby adopts the following policy:

***FUND BALANCE POLICY***

Fund balance measures the net financial resources available to finance expenditures of future periods. The JPA's Unassigned General Fund Balance will be maintained to provide the JPA with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The Unassigned General Fund Balance may only be appropriated by resolution of the Board of Trustees.

Fund Balance of the JPA may be committed for a specific source by formal action of the Board of Trustees. Amendments or modification to the committed fund balance must also be approved by formal action of the Board of Trustees. Committed fund balance does not lapse at year-end. The formal action required to commit fund balance shall be by board resolution or majority vote.

The Board of Trustees delegates authority to assign fund balance for a specific purpose to the JPA Chief Fiscal Officers Committee.

For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first and then unrestricted. Expenditures incurred in the unrestricted fund balances shall be reduced first from the committed fund balance, then from the assigned fund balance and lastly, the unassigned fund balance.

The Board of Trustees recognizes that good fiscal management comprises the foundational support of the entire JPA. To make that support as effective as possible, the Board intends to maintain a minimum fund balance of 4% of the JPA's general fund annual operating expenditures. If a fund balance drops below 4%, it shall be recovered at a rate of 1% minimally, each year.

This policy should be revisited each year for review.

The above Resolution is adopted this June 6, 2019.

Ayes:

Nays:

Abstain:

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Dr. Ed Manansala, County Superintendent of Schools  
El Dorado County Office of Education