



RESOLUTION FOR COMMITTED FUND BALANCE

WHEREAS, the Government Standards Accounting Board (GASB) has issued Statement No. 54 establishing a hierarchy clarifying the constraints that govern how a government entity can use amounts reported as fund balance; AND

WHEREAS, the Board of Commissioners is the highest level of decision-making authority, and has the authority to commit, assign, or evaluate existing fund balance classifications and identify the intended uses of committed or assigned funds; AND

WHEREAS, the committed fund balance classification reflects amounts subject to internal constraints self-imposed by the Board of Commissioners; AND

WHEREAS, once the committed fund balance constraints are imposed, it requires the constraint to be removed by the Board of Commissioners prior to redirecting the funds for other purposes; AND

WHEREAS, the Board of Commissioners has determined it will commit \$80,000 of fund balance from General Fund for the year ending June 30, 2016 for the purpose of funding the employee and retiree health insurance expenditures.

NOW, THEREFORE, be it resolved, that the Board of Commissioners of the Town of Nags Head, in accordance with the provisions of GASB 54 hereby commits \$80,000 General Fund Balance for future health insurance expenditures within that, as indicated by the Committed Fund classification, cannot be used for any purpose other than directed above, unless the Board of Commissioners adopts another resolution to remove or change the constraint.

ADOPTED this the 15th day of June 2016.

A handwritten signature in black ink, appearing to read "Robert C. Edwards".

Robert C. Edwards, Mayor
Town of Nags Head

ATTEST:

A handwritten signature in black ink, appearing to read "Carolyn F. Morris".
Carolyn F. Morris, Town Clerk