



**RESOLUTION FOR COMMITTED FUND BALANCE  
Amendment #2**

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.

WHEREAS, the Board of Commissioners has determined it will commit \$40,000 of fund balance from General Fund for the year ending June 30, 2018 for the purpose of funding the employee and retiree health insurance expenditures.

NOW, THEREFORE, be it resolved that the Board of Commissioners hereby amends Resolution Number 16-06-008 for committed fund balance by using \$40,000 for the fiscal year ending June 30, 2019, 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 removes the constraint and commits \$0 of the General Fund Balance for future health insurance expenditures.

AMENDED and ADOPTED this the 20<sup>th</sup> day of June 2018.

Benjamin Cahoon, Mayor  
Town of Nags Head



ATTEST:

Carolyn F. Morris, Town Clerk