

## **ERA INDEPENDENT SCHOOL DISTRICT**

### **Resolution of the Era Independent School District Board of Trustees Establishing Fund Balance Policies as Required by GASB 54**

**WHEREAS**, the Governmental Accounting Standards Board (“GASB”) has adopted Statement 54 (“GASB 54”), a new standard for governmental fund balance reporting and governmental fund type definitions that became effective in governmental fiscal years starting after June 15, 2010, and

**WHEREAS**, Era Independent School District (EISD) elects to implement GASB 54 requirements, and to apply such requirements to its financial statements beginning with the current fiscal year (July 1, 2022 through June 30, 2023); and

**NOW THEREFORE BE IT RESOLVED THAT** Era Independent School District hereby adopts the following policy:

#### **FUND BALANCE POLICY**

Fund balance measures the net financial resources available to finance expenditures of future periods.

The District’s Unassigned General Fund Balance will be maintained to provide the District 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 formal action of the Board of Trustees.

Fund Balance of the District may be committed for a specific source by formal action of the EISB Board of Trustees. Amendments or modifications of the committed fund balance must also be approved by formal action of the Board of Trustees.

When it is appropriate for fund balance to be assigned, the Board delegates authority to the Superintendent or Superintendent’s designee.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classification, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

**NOW THEREFORE BE IT RESOLVED** that EISD Board of Trustees commits the following portions of its July 1, 2022, General Fund Balance of \$3,447,610, as follows:

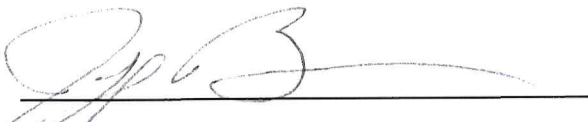
\$250,000 previously committed for Capital Expenditures for Equipment is being re-designated and committed toward Construction and the ag shop renovation, high school bathroom remodel, and elementary awning project.


\$250,000 previously committed for Construction is being designated and committed toward the ag shop renovation, high school bathroom remodel, and elementary awning project.

\$100,000 from Unassigned Fund Balance is being designated and committed toward the ag shop renovation, high school bathroom remodel, and elementary awning project.

**BE IT RESOLVED** that EISD Board of Trustees shall move the funds designated and committed above for the ag shop renovation, high school bathroom remodel, and elementary awning project to a separate capital project fund.

The above Resolution is adopted this 13<sup>th</sup> day of June, 2023.

  
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Board President

  
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Board Secretary Vice President