

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
GARDEN GROVE TO IMPLEMENT THE REQUIREMENTS OF
GOVERNMENTAL ACCOUNTING STANDARDS BOARD
STATEMENT NO. 54 FUND BALANCE CLASSIFICATIONS,
AND DELEGATION OF AUTHORITY

WHEREAS, the Government Accounting Standards Board (GASB) issued GASB Statement No. 54 that prescribed specific conventions on how fund balances are defined, tracked and reported; and

WHEREAS, GASB Statement No. 54 recommends that City Council retain authority to commit fund balances to specific uses, but allows for designation of authority to staff to assign fund balances with Council approved fund budgets; and

WHEREAS, City Council in Fiscal Year 2006/07 and Fiscal Year 2007/08 approved annual budgets that included the setting aside of \$500 thousand in each fiscal year for other post employee benefits liabilities (GASB Statement No. 45); and

WHEREAS, staff consistent with City Council intent and actions has set aside the funds totaling \$1 million for said purpose in fund balance; and

WHEREAS, City Council action is required to properly classify the Post Employment health liability as a committed fund balance;

NOW, THEREFORE, BE IT RESOLVED that the City Council intended and hereby sets aside the accumulated \$1 million specifically for post employment retiree medical liability consistent with the requirements of GASB Statement No. 54.

NOW, BE IT FURTHER RESOLVED that the City of Garden Grove City Council delegates authority to the City Manager to assign fund balances as appropriate within the City Council approved fund budget.