

RESOLUTION #R-_____

**A RESOLUTION AUTHORIZING THE CITY MANAGER OR HIS
DESIGNEE TO DESIGNATE THE ASSIGNED PORTION OF ALL
GOVERNMENTAL FUND BALANCES FOR THE CITY FINANCIAL
STATEMENTS FOR 2010 AND SUBSEQUENT YEARS**

WHEREAS, the City's financial statements, including its Consolidated Annual Financial Report ("CAFR"), are structured and prepared in accordance with standards of accounting and financial reporting for U.S. state and local governments established by the Governmental Accounting Standards Board ("GASB"); and

WHEREAS, in February, 2009, GASB issued Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("Statement 54"), which must be implemented by governmental entities for financial statements issued for fiscal years ending after June 30, 2011; and

WHEREAS, the City is prepared to implement compliance with Statement 54 early, with its 2010 financial statements; and

WHEREAS, the City's financial statements, including CAFR, reflect three general categories of "funds" in accordance with GASB standards (collectively, the "Reported Funds"); the Reported Funds include "Governmental Funds" (accounting for activities supported by taxes, grants, and similar governmental resources), "Proprietary Funds" (accounting for business type activities, such as enterprises and internal service activities), and "Agency Funds" (accounting for funds held by the City as a fiduciary subject to restrictions on use).

WHEREAS, Statement 54 changes the required method for reporting the fund balance within each of the Reported Funds from two general categories of funds designated as "reserved" and "unreserved", to an allocation of each Reported Fund balance among five (or fewer, as appropriate) components, including "Nonspendable fund balance", "Restricted fund balance", "Committed fund balance", "Assigned fund balance" and "Unassigned fund balance" (collectively, the "Fund Components"); and

WHEREAS, "Assigned fund balance" is defined by Statement 54 as that portion of each of the City's Reported Funds that reflects the City's *intended* use of such resources, as determined by the City Council or the governmental official to whom such authority is delegated; and

WHEREAS, Council desires to grant the City Manager, or the City Manager's Designee, authority to designate the Assigned fund balance for each Governmental Fund based on the intended use of such resources;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF LOVELAND, COLORADO:**

Section 1. That the City Manager is hereby authorized to designate the Assigned fund balance for each Governmental Fund based on the intended use of such resources for 2010 and subsequent years.

Section 2. That the City Manager is hereby authorized to delegate the foregoing authority to an appropriate City employee reporting to the City Manager (the “City Manager’s Designee”).

Section 3. That this Resolution shall be effective as of the date and time of its adoption.

ADOPTED this 21st day of September, 2010.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk