

RESOLUTION TO DESIGNATE INTEREST INCOME ALLOCATED TO VARIOUS SPECIAL REVENUE FUNDS AS COMMITTED RESOURCES TO BE USED FOR THE SPECIFIED PURPOSES OF SUCH FUNDS.

WHEREAS, the City of Sparks is a local government and as such follows the standards set by the Governmental Accounting Standards Board for accounting and financial reporting, and

WHEREAS, Governmental Accounting Standards Board (GASB) Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, states that special revenue funds must have a specific revenue source or sources, and the majority of funds reported in any special revenue fund should be reported as restricted or committed, and

WHEREAS, GASB Statement number 54, requires that amounts used pursuant to constraints imposed by formal action of the government’s highest level of decision making authority should be reported as committed fund balance, and

WHEREAS, these committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts, and

WHEREAS, the City of Sparks Financial Services Department allocates interest income to city funds according to the amount of investments held in the various funds and the interest earned from the City’s investments, and

WHEREAS, Council action to commit interest income for the purpose of the Special Revenue Fund to which it is allocated will be sufficient to meet the reporting requirements of the Governmental Accounting Standards Board.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sparks that interest income allocated to Special Revenue funds shall be considered as a committed specific revenue resource that may only be used for the purposes established by the fund, and

PASSED AND ADOPTED on this _____ day of _____, 2014 by the following vote of the City Council.

AYES _____
NAYS _____
ABSENT _____
ABSTAIN _____

APPROVED this _____ day of _____, 2014.

Geno R. Martini
Mayor

ATTEST:

APPROVED AS TO FORM AND LEGALITY:

By _____
Teresa Gardner
City Clerk

By _____
Chester Adams
City Attorney