

UNIFIED FIRE AUTHORITY BOARD POLICY MANUAL	
Chapter 4 <i>Finance Policies</i>	Section 8 <i>Fund Balance Reporting</i>

Relevant Information: The UFA maintains an appropriate fund balance for a public entity and classifies and reports the fund balance in accordance with GASB Statement 54.

Policy Statement: It is the policy of the Board that the Fire Chief or designee will require all fund balance classifications to conform to the budget and Board designations. The fund balance will consist of the following components: Nonspendable, Restricted, Committed, Assigned, and Unassigned. In accordance with Utah Code 10-6-116(4), UFA will retain a minimum general fund balance of 5% of the current fiscal year’s total budgeted revenues (less beginning appropriated fund balances). In accordance with Utah Code 10-6-116(2), UFA’s unrestricted fund balance will not exceed 25% of the current year’s total budgeted General Fund revenue (less beginning appropriated fund balances). The Board or the Finance Committee will designate fund balance as assigned or committed by passing motion during a public meeting stating the nature of the assignment or commitment and the amount to be assigned. In order to reclassify funds from assigned or committed fund balance, the Board or Finance Committee must pass a motion during a public meeting stating the nature of the original assignment or committed and the amount to be reclassified to another fund balance component.

The Board establishes a goal to maintain a fund balance equal to no less than 8.5 percent of any adopted budget, but this goal is only a target and it may be changed at the Board’s absolute discretion during its adoption of any annual budget or amendment thereto so long as it is in compliance with state law.