

Explanation of Fund Balance

Governmental funds report the difference between their assets and liabilities as fund balance. In February 2009, The Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This latest GASB standard will not affect the calculation of fund balance, but will fundamentally alter the various components used to report it. Fund balance will now be divided as follows:

1. Non-spendable
2. Restricted
3. Committed
4. Assigned
5. Unassigned

Non-spendable funds are not in a spendable form or must be maintained intact. Examples of these are inventories, prepaid expenses, and loans to various agencies.

Restricted funds can only be used for the specific purposes as stipulated by (1) external creditors, grantors, or laws of other governments (2) constitutionally, or through enabling legislation.

Committed funds are those constrained by limitations that the government imposes on itself at the highest level of decision-making authority. Commitments may be changed or lifted only by the same formal action that imposed the original constraint.

Assigned funds are intended to be used by the government for a specific purpose. This intention can be expressed by the governing body, an official, or a body to which the governing body delegates the authority.

Unassigned funds are technically available for any purpose. Carroll's consists of anticipated current year unassigned funds.

Governments were required to implement GASB Statement No. 54 starting with the fiscal period that ended June 30, 2011.

Schedule of Changes in Fund Balance General Fund

	Actual for 6/30/14 Audited - CAFR	Projected for 6/30/15 as of 4/17/15	Projected for 6/30/16
<u>Beginning Fund Balance</u>	\$104,887,508	\$104,044,469	\$93,456,964
Revenues	360,281,622	353,976,690	369,016,570
Expenditures	(365,335,005)	(364,564,195)	(379,212,320)
GO Bond proceeds, premium, and redemption	735,000	0	
Non-Cash Notes	3,475,344	0	
Projected Ending Fund Balance	\$104,044,469	\$93,456,964	\$83,261,214
<u>Nonspendable</u>			
Inventory	1,196,709	1,196,709	1,200,000
Prepaid expenses	253,110	211,074	150,000
Loans for Economic Development	5,755,293	5,786,269	6,000,000
Loans to Volunteer Fire Companies	11,677,896	12,077,088	13,000,000
Loans to Municipalities	141,695	141,695	140,000
Advances to Industrial Development Authority	1,141,907	1,141,907	1,141,908
Due from other governmental funds	9,042,550	7,357,775	8,600,000
Total Nonspendable	29,209,160	27,912,517	30,231,908
<u>Restricted</u>			
Agricultural Preservation Payables	24,572,853	26,812,222	26,812,222
Weed Control future truck equipment purchase	91,089	115,414	120,000
Loans collectible within one year	1,388,494		
Impact Fees	0		
Total Restricted	26,052,436	26,927,636	26,932,222
<u>Committed</u>			
Stabilization Fund	18,425,000	18,425,000	18,425,000
Fire Company loan - Mt Airy bond money	0	0	0
Medical Claims Reserve	1,400,000	1,400,000	1,400,000
Total Committed	19,825,000	19,825,000	19,825,000
<u>Assigned</u>			
Appropriation of Prior Year Unassigned Fund Balance	20,533,868	15,770,635	3,524,786
Agricultural Preservation Payables	0	0	0
Encumbrances	1,501,832	1,501,200	1,500,000
Total Assigned	22,035,700	17,271,835	5,024,786
<u>Unassigned</u>			
Unassigned	6,922,173	1,519,976	1,247,298
Total Unassigned	6,922,173	1,519,976	1,247,298
<u>Summary</u>			
Ending Fund Balance	104,044,469	93,456,964	83,261,214
Less: Nonspendable	(29,209,160)	(27,912,517)	(30,231,908)
Less: Restricted	(26,052,436)	(26,927,636)	(26,932,222)
Less: Committed	(19,825,000)	(19,825,000)	(19,825,000)
Less: Assigned	(22,035,700)	(17,271,835)	(5,024,786)
Current Year Unassigned	\$6,922,172	\$1,519,976	\$1,247,298

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