GASB 34

Trust Fund

Reclassification
Significance of GASB 34

- **Assets:**
  - Capitalization of infrastructures
  - Depreciation calculation
  - Elimination of fixed asset account group

- **Fund Accounting**
  - Trust Fund Reclassification
    - Revenue recognition (GASB 33)
    - Definitions of fund types
    - New fund types

- **Financial Statement Reporting**
Fund Classifications

- Governmental Funds
- Proprietary Funds
- Fiduciary Funds
Governmental Funds

- Account for tax supported activities
Governmental Fund Types

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Debt Service Funds
- Permanent Funds
Governmental Fund Classification

- **Start**
  - From Fiduciary Fund
  - To Proprietary Fund

- **Is the fund used to account for governmental (tax supported) activities?**
  - YES
  - NO

- **Is fund used to account for acquisition or construction of major capital facilities?**
  - YES
  - NO

- **Is there a legal requirement to use a capital project fund?**
  - YES
  - NO

- **Does County management prefer using a capital project fund?**
  - YES (REQUIRED)
  - NO

- **FUND TYPE = CAPITAL PROJECT (CPF)**

- **Is fund used for the payment of general long-term debt (principal & interest accumulation)?**
  - YES
  - NO

- **Is there a legal mandate to use a debt service fund?**
  - YES
  - NO

- **Does the debt require accumulation of principal & interest?**
  - YES
  - NO

- **Is the accumulation of resources in excess of a full year’s principal & interest payments?**
  - YES
  - NO

- **FUND TYPE = DEBT SERVICE (DSF)**

- **Are both principal & interest, if applicable, restricted?**
  - YES
  - NO

- **FUND TYPE = SPECIAL REVENUE (SRF)**

- **Does principal have to be maintained in tact & only earning used for restricted government program(s)?**
  - YES
  - NO

- **FUND TYPE = PERMANENT (PF)**

- **Does fund used for the proceeds of specific revenue sources that are legally (outside government or imposed by governing body) restricted to expenditures for specified purposes?**
  - YES
  - NO

- **FUND TYPE = GENERAL (GF)**

- **To Governmental Fund**
Proprietary Funds

Account for business-type activities supported primarily by users charges/ fees
Proprietary Funds

- Enterprise Funds
- Internal Service Funds
Proprietary Fund Classification

From Governmental Fund

Is the fund used to account for County business-type activities & is supported, at least in part, by user fees/charges?

YES

Is the fund used to primarily account for services provided internally to other County funds, depts, agencies and/or component units?

YES

FUND TYPE = INTERNAL SERVICE (ISF)

NO

To Fiduciary Fund

NO

FUND TYPE = ENTERPRISE (EF)

** The use of an Enterprise Fund is required for any activity with principal revenue meeting any of the following criteria:
- Fees & charges back issued debt
- Costs must be legally recovered through fees/charges
- County Policy requires cost recovery through fees/charges

Fee charged to external users for goods or service**
Fiduciary Funds

Assets held in custodial capacity for others and use prohibited for County programs
Fiduciary Funds

- Pension (and other employee benefit) trust funds
- Investment trust funds
- Private-purpose trust funds
- Agency funds