Terrell Independent School District
Executive Summary Report

Date	District Guiding Pillar	
August 27, 2026	**Goal 4:** Organizational Efficiency: Develop a resource allocation plan and long-term facilities plan that supports and maintains the financial stability of the district, is aligned with identified priorities, addresses future growth and facility improvement needs, and represents being good stewards of taxpayer funds.	

Agenda Item: Consider Approval of a Resolution to Classify a Portion of Fund Balance per Government Accounting Standards 54 ("GASB 54").

Summary:

Beginning with the 2010-11 fiscal year end, Districts implemented a governmental accounting standard ("GASB 54"), related to fund balance reporting. The objective of this standard is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

Fund Balance designated as "Committed" requires formal action by the school board. Committed amounts cannot be used for any other purpose unless the school board formally reverses or changes the specific purpose for the funds by taking formal action to reverse the commitment. These commitments are not considered legally enforceable since they can be reversed by the school board at any time.

The amounts do not need to be included in the resolution but will be included in the August 31, 2026 audited financial statements in Exhibit C-1, if management deems it to be in the best interest of the district.

Attachments:

Summary of Fund Balance Categories
Resolution to Classify a Portion of Fund Balance per Government Accounting Standards 54 ("GASB 54")

Administrative Recommendation:

It is the recommendation of the Superintendent that the Board of Trustees execute the resolution as presented.

Budget/Funding

N/A