

4. REPORTING

4.3 Fund Financial Statements 4.3.2 Major Funds

4.3.2.10 The governmental and proprietary fund financial statements have to provide financial information for each major fund in a separate column. Major funds represent the government's most important funds and are determined by a mathematical calculation. However, governments should avoid an overly mechanical approach and try to identify the individual funds that are most important to users. To determine which funds, in addition to those, which must be reported as major, are of particular importance or interest to the users, the governments should consider factors like:

- Political/social sensitivity of the activities financed from that fund.
- Impact or potential impact of that fund on other programs or services.
- Significance of that fund on financing activities which are of high interest to public.
- Existence of known uses or users of that information (e.g., bond rating companies, investors, etc.).
- Relative size (without regard to the [GASB Statement 34](#) limits).
- Year-to-year consistency in reporting, etc.

4.3.2.20 The general (current expense) fund is always reported as a major fund. Major funds reporting only applies to governmental and enterprise funds. It does not apply to internal service or fiduciary funds. The determination of which funds are major must be made each fiscal year.

4.3.2.30 Governmental and enterprise funds are required to be reported as major funds if they meet the following criteria:

- a. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses¹ of that individual governmental or enterprise fund are at least ten percent of the corresponding element total (assets, liabilities, etc.) for all funds of that category² or type³ (either total governmental or total enterprise), **and**
- b. The same element that met the above ten percent intention is at least five percent of the corresponding element total for all governmental and enterprise funds combined.

4.3.2.40 However, before using the spreadsheet remember:

1. They have to meet both of the criteria above to be required to be reported as a major fund.
2. No elimination of interfund balances is necessary in order to apply the criteria unless there are some significant amounts of interfund payables and receivables, then those can be netted.
3. Total revenues means all revenues - both operating and nonoperating revenues of enterprise funds, including capital contributions except for other financing sources (governmental funds), transfers in and gains from the extraordinary items.

¹ These amounts apply for the year being reported. Do not use prior year data.

² “. . . all funds of that category” means all governmental funds, including the general fund.

³ “. . . all funds of that type” means all enterprise funds.

4. Total expenditures/expenses means all expenditures or expenses – both operating and nonoperating except for other financing uses (governmental funds), transfers out and losses from the extraordinary items.

5. The test should be applied to the GAAP amounts reported in the funds financial statements.

4.3.2.50 If there are no major enterprise funds, they all should be reported in one column and the second column would show the internal service fund(s). For more details see [Proprietary Funds Financial Statements](#).

4.3.2.60 Internal service funds are reported in a single column on the face of the proprietary fund financial statements to the right of the enterprise funds. For more details see [Internal Service Funds](#).

4.3.2.70 Fiduciary funds are to be reported in the fund financial statements by fund type (e.g., pension, investment trust, private purpose, and agency funds). For more details see [Fiduciary Funds Financial Statements](#).

Nonmajor Funds

4.3.2.80 Nonmajor funds should be aggregated and reported in a single column to the right of the major funds in the financial statements. It is not permitted to use more than one column for nonmajor funds. Interfund transactions and balances may be, but are not required to be, eliminated when nonmajor funds are combined.

Combining statements for the nonmajor funds are not required, but may be presented as supplementary information.

Determining Major Funds

	Assets + Deferred Outflows	Liabilities + Deferred Inflows	Revenues	Expenditures/ Expenses	Exceeds		Qualifies as a Major Fund?
					10%	5%	
General fund	9,004	654	14,320	13,685			Yes
Special revenue funds:							
SR1	1,890	6596	5,001	8,904	4	4	Yes
SR2	3,875	2,750	889	999	4	4	Yes
SR3	2,045	1,200	475	154	4		No
SR4	26	7	54	2			
SR5	21	24	19	18			
SR6							
Debt service fund							
Capital project funds:							
CPF1							
CPF2							
CPF3							
CPF4							
Total governmental funds	16,861	11,231	20,758	23,762			
10% of total governmental funds	1,686	1,123	2,076	2,376			
Enterprise funds:							
ENT1	29,526	5,034	4,601	3,500	4	4	Yes
ENT2	27,041	4,024	6,704	254	4	4	Yes
ENT3	8,504	7,350	1,000	123	4	4	Yes
ENT4							
ENT5							
Total enterprise funds	65,071	16,408	12,305	3,877			
10% of total enterprise funds	6,507	1,640	1,231	388			
Total governmental and enterprise funds	81,932	27,639	33,063	24,150			
5% of total governmental and enterprise funds	4,097	1,381	1,653	1,208			