



Legislation Details (With Text)

File #: 15-0504 **Version:** 1 **Name:** 5/18/15 Resolution to Adopt Revised Fund Balance Policy

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Title: Resolution to Adopt Revised Fund Balance Policy

Sponsors:

Indexes:

Code sections:

Attachments: 1. Section6-Fund Balance Policy FY16 DRAFT

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------|----------|--------|
| 5/18/2015 | 1 | City Council | Approved | Pass |

Resolution to Adopt Revised Fund Balance Policy

Attached for your review and approval is a revised fund balance policy. The recommended revision establishes a minimum unassigned fund balance of 15% - 20% in the General Fund and changes the measurement of expenditures to exclude pass-throughs such as AAATA. Additional changes to other funds are included in this revision as well.

Adoption of this policy is consistent with the City Administrator’s Fiscal Year 2016 Proposed Budget

Staff recommends adoption of this policy.

Prepared/Reviewed by: Tom Crawford, Financial Services Administrator and CFO

Approved by: Steven D. Powers, City Administrator

Whereas, On June 20, 2011, Council adopted (R-11-254) a revised fund balance policy incorporating the standards of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*;

Whereas, The City staff have indicated a minimum unassigned fund balance of 15% - 20% of General Fund expenditures (excluding pass-throughs) is an appropriate policy;

Whereas, City staff have indicated a half-year’s millage held in fund balance is appropriate for the Street and Sidewalk Repair Millage fund; and

Whereas, The City desires to operate within prudent financial policies;

RESOLVED, That the City Council adopt the attached revised fund balance policy in order to help address the City’s long-term needs.