

A RESOLUTION ADOPTING A FUND BALANCE POLICY FOR THE CITY OF PEVELY'S GENERAL FUND

WHEREAS, the Mayor and Board of Aldermen understand and acknowledge the responsibility placed on local leaders to implement responsible protocols and policies for spending taxpayer dollars; and

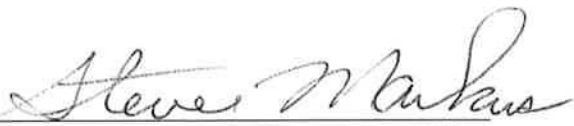
WHEREAS, the Mayor and Board of Aldermen acknowledge the benefit of establishing plans and goals to help guide current and future policy and spending decisions; and

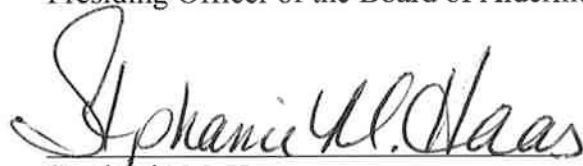
WHEREAS, the Mayor and Board of Aldermen have determined that adopting a fund balance policy for the General Fund will establish financial goals and standards to help guide and shape future budget and spending decisions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF PEVELY, MISSOURI, AS FOLLOWS:

1. The City of Pevely's Fund Balance Policy for the General Fund is hereby adopted and any and all previous fund balance policies or programs are hereby repealed and replaced in their entirety with this edition.
2. The statement of policy for the Fund Balance Policy is attached hereto and made a part hereof as Exhibit A. The policy statement may be amended from time to time by the Board of Aldermen.

Read once and passed this 5 day of October, 2020.


Presiding Officer of the Board of Aldermen


Stephanie M. Haas
Mayor of Pevely, MO

ATTEST:

Ashton Lowery

Ashton Lowery
City Clerk of Pevely, MO

**To Read Resolution #2020/86
by Caption:**

Motioned: Steve Markus
Seconded: Larry Coulson

	<u>Aye</u>	<u>Nay</u>
Yount	<input checked="" type="checkbox"/>	___
Menkhus	<input checked="" type="checkbox"/>	___
Hahn	___	___
Markus	<input checked="" type="checkbox"/>	___
Coulson	<input checked="" type="checkbox"/>	___
Tucker	<input checked="" type="checkbox"/>	___
Leeder	<input checked="" type="checkbox"/>	___
Brooks	<input checked="" type="checkbox"/>	___

Absent: Hahn

To Approve Resolution #2020/86:

Motioned: Tyler Leeder
Seconded: Larry Coulson

	<u>Aye</u>	<u>Nay</u>
Yount	<input checked="" type="checkbox"/>	___
Menkhus	<input checked="" type="checkbox"/>	___
Hahn	___	___
Markus	<input checked="" type="checkbox"/>	___
Coulson	<input checked="" type="checkbox"/>	___
Tucker	<input checked="" type="checkbox"/>	___
Leeder	<input checked="" type="checkbox"/>	___
Brooks	<input checked="" type="checkbox"/>	___

Absent: Hahn

City of Pevely, Missouri Fund Balance Policy
General Fund
(Adopted October 5, 2020)

Purpose

The purpose of this Fund Balance Policy is to establish goals, guidance, and procedures regarding the desired level of financial fund balances maintained by the City. Fund balances can mitigate risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and other similar circumstances.

Scope

This Fund Balance Policy is applicable to the City of Pevely's General Fund. These guidelines shall establish the target level of reserves, define a maximum level of reserves, and establish procedures in the event the reserves fall below the minimum or increase beyond the maximum.

Policy Guidelines

The General Fund should maintain a minimum unassigned fund balance reserve of fifty percent (50%) of combined annual General Fund employee expenses, operations, and debt service expenditures.

The maximum unassigned General Fund balance reserve should not exceed one hundred sixteen percent (116%) of combined annual General Fund employee expenses, operations, and debt service expenditures.

If the unassigned fund balance reserve falls below fifty percent, the Mayor, Board of Aldermen, and City staff will develop a plan to replenish the funds to the designated percent within the immediately following twenty-four (24) month timeframe.

If the unassigned fund balance reserve exceeds one hundred sixteen percent, the Board of Aldermen shall authorize the use of the excess funds for capital expenditures, extra payments on existing debt, or any other similar function it deems appropriate.