

Resolution No. 885
Establishing Fund Balance Policies as required by GASB 54.

WHEREAS, the Governmental Accounting Standards Board ("GASB") has adopted Statement 54 ("GASB 54"), a new standard for governmental fund balance reporting and governmental fund type definitions that became effective in governmental fiscal years starting after June 15, 2010, and

WHEREAS, City of Stayton elects to implement GASB 54 requirements, and to apply such requirements to its financial statements beginning with the July 1, 2010 - June 30, 2011 fiscal year, and

NOW THEREFORE BE IT RESOLVED THAT City of Stayton hereby adopts the following policy:

FUND BALANCE POLICY

Fund balance measures the net financial resources available to finance expenditures of future periods.

The City's unassigned General Fund balance will be maintained to provide the City with sufficient working capital and a margin of safety to address the needs of the City without borrowing. The unassigned General Fund Balance may only be appropriated by resolution of the City Council.

Fund balances of the City may be committed for a specific purpose by formal action of the City Council. Amendments or modifications of the committed fund balance must also be approved by formal action of the City Council.

When it is appropriate for the fund balance to be assigned, the City Council delegates authority to the City Administrator and the Finance Director.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

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NOW THEREFORE BE IT RESOLVED that City of Stayton City Council currently commits none of its June 30, 2011 General Fund balance.

BE IT FURTHER RESOLVED that by the City of Stayton City Council:

1. Amounts in the Street Fund are restricted for Street Projects.
2. Amounts in the Library Fund are committed for Library Programs.
3. Amounts in the Street SDC Fund are restricted for Street Projects.
4. Amounts in the Parks SDC Fund are restricted for Parks & Recreation Programs.
5. Amounts in the Public Works Fund are committed for Public Works Programs.
6. Amounts in the Vehicle Replacement Fund are committed for Vehicle Replacement.
7. Amounts in the Grants Fund are restricted for Miscellaneous Community Projects.
8. Amounts in the 911 Agency Fund are committed for Public Safety Programs.
9. Amounts in the Trust Fund are committed are committed for Miscellaneous Community Projects.
10. Amounts in the Facilities Development Fund are committed for Miscellaneous Capital Projects.
11. Amounts in the Park Construction Fund are committed for the Parks Capital Projects.
12. Amounts in the Swimming Pool Fund are committed for Swimming Pool Programs.
13. Amounts in the Sublimity Reserve Fund are committed for Debt Service.
14. Amounts in the 10th Avenue Construction Fund are committed for Street Capitol Projects.

BE IT FURTHER RESOLVED that City of Stayton City Council recognizes that the fund balances in Funds established to account for federal grant programs are considered to be restricted.

AND BE IT RESOLVED that the City's financial goal is to have a sufficient balance in the General Fund with sufficient working capital and a margin of safety to address primary and secondary operating needs of the City without borrowing. The City shall strive to maintain an unassigned year-end fund balance in the General Fund in which the total fund balance is 10 percent of the total operating expenditures.

This Resolution shall become effective upon its adoption by the Stayton City Council.

ADOPTED BY THE STAYTON CITY COUNCIL this 21st day of May, 2012.


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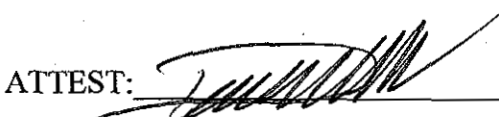
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CITY OF STAYTON

Signed: 5-21-12, 2012

By: 
A. Scott Vigil, Mayor

Signed: 5/21, 2012

ATTEST: 
Don Eubank, City Administrator

APPROVED AS TO FORM:



David A. Rhoten, City Attorney