

Notice of Hearing:	<u>NA</u>
Date of Hearing:	<u>12/06/10</u>
Date Adopted:	<u>12/06/10</u>
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Date Effective:	<u>12/30/10</u>

RESOLUTION NO. 109-10

A RESOLUTION TO AMEND AND RESTATE RESOLUTION 73-09 TO ADOPT AS A GOAL THAT THE CITY MAINTAIN AN 11% MONTHLY UNRESTRICTED CASH BALANCE AND A 25% GENERAL FUND RESERVE BALANCE AT YEAR END; THAT FUTURE BUDGETS OF THE CITY BALANCE WITHOUT THE USE OF UNOBLIGATED RESERVE BALANCES; ESTABLISHING A COUNCIL POLICY REGARDING THE USE OF PROJECTED REVENUE FROM FEE OR TAX INCREASES IN ANY BUDGET ADOPTED BY THE COUNCIL; AND ESTABLISHING A COUNCIL POLICY ON THE USE OF ENTERPRISE FUNDS.

WHEREAS, the Home Rule Charter of the City of Sioux Falls authorizes the Council to appropriate City funds and set City policy; and

WHEREAS, the City Council desires adequate reserves to cash flow City government and meet any emergencies; and

WHEREAS, the City Council desires an ongoing plan for a fiscally sound budget; and

WHEREAS, the City Council expects potential new revenue streams be approved prior to final adoption of the budget;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SIOUX FALLS, SD:

That the City establish as a goal that it maintain a minimum unrestricted cash balance at the end of each calendar month equal to 11% of the general fund budget for that fiscal year and a general fund unreserved fund balance as of December 31 for each fiscal year equal to 25% of the general fund budget for that fiscal year. If the unrestricted cash reserves at any month end or the general fund unreserved fund balance as of December 31 shall fall below these thresholds, the Mayor shall, as soon as practical thereafter, present the Council with an explanation and plan for replenishing the unrestricted cash balance or general fund reserve balance to the targeted threshold; and

BE IT FURTHER RESOLVED:

That the City establish as a goal that a Mayor's proposed general fund budget for each fiscal year provide for balance between projected revenues and expected expenditures without the use of general fund unreserved fund balances, and that the elected and appointed officials of the City use their best efforts and mutual cooperation to accomplish that goal. If a Mayor believes that the

financial condition or needs of the City require the use of funds from general fund unreserved fund balances in any proposed budget, such budget proposal shall include a statement of the reasons which the Mayor believes justify the use of the general fund unreserved funds; and

BE IT FURTHER RESOLVED:

That it be established as the policy of the Council that if a Mayor's proposed general fund operation budget includes projected revenues from increases in fees, charges, taxes or other similar sources that require Council approval, the ordinance or ordinance amendment authorizing such increase should be presented to and approved by the Council prior to the submission of the proposed budget.

BE IT FURTHER RESOLVED:

That it be established as a policy of the Council that enterprise accounts of the City relating to water, water reclamation, sanitary landfill and the city electric utility should cover the true cost for that enterprise, including operation, maintenance, periodic capital replacement, new capital acquisitions and improvements, debt service requirements, and other costs deemed necessary.

Date adopted: 12/06/10 .

Unsigned by Mayor Mike T. Huether at the time of publication submission

Mayor

ATTEST:
Debra A. Owen
City Clerk

