



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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**File #:** 16-00345

City Council

1/12/2017

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### **LEGISLATIVE ACTION ITEM**

**SPONSOR:** City Council Member Andy Terhaar

**SUBJECT:**

Amendment to Policies of the City Council - Fund Balance Policy Section (D)(3)(c)

**RECOMMENDATION:**

That City Council amend the Fund Balance Policy of the City Council, Section (D)(3)(c) changing the minimum reserve from 15 percent to 20 percent.

**AGENDA:** Regular

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The City Council has a series of City Council Policies; one such Policy is a Fund Balance Policy. Within Section (D)(3)(c) it states in part:

“c. Council Reserve (General Fund)

A minimum reserve of 15 percent of the General Fund beginning adopted appropriations (expenditure budget) should be incrementally established and maintained for use in meeting unanticipated needs and/or emergencies.”

This action item will increase the minimum reserve from 15 percent to 20 percent, in order to maintain and increase a healthy fund balance.

**PRIOR ACTION:**

September 9, 2010 - Adoption of Policy by Resolution

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

An increase in the percentage of reserves to be gained and maintained.

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**STAFF CONTACT:**

Don Kraher, Council Executive

**ATTACHMENTS:**

- 1) Proposed Amendment to the Fund Balance Policy

**PRESENTATION:** No