

RESOLUTION NO. 2007-46

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JERSEY VILLAGE, TEXAS, ESTABLISHING A FACILITIES RESERVE BALANCE, ESTABLISHING OPERATING GUIDELINES FOR THE FACILITIES RESERVE BALANCE AND AUTHORIZING TRANSFER OF FUND BALANCE FROM THE GENERAL FUND INTO THE FACILITIES RESERVE BALANCE.

WHEREAS, it is the practice of the City of Jersey Village to maintain a 90 day operating balance within the general fund, and;

WHEREAS, the purpose of maintaining a 90 day operating balance is to provide adequate operating balance throughout the fiscal year to ensure efficient provision of municipal services, and;

WHEREAS, city council has identified the need to replace certain municipal facilities within the City of Jersey Village, and;

WHEREAS, it is the stated goal of city council to ensure long-term stability in the ad-valorem property tax rate consistent with municipal service requirements:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JERSEY VILLAGE, TEXAS:

Section 1. That the City Manager is directed to establish a Facilities Reserve Balance within the general fund, the purpose of which is to offset the future capital costs of construction of city-owned facilities.

Section 2. That the Facilities Reserve Balance shall operate in accordance with the following guidelines:

- (a) General fund balance above 150 days operating requirements will be designated as facility reserve balance. A separate line item within the general fund shall be used to monitor the amount of facility reserve balance.

- (b) Designation of funds shall occur no later than March 31st of each year for the prior fiscal year.
- (c) Designation of funds shall occur only after the audit for the prior fiscal year has been received by Council.
- (d) The amount of designated funds shall equal the balance of the general fund in excess of 150 days operating balance as of October 1 of the current fiscal year.
- (e) Operating balance shall be based upon the requirements specified in the city's approved budget for the current fiscal year.
- (f) Fund balances are based upon the city's Comprehensive Annual Financial Report.
- (g) The City Manager shall determine the reserve fund balance in the amount stated as soon as practicable after receipt of the audit by Council. Said determination shall occur unless directed by Council to do otherwise.
- (h) It is the desire of Council to utilize reserve balance funds for the following purposes:
 - (1) Construction / renovation of public facilities owned and operated by the City of Jersey Village.
 - (2) Payment towards callable debt obligations of the City of Jersey Village.
- (i) Should the fund balance of the General Fund fall below 90 days operating requirements, funds from the reserve balance may be transferred to the unrestricted / unreserved portion of the general fund to supplement the balance in the general fund. The amount of this transfer shall be at the sole discretion of Council.

Section 3. The City Manager is hereby directed to effect the initial capitalization of the facility reserve balance based upon the fiscal year 2006 Comprehensive Annual Financial Report and funding requirements as enumerated in the fiscal year 2007 City of Jersey Village Annual Budget, consistent with the guidance stated herein.

PASSED AND APPROVED this 15th day of October 2007.



Russell Hamley
Russell Hamley, Mayor

ATTEST:

LaKeisha Cannon-Scott
LaKeisha Cannon-Scott, City Secretary