

RESOLUTION NO. 2012-05-027R

A RESOLUTION ESTABLISHING FUND BALANCE POLICIES
AS REQUIRED BY GASB STATEMENT 54
(2012)

WHEREAS, Fund balance measures the net financial resources available to finance expenditures of future periods, and

WHEREAS, the Government Accounting Standards Board ("GASB") has adopted Statement 54, a new standard for governmental fund balance reporting, and

WHEREAS, GASB54 requires the City to approve a resolution that provides certain financial information concerning fund balance and requires the City to designate certain fund balances as committed for certain specific purposes, and

WHEREAS, the City of Urbana elects to implement GASB54 and to apply such requirements to it's Comprehensive Annual Financial Report, therefore

.BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

The City's unassigned general fund balance will be maintained to provide the City with sufficient working capital.

When it is appropriate for fund balance to be assigned, the City Council hereby delegates authority to the Mayor when the assignment is identified as such in the annual City budget.

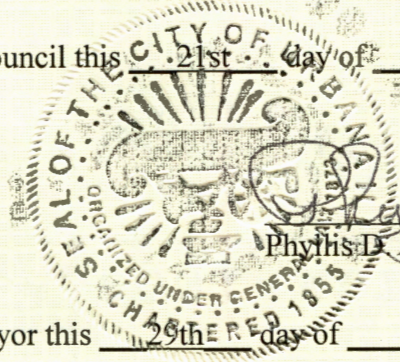
In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly unassigned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

Fund balances of the City's funds may only be committed for a specific purpose by action of the City Council. The following fund balances are committed and so indicated in the annual City budget:

- 1) 100% of the amount in the Vehicle and Equipment Replacement Funds for the replacement of vehicles and major equipment and for the acquisition of additional vehicles.
- 2) 100% of the amount in the Social Service Agency Fund for social service agency allocations.
- 3) 100% of the amounts in the Tax Increment Finance District Funds for economic development per TIF rules and procedures.
- 4) 100% of the amount in the Economic Development Reserve Fund for economic development.
- 5) 100% of the amount in the Insurance Financing Reserve Fund for worker compensation claims.
- 6) 100% of the amount in the Community Development Special Funds for projects and programs to improve and develop the community.

- 7) 100% of the amount in the Public Arts Fund for public arts programs.
- 8) 100% of the amount in the Local Motor Fuel Tax Fund for improvements and construction of city streets and roads.
- 9) 100% of the amount in the Sanitary Sewer Construction Fund for improvements and construction and for capital debt retirement including interest and engineering and legal costs associated with the sanitary sewer system of the City.
- 10) 100% of the amount in the Storm Water Utility Fund for improvements and construction of city storm water sewer systems.
- 11) 100% of the amount in the Capital Improvement and Capital Improvement Supplementary Fund for various infrastructure improvements and construction (may be used for roads, sewers, lighting, signals, sidewalks, buildings and other infrastructure needs).

PASSED by the City Council this 21st day of May, 2012.



Phyllis D. Clark
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this 29th day of May, 2012

Laurel Lunt Prussing

Laurel Lunt Prussing, Mayor

By: Charles A. Smyth, Mayor Pro-tem