

RESOLUTION 2009-016

RESOLUTION ESTABLISHING A POLICY
FOR A MINIMUM RESERVE FOR THE
GENERAL FUND OF THE CITY OF WANAMINGO, MINNESOTA

WHEREAS, the primary sources of revenue for the City of Wanamingo's General Fund are Local Government Aid, Property Taxes and various service fees, and

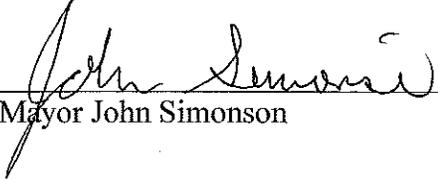
WHEREAS, these revenue sources are collected in July and December as well as throughout the year when applicable (Service fees); and

WHEREAS, it is essential for the City of Wanamingo, Minnesota to have sufficient cash reserves to sustain multiple months of operations between collections of these revenues: and

WHEREAS, a healthy undesignated reserve in a General Fund reflects favorably on a city's credit rating; and

WHEREAS, the Minnesota State Auditor's Office defines an "acceptable" undesignated reserve as being between 30% and 50% of total General Fund expenditures and a "high" undesignated reserve as one that exceeds 65% of total General Fund expenditures.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Wanamingo, Minnesota, that the City Council hereby establishes and approves a policy that as of December 31st each year the City will maintain undesignated reserves in its General Fund between 30% and 65% as a percentage of total General Fund expenditures.
This resolution was passed and adopted by the Wanamingo City Council on April 20th, 2009.



Mayor John Simonson

Attest: Patrick Christopherson City Administrator

Motion:	Second:
	<u>Aye</u> <u>Nay</u>
Danny Benson	_____
Ron Berg	_____
Ryan Holmes	_____
John Simonson	_____
Larry Van De Walker	_____