

RESOLUTION 23-111

A RESOLUTION TO AUTHORIZE A COMMITMENT OF THE GENERAL FUND'S FUND BALANCE FOR THE PURPOSE OF SETTING ASIDE MONEY FOR A RAINY DAY FUND

WHEREAS the Government Standards Accounting Board (GASB) has issued Statement No. 54 establishing a hierarchy clarifying the constraints that govern how a government entity can use amounts reported as fund balance; and

WHEREAS the Board of Mayor and Aldermen is the highest level of decision-making authority, and has the authority to commit, assign, or evaluate existing fund balance classifications and identify the intended uses of committed or assigned funds; and

WHEREAS, once the committed fund balance constraints are imposed, it requires the constraint to be removed by the Board of Mayor and Aldermen prior to redirecting fund for other purposes; and

WHEREAS, the committed fund balance classification reflects amounts subject to internal constraints self-imposed by the Board of Mayor and Aldermen; and

WHEREAS, the Board of Mayor and Aldermen have adopted a policy to create, fund, and manage a Rainy Day Fund; and

WHEREAS, this Rainy Day fund should keep pace with the City's dependence on volatile revenues such as Sales Tax and Building Permit Revenue.

NOW, THEREFORE BE IT RESOLVED, that the City of Spring Hill Board of Mayor and Aldermen hereby reaffirms its prior years commitment of \$4,500,000 and add an additional commitment of \$1,500,000.00 from the June 30, 2023 Fund Balance.

Passed and Adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 20th day of June, 2023.



Jim Hagaman, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney