

RESOLUTION NO. 1225

A RESOLUTION OF THE BROKEN ARROW CITY COUNCIL ADOPTING A FINANCIAL POLICY FOR THE CITY OF BROKEN ARROW RELATING TO MAINTAINING RESERVES IN THE GENERAL FUND

WHEREAS, The City of Broken Arrow prepares and adopts its budget annually under the Municipal Budget Act; and

WHEREAS, consistent financial planning and management are important to the City 's ability to meet service demands, to maintain competitive levels of taxes and fees, to absorb shocks resulting from fluctuations in the local and state economy, respond to emergencies and natural disaster and to issue bonds at the lowest possible interest rates;

WHEREAS, adopting, maintaining and adhering to sound budgeting and financial planning policies promote consistent financial planning and management; and

WHEREAS, in order meet unexpected needs and to minimize the disruption caused by unforeseen events, decreases in revenues and/or increased in expenditures from year to year the City should maintain a reserve in the City's General Fund as follows:

General Fund Reserves- The General Fund should maintain emergency reserves in the amount of 15% of budgeted current revenue not to include inter-fund transfers.

WHEREAS, the above stated reserve levels are intended to promote long range financial planning, to maintain adequate financial services, for emergencies from natural disasters, to increase investment in capital assets and to fund operating costs with operating revenues.

NOW, THEREFOR BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BROKEN ARROW, OKLAHOMA that the Financial Planning Policies Relating to Reserves as enumerated above are hereby adopted and that the City Manager shall prepare and submit future proposed budgets in accordance with Oklahoma Municipal Finance Law and the policies enumerated above.

ADOPTED BY THE COUNCIL AND SIGNED BY THE MAYOR OF THE CITY OF BROKEN ARROW this 3rd day of June, 2019

ATTEST

Mayor

City Clerk

Approved as to form:

Assistant City Attorney