

RESOLUTION NO. 2011 - 43

RESOLUTION TO ESTABLISH A FUND BALANCE POLICY

WHEREAS, the Village of Shorewood, Milwaukee County, Wisconsin (the "Village") desires to implement the Governmental Accounting Standards Board (GASB) Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*

NOW, THEREFORE, BE IT RESOLVED by the Village Board of the Village of Shorewood, Milwaukee County, Wisconsin, that:

Section 1. Commitment of Revenues. The Village shall commit that funds received, as described below, shall only be spent for the purpose specified:

Fund Used	Revenue Description	Committed Purpose
Police Special	Bicycle safety event funds	Police activities
Elder Services	Registration fees received for senior programs.	Senior programming
Shorewood Today Fund	Funds received for advertising space in the Shorewood Today Magazine	Assembly, production, printing and distribution of the Shorewood Today magazine.
Shorewood Today Fund	Property taxes	Assembly, production, printing and distribution of the Shorewood Today magazine. Amount to be annually determined and approved in the tax levy resolution termed Shorewood Today Fund.
Marketing Fund	Property taxes	Marketing activities. Amount to be annually determined and approved in the tax levy resolution termed Marketing Fund.
Elder Services Fund	Property taxes	Senior Programming. Amount to be annually determined and approved in the tax levy resolution termed Elder Services Fund.
General Fund	Past years' immunization and health funds	Post employment costs of former health department employees and other public health expenditures as authorized by the Village Board.

Section 2. Declaration of Official Intent. The Village hereby officially declares that other

funds to be committed shall be indicated through the adoption of a resolution, passed by the majority of the Village Board and authorizes the Village Manager to assign funds for specific purposes.

Section 3. Declaration of Official Intent. The Village hereby officially declares that when multiple categories of funds are available that the funds shall be spent in the following order: restricted, committed, assigned, then unassigned.

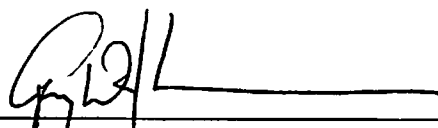
Section 4. Declaration of Minimum Fund Balance Policy. The Village shall seek to maintain its unassigned fund balance at a minimum of 30% of total general fund annual revenues. The purpose of the first 25% of this balance is to provide adequate cash flow during the year. Any use of these funds would require a two thirds vote of the Village Board. The additional 5% is to provide the ability of the Village to respond to unforeseeable contingencies and opportunities that may not have been known at the time of budget preparation. Any use of the 5% fund balance referred to above must be replenished during the next budget process. *(It is noted, that as long as "levy limits" remain in place, the ability to replenish these funds will be possible only through cuts in other expenses or the raising of new non-levy revenues.) These uses are subject to approval by the Village Board.

In addition, the use of any amounts in excess of 30%, shall not be made, unless one of the following applies:

- A. Non-annually recurring expenses such as reassessments or studies
- B. Capital Expenses
- C. Expenses which, in the opinion of the Village Board would constitute "an investment in the community" such as:
 - 1. Investment in a revolving loan program
 - 2. Investment in technology
 - 3. Investment in community marketing

Section 5. Effective Date. This Resolution shall be effective upon its adoption and approval.

PASSED and ADOPTED by the Village Board of the Village of Shorewood, Milwaukee County, Wisconsin this 19th day of December 2011.



Guy Johnson, Village President

Countersigned:



Sherry Grant, Village Clerk