



City of Flagler Beach - Fund Balance Policy

The **General Fund** will, at the start of each fiscal year, allocate funds equivalent to a minimum of twenty-five percent of proposed General Fund budgeted expenditures. The purpose of these funds, hereinafter designated as Emergency Reserves (restricted), is to support emergency General Fund emergency operations at the sole discretion of and as declared by the City Commission.

The **Utility Fund** unrestricted net position, at the start of each fiscal year, will be ten percent of the proposed budgeted operating expenses. Unrestricted net position over ten percent may be assigned to a rate stabilization fund or transferred to the Utility Capital Projects Fund for utility system renewal and replacement.

The **Stormwater Fund** unrestricted net position, at the start of each fiscal year, will be ten percent of the proposed budgeted operating expenses. Unrestricted net position over ten percent may be assigned for future system capital projects.

The **Sanitation Fund** unrestricted net position, at the start of each fiscal year, will be ten percent of the proposed budgeted operating expenses. Unrestricted net position over ten percent may be assigned to a rate stabilization fund.

All other funds do not have a fund balance requirement. Fund balances in these funds are dictated by revenue sources and a schedule of capital projects.