

RESOLUTION NO. 2025-5461

RESOLUTION ESTABLISHING A POLICY FOR ACCUMULATING A SURPLUS UNDESIGNATED FUND BALANCE

WHEREAS, the City of Kaukauna recognizes the importance of maintaining a fiscally responsible and sustainable financial position; and

WHEREAS, an adequate undesignated fund balance is essential to ensure financial stability, provide liquidity for operations, and safeguard against unexpected economic downturns or emergencies; and

WHEREAS, establishing a policy to accumulate and maintain a surplus undesignated fund balance at a minimum level of 30% of annual operating expenses promotes sound financial management and strengthens the City's overall fiscal health.

THEREFORE, BE IT RESOLVED by the Common Council of the City of Kaukauna, Wisconsin, that: The City shall accumulate and maintain a surplus undesignated fund balance in an amount not less than thirty percent (30%) of General Fund (101) annual operating expenses.

BE IT FURTHER RESOLVED the undesignated fund balance shall be used as a financial safeguard to address unforeseen revenue shortfalls, emergency expenditures, or other financial contingencies as determined by the Common Council.

BE IT FURTHER RESOLVED that any utilization of the undesignated fund balance that results in a balance below the 30% threshold shall require approval from the Common Council and shall include a plan to restore the balance to the minimum level within a reasonable timeframe.

BE IT FURTHER RESOLVED that the Finance Director shall regularly review its financial condition, revenue projections, and expenditure trends to ensure compliance with this policy.

BE IT FURTHER RESOLVED this resolution shall take effect immediately upon adoption and shall remain in force unless amended or repealed by the Common Council.

Introduced and adopted this 19th day of February 2025.

APPROVED: _____
Anthony J. Penterman, Mayor

ATTEST: _____
Kayla Nessman, Clerk