



Agenda Item Cover Sheet

Agenda Title

- Resolution 26-13: A Resolution of the City of Pleasant Hill, Missouri, Adopting a Policy to Hold Fifteen Percent of Operating Expenditures in the City's Annual Operating Budget in Reserves

Department/Contact Person

- Kristen Dorman - City Administrator
- Amy Johnson - Finance Manager

Background Information

- The City currently maintains a fund balance policy establishing a minimum fund balance level of 8 percent of annual operating expenditures.
- During the FY 2027 budget workshops, City Council expressed an interest in amending this policy to increase the fund balance level to 15 percent.
- This policy will apply to the City's major operating funds, including the General Fund, Transportation Fund, Parks Fund, Public Health Fund, and Enterprise Fund. Increasing the minimum reserve level better positions the City to be financially secure during emergencies, unexpected revenue shortfalls, economic downturns, etc.
- All of the major operating funds aside from the Water/Sewer fund currently show fund balances above this level in the upcoming FY27 Budget.

Financial Information:

- This policy change does not create an immediate fiscal impact, but will guide future budget development to ensure we keep fund balance levels maintained at or above 15% of annual operating expenditures.

Staff Recommendation:

- Staff recommends approval of the Resolution.

Attachments:

- Resolution 26-13