



# Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: **Proposal to Establish a Fund Balance Policy**

Board Meeting Date: **October 22, 2024**

Prepared By: **Sonia Johnson – Finance Director and Jonathan Barlow – Town Manager**

**Overview:** The Board of Commissioners directed staff to create a Fund Balance Policy to protect against short-term revenue fluctuations and respond to unforeseen emergencies. This policy will serve as a guideline for maintaining adequate reserves, managing unforeseen events, and supporting sound fiscal management practices.

The LGC minimum threshold is 34%. Below is a comparative analysis of peer towns with similar service as of June 30, 2023.

			Fund Balance Available %		
Municipality	Population	Unassigned Fund Balance (Minimum Threshold)	2021	2022	2023
			Swansboro	4102	Proposed (50%)
Atlantic Beach	1407	35%	48.94	52.08	63.27
Emerald Isle	3966	25%	22.12	21.94	19.91
Richlands	2415	NA	74.43	80.68	123.6
Average			48.50	51.57	68.93

**Background Attachment(s):** Proposed Fund Balance Policy

**Recommended Action:** Motion to approve the Fund Balance Policy as written.

**Action:** \_\_\_\_\_  
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