

**VILLAGE OF SALTAIRE
BOARD OF TRUSTEES**

FUND BALANCE POLICY

WHEREAS the Village of Saltaire during the reconstruction after Superstorm Sandy and as of the fiscal year ended May 31, 2017 has maintained a fund balance of approximately three million five hundred thousand dollars \$3,500,000, which is approximately one hundred percent (100%) of the total operating budget of the Village; and

WHEREAS the Office of the New York Comptroller has a best practices rule that total fund balances of a municipality should be between ten percent (10%) and twenty percent (20%) of the budget of the total operating budget of the Village but that fund balances may exceed that percentage pursuant to an adopted fund balance policy; and

WHEREAS the Board has determined that (1) due to the relatively small size of the Village of Saltaire's budget compared to other and larger municipalities; and (2) considering the pending capital projects of the Village of Saltaire that need to be funded prior to FEMA reimbursement; and (3) the Village of Saltaire's proximity to the coastline which increases the rate of depreciation on infrastructure as well as the likelihood of storm impacts; it is

RESOLVED that the Board of Trustees of the Village of Saltaire hereby adopt a fund balance policy whereby the level of the unassigned fund balance should be between thirty percent (30%) to forty percent (40%) of the Village budget, or approximately one million two hundred and fifty thousand dollars (\$1,250,000); and it is further

RESOLVED that funds above thirty percent (30%) to forty percent (40%) of the Village budget should be assigned for future capital projects as necessary until such time as the FEMA projects and other smaller planned non-reimbursable projects come to completion.

Motion: _____

Seconded: _____

In Favor:

Abstain:

Against: