A motion was made by Council Member _____ to approve the following resolution. A vote of ___ .

RESOLUTION TO AMEND THE FUND BALANCE POLICY OF THE GENERAL FUND

Resolution No. # R-25-22

WHEREAS, the Town Council of the Town of Black Mountain desires for the Town to maintain adequate working capital for the following reasons: (1) unsteady flow of revenue (2) protection from the costs associated with natural disaster or economic downturn (3) as protection from revenue shortfalls and/or expenditure overruns, and (4) the desire to reduce or eliminate completely debt issuance; and,

WHEREAS, the Town of Black Mountain adopted a Fund Balance Policy for the General Fund on July 9, 2001 by Resolution R-01-14, establishing an Undesignated Fund Balance of thirty-and one-half percent (30.5%) of General Fund expenditures; and,

WHEREAS, the Town of Black Mountain subsequently adopted a Fund Balance Policy for the General Fund on January 11, 2016 by Resolution R-16-01, establishing an Unassigned Fund Balance in the General Fund at a minimum of thirty percent (30%); and,

WHEREAS, Governmental Accounting Standards Board (GASB) Statement No. 54 (Fund Balance Reporting and Governmental Fund Type Definitions) reclassified fund balance reporting in the Governmental Funds balance sheet statements issued by local governments.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Black Mountain that the Unassigned Fund Balance Policy for the General Fund be lowered to between 10%-15% for FY25-26.

READ, APPROVED AND ADOPTED, by a vote of _____ to _____ this the 9th day of June 2025.

_____
C. Michael Sobol, Mayor

ATTEST:

_____
Wesley M. Barker, Town Clerk