

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. R-2004-196 (AS AMENDED)

A RESOLUTION TO APPROVE A GENERAL FUND RESERVE POLICY,
METHOD OF FUNDING IN THE ANNUAL BUDGET AND EFFECTIVE DATE.

BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

SECTION 1. That the General Fund Reserve is used to address unanticipated revenue shortfalls and expenditures.

SECTION 2. That it is important to maintain reserves to protect against reducing service levels or raising taxes and fees and to maintain the City's credit rating by effective management practices.

SECTION 3. That policy to increase reserves in the General Fund as follows:

- (a) Goal is to build and maintain a General Fund Reserve equal to 10 percent of the General Fund Operating Expense Budget.
- (b) Place in the General Fund Reserve the amount collected from Ad Valorem Property over the budgeted amount which is 95 percent of total property tax revenue.
(To be implemented in Fiscal Year 2004-2005 Annual Budget.)
- (c) Place in annual budget an account titled Contingency Reserve and budget 1.5 percent of the General Fund operating expenses (\$96 million) to increase annual reserves (\$1.4 million).
(To be implemented in Fiscal Year 2005-2006 Annual Budget.)
- (d) Place in annual budget a Contingency Account for Hurricane recovery and unbudgeted expenditures of 1.5 percent of General Fund operating expenses.
(To be implemented in Fiscal Year 2005-2006 Annual Budget.)
- (e) The principal and interest annual debt payment of \$920,000 that matures on April 1, 2006 will continue to be funded each year to the Contingency Reserve until the reserve goal is reached.
(To be implemented in 2006-2007 Annual Budget.)
- (f) The General Fund Reserve Policy will be reviewed annually during the budget process by the City Commission.

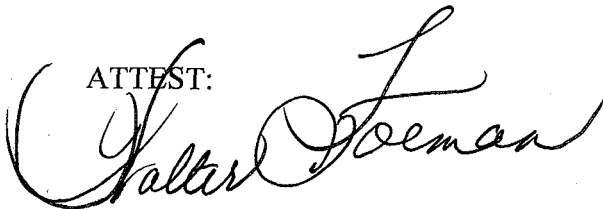
SECTION 4. That this resolution shall become effective upon the date of its adoption herein.

PASSED AND ADOPTED THIS FOURTEENTH DAY OF SEPTEMBER, A.D., 2004.
(Moved: Cabrera / Seconded: Kerdyk)
(Unanimous Consent Vote)
(Agenda Item H-3)

APPROVED:


DONALD D. SLESNICK, II
MAYOR

ATTEST:


WALTER FOEMAN
CITY CLERK

APPROVED AS TO LEGAL FORM AND
LEGAL SUFFICIENCY:


ELIZABETH M. HERNANDEZ
CITY ATTORNEY