

**RESOLUTION
SETTING AN UNASSIGNED FUND BALANCE POLICY
FOR THE TOWN OF ATLANTIC BEACH, NORTH CAROLINA**

WHEREAS, the Council of the Town of Atlantic Beach wishes to set a policy with regard to the Unassigned Fund Balance; and

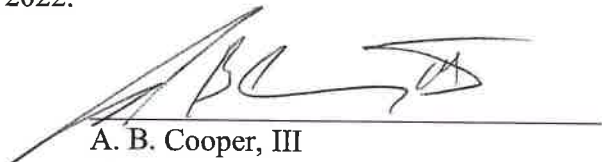
WHEREAS, the Local Government Commission [LGC] requires municipalities to maintain an Unassigned Fund Balance of a minimum of 8 percent of total expenditures and routinely notifies municipalities if their Unassigned Fund Balance falls below 50 percent of the Average Peer Group Unassigned Fund Balance; and

WHEREAS, the Council believes that it is prudent to carry a substantial Unassigned Fund Balance in order that Atlantic Beach is able to respond quickly to emergencies and disasters, take advantage of grant opportunities that require matching funds, provide a buffer to weather modest downturns in the economy and allow the Unassigned Fund Balance to generate a more significant portion of the current revenues, thereby partially offsetting the need for higher tax increases.

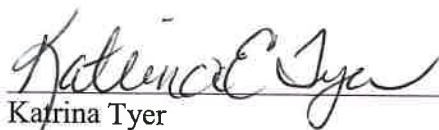
NOW, THEREFORE, BE IT RESOLVED by the Town of Atlantic Beach Town Council recommends a policy that would require a minimum Unassigned Fund Balance of 10% for the General Fund, and

BE IT FURTHER RESOLVED that in order to maintain the minimum Unassigned Fund Balance, Town policies, budgets, and directives shall strive to maintain Unassigned Fund Balance at approximately 35%.

ADOPTED this 24th day of January, 2022.


A. B. Cooper, III
Mayor

ATTEST:


Katrina Tyer
Town Clerk

