

MAYOR
John J. Quinn

MAYOR PRO TEM
Jeffrey L. Goodall

TOWN MANAGER
Joseph A. Fivas



Town of
INDIAN TRAIL
north carolina

TOWN COUNCIL
Robert W. Allen
Gary J. D'Onofrio
John A. Hullinger
Darlene T. Luther

TOWN CLERK
Peggy S. Piontek

TO: MAYOR AND TOWN COUNCIL
FROM: JOSEPH A FIVAS
CC: MARSHA SUTTON
SUBJECT: ADOPTION OF FUND BALANCE POLICY
DATE: 2/17/2011

Please find attached a Fund Balance Policy for the Town. This policy is written to establish a fund balance/retained earnings policy tailored to the needs of the Town of Indian Trail to insure against unanticipated events that would adversely affect the financial condition of the Town and jeopardize the continuation of necessary public services. This policy will ensure the Town maintains adequate fund balance/retained earnings and reserves in the Town's various operating funds to provide the capacity to:

- (1) Provide sufficient cash flow for daily financial needs,
- (2) Secure and maintain investment grade bond ratings,
- (3) Offset significant economic downturns or revenue shortfalls, and
- (4) Provide funds for unforeseen expenditures related to emergencies.

We would like a motion to adopt this policy.