

RESOLUTION NO: 01-2014

CITY OF DIAMOND CITY, ARKANSAS

A RESOLUTION BY THE CITY COUNCIL OF DIAMOND CITY, BOONE COUNTY, ARKANSAS ESTABLISHING AN ONGOING SAVINGS AND CAPITAL OUTLAY FUND IN THE GENERAL, STREET, WATER AND SEWER FUNDS AT THE END OF EACH FISCAL YEAR, AND FOR OTHER PURPOSES.

WHEREAS, The City Council City of Diamond City has made a comprehensive study and review of the need to have on hand money available in the event of an unexpected need, and

WHEREAS, The City Council of Diamond City believes this need is best served through a Savings and a Capital Outlay Fund in each of the major operating funds of the City,

WHEREAS, it is the finding and conclusion of the City Council that the City needs to have on hand in each fund 50% of its operating budget in each of these funds to insure financial solvency and a continuing fund for the purchase of capital equipment in each of these funds,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF DIAMOND CITY< ARKANSAS:

Section 1

The City shall establish ongoing savings and capital outlay funds for the four major operating funds of the City: General Fund, Street Fund, Water Fund and Sewer Fund.

Section 2

The respective funds shall have 10% of the ending cash balance (as shown on the balance sheet after the Recorder/Treasurer has completed all Reconciliation of Funds for the Year and all liabilities and other budgeted needs have been deducted from said balance) moved to each respective Major Fund's Savings and Capital Outlay Funds. The percentage in any or all funds may be varied by the City Council at its discretion by motion.

Section 3

SEVERABILITY If any provision of this resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the resolution which can be given effect without the invalid provision or application , and to this end the provisions of this resolution are declared to be severable.

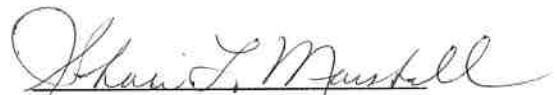
Passed by roll call vote with the following count:

4 Yes 0 No Abstain 0 Absent 2

I, the undersigned, hereby certify that the foregoing Resolution Number 01-2014 was duly adopted by the City Council of Diamond City, Arkansas on the 28th day of January 2014.



for Cheryl Guthrie, Recorder/Treasurer



Shari L. Marshall, Mayor