



City of Mesquite, Texas

Legislation Text

File #: 18-3908, **Version:** 1

A resolution adopting an Enterprise Funds Reserve Policy for the City of Mesquite.

The City Finance Department is proposing to formalize certain financial policies of the City in order to strengthen financial operations and obtain City Council approval of each policy.

This policy is for setting and maintaining Enterprise Funds Reserve levels. The City desires to maintain a prudent level of financial resources to guard its stakeholders against service disruption in the event of unexpected temporary revenue shortfalls or significant, unpredicted one-time expenses. In addition, this policy is intended to document the appropriate Reserve level to meet bond covenants, protect the City's credit worthiness and provide adequate cash flow based upon the traditional operating cycle. The Enterprise Funds Reserves are accumulated and maintained to provide stability and flexibility to respond to unexpected adversity and/or opportunities and to minimize the costs associated with short-term cash borrowing.

Recommended/Desired Action

Staff recommends approval of the resolution.

Attachment(s)

Resolution

Drafter

Debbie Mol

Head of Department

Debbie Mol