



MEMORANDUM

Council Agenda
Item No. IX.P.
9/1/2015

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: James D. Couch, City Manager

Resolution expressing the intent of the Mayor and City Council to amend the General Fund budget by \$8,000,000, using fund balance to improve the condition of City streets throughout the City.

Purpose

The condition of City streets has been emphasized as the highest priority for our citizens in the annual citizens' survey since 2005. This area has received the lowest level of satisfaction and has consistently been the highest priority.

Several members of the City Council have indicated their desire to use fund balance from the General Fund to improve the condition of City streets. This resolution expresses the intent of the Mayor and City Council to amend the FY 2016 General Fund budget to use fund balance to improve City streets. If this resolution is approved, staff will prepare a budget amendment authorizing an \$8 million increase in budgeted fund balance to improve City streets.

Background

Fund Balance in the General Fund has been used on several occasions in the past for various capital improvements. Fund balance has typically been used specifically for street improvements.

The City's current financial policy establishes a target range between 8% and 15% for unbudgeted reserves in the General Fund. While the final audited financial statements have not been completed for FY 2015, staff estimates the General Fund unbudgeted fund balance will be approximately 15.7%. This leaves the General Fund approximately \$3 million above the range established for unbudgeted reserves.

Budgeting \$8 million will put unbudgeted reserves at approximately 13.5%.

Review

Finance Department

Recommendation: Resolution be adopted.

Attachment