

RESOLUTION 2014-34

HENDRICKS COUNTY RESOLUTION COVERING CASH BALANCE

WHEREAS the County recognizes the need to maintain a minimum cash balance for each operating fund of the County to ensure an adequate operational cash flow and a margin of safety to protect against fluctuations in future revenue;

WHEREAS the County has the need to develop a cash management policy in light of recent changes by the State requiring income taxes to be separated from the General Fund and set up in a new separate fund starting in 2013;

WHEREAS the County's rating agency believes it is good management practice to have a Cash Management Policy in written form;

WHEREAS a cash balance can serve the County in the following ways: (1) the cash balance is helpful to prevent the County from needing to borrow from outside sources for cash flow purposes and (2) allow the County to have contingencies in the event of revenue shortfalls;

WHEREAS the County recognizes that, in the past, the General Fund was funded by property taxes and income taxes and effective January 1, 2013, the State of Indiana required all counties to begin receipting CAGIT to a separate fund and therefore, the County was required to allocate General Fund appropriations to this newly created fund;

WHEREAS the County Council has deemed it good financial policy to target a minimum fund balance for the funds listed;

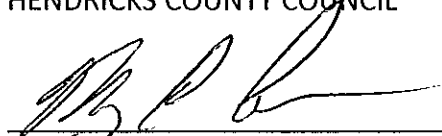
WHEREAS it is also the County Council's desire to be as transparent as possible to the constituents of Hendricks County;

THEREFORE, be it resolved that Hendricks County will set the minimum fund target balances for the funds, as stated, and that the County Council intends to annually review the amount set forth in this Resolution. For purposes of the newly created Income Tax Fund, the County will consider the combined balance of the Income Tax Fund and the General Fund for meeting the minimum fund balance requirement.

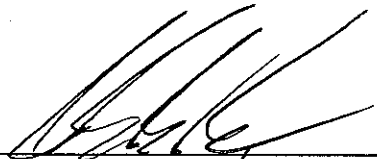
ALSO, THEREFORE, be it ordained that the Hendricks County Council has reviewed the budget for 2015 and believes the Rainy Day Fund is expected to be maintained at the current level and only be used for emergency purposes going forward.

Adopted this 11th day of September, 2014.

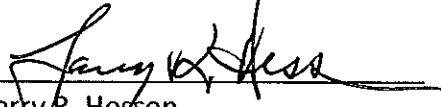
HENDRICKS COUNTY COUNCIL



Myron C. Anderson



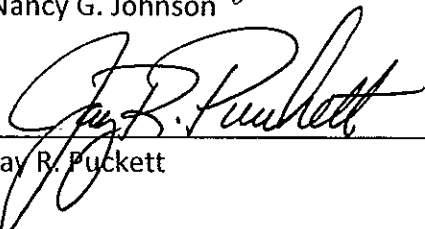
Caleb M. Brown



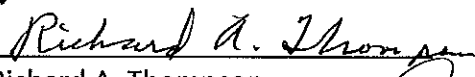
Larry R. Hesson



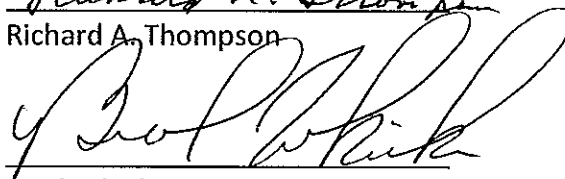
Nancy G. Johnson



Jay R. Puckett




Richard A. Thompson



Brad Whicker

ATTEST:



Cinda Kattau
Hendricks County Auditor

HENDRICKS COUNTY, INDIANA
FUND BALANCE REQUIREMENT FOR 2015

<u>Fund #</u>	<u>Fund Name</u>	<u>Determination</u>	<u>Basic</u>	<u>Most Recent Annual Budget</u>	<u>Cash/Investment Requirement</u>	<u>County Council Approved Minimum</u>	<u>Combined 1001 & 1110 Target Cash Balance</u>
1001	County General	1	20% of '14 budget	\$ 22,707,451	\$ 4,541,490	\$ 5,000,000	\$ 6,000,000
1110	CAGIT (County Adjusted Gross Income Tax)	1	20% of '14 budget	9,218,896	1,843,779	1,000,000	
1112	EDIT (Economic Development Income Tax)	2	flat amount	2,600,314	5,000,000	5,000,000	
1138	Cumulative Capital Development	1	flat amount	1,897,310	750,000	750,000	
1176	County Highway	1	20% of '14 budget	4,232,275	846,455	700,000	
1186	Rainy Day	3	current balance	500,000	10,478,173	10,000,000	
1188	Reassessment	1	20% of '14 budget	383,441	76,688	50,000	
1157	Food & Beverage Tax	2	20% of '14 budget	1,607,569	321,514	2,000,000	
4702	Self-Insurance Rainy Day	2	50% of '13 annual claims	5,056,000	2,528,000	3,500,000	
		1	Cash flow - prevent borrowing from outside sources				
		2	Contingency in the event of revenue shortfalls				
		3	Emergency use only				