

**THE FOLLOWING ORDINANCE WAS SPONSORED BY COUNCIL MEMBER ZUCKERMAN; MOVED FOR ADOPTION BY COUNCIL MEMBER LANE AND SECONDED FOR ADOPTION BY COUNCIL MEMBER DISCON  
ORDINANCE NO. 26-16**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF MANDEVILLE ADOPTING AN UNASSIGNED FUND BALANCE POLICY FOR THE CITY OF MANDEVILLE, AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH**

**WHEREAS**, maintaining a prudent level of fund balance in the General Fund is an important component of the City's financial stability and long-term fiscal health;

**WHEREAS**, adequate reserves provide the City with liquidity to address cash flow needs, responds to emergencies, manage economic fluctuations, and stabilize operations during periods of revenue volatility;

**WHEREAS**, the Government Finance Officers Association recommends that general-purpose governments maintain unrestricted budgetary fund balance in their General Fund of no less than two months of regular operating revenues or expenditures; and

**WHEREAS**, the City Council desires to establish a formal policy to guide financial planning and ensure the responsible management of public resources.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Mandeville that the following Unassigned Fund Balance Policy Ordinance be adopted as Section 14-12 of the City of Mandeville Code of Ordinances:

**Sec. 14-12. – Unassigned Fund Balance Policy.**

- a) For purposes of this Policy, Unassigned Fund Balance shall mean the portion of the General Fund balance classified as *Unassigned* in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 54. Amounts classified as Nonspendable, Restricted, Committed, or Assigned, including encumbrances and amounts appropriated or designated for capital projects or other specific purposes, shall not be included when determining compliance with this policy.
- b) **Minimum Fund Balance.** The City shall not adopt a budget that allows the unassigned fund balance in the General Fund to fall below less than twenty percent (20%) of annual General Fund operating expenditures. For purposes of this calculation, operating expenditures shall mean the adopted General Fund operating budget, excluding:
  - a. Capital outlay
  - b. Transfers to capital or project funds
  - c. Prior-year encumbrances
  - d. Prior-year capital or project carry forward appropriations.

- c) Nothing in this Section shall be construed to prohibit emergency expenditures authorized by state law, including La. R.S. 39:1314 or La. R.S. 29:737, or to prohibit the City Council from adopting a budget amendment otherwise authorized by law in response to a declared emergency, natural disaster, grant reimbursement timing issue, or other extraordinary circumstance, provided that any such action should include a plan to restore the unassigned fund balance to the minimum level within a reasonable period of time.

**BE IT FURTHER ORDAINED**, that the City Council of the City of Mandeville hereby adopts the provisions of this Ordinance to be effective upon the Mayor's signature.

**BE IT FURTHER ORDAINED**, that the Clerk of this Council be and is hereby and is hereby authorized and empowered to take any and all actions which she, in the exercise of her discretion, deems necessary to promulgate the provisions of this Ordinance.

The ordinance being submitted to a vote, the vote thereon was as follows:

AYES:Strong- Thompson, Vogelanz, Lane, Zuckerman

NAY: Discon

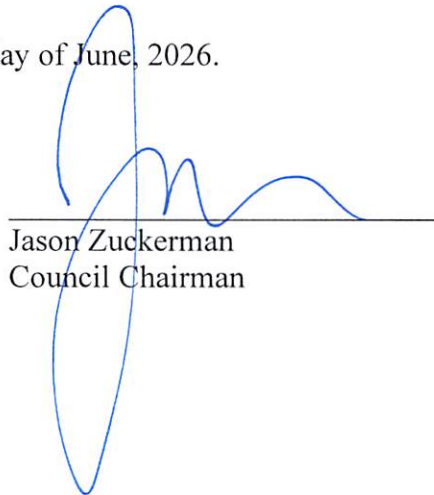
ABSTENTIONS:0

ABSENT:0

And the ordinance was declared adopted this 25th day of June, 2026.



Alicia Watts  
Clerk of Council



Jason Zuckerman  
Council Chairman