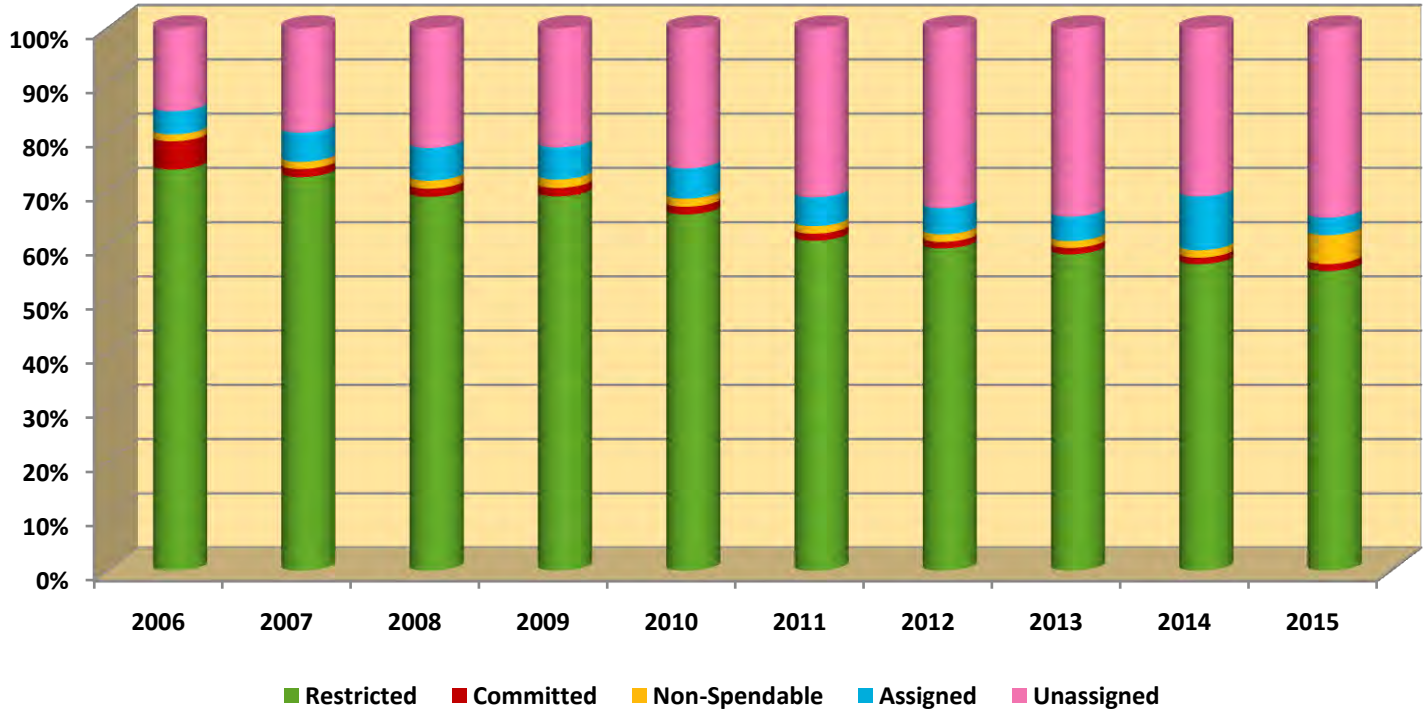
Governmental Fund Balance by Component



Fund Balance represents the historically accumulated excess of a fund's assets (revenues) over its liabilities (expenditures). Fund Balances are accumulated surpluses from prior fiscal years that can be carried forward and used to fund expenditures in future years within that fund, or in the case of the General Fund, can be used to support programs or services in other funds.

Indicator Score = Yellow/Same

TREND ANALYSIS:

Fund balances should be maintained at levels which are sufficient to absorb revenue shortfalls or financial emergencies; to ensure desired cash-flow levels; and/or to accumulate funds for capital purchases without having to issue debt. In addition, inadequate fund balance levels can affect the City's bond rating. The City has a formal adopted fund balance policy to ensure there is no deviation from that essential concept.