

ORDINANCE NO. 2016-O-170

AN ORDINANCE OF THE OF THE VILLAGE OF VOLENTE, TEXAS, CREATING THE "COMMITTED FUND BALANCE FOR ROAD MAINTENANCE" AND THE SPECIAL REVENUE FUND FOR "MUNICIPAL SALES AND USE TAX FOR STREET MAINTENANCE" AS REQUIRED UNDER TAX CODE CHAPTER 327;

WHEREAS, Pursuant to the rules of the Federal Governmental Accounting Standards Board (GASB), specifically GASB-54, a "committed fund balance" contains funds that are constrained for a specific purpose, imposed by formal action of the governing body's highest level of decision-making authority and a "special revenue fund" contains proceeds from specific revenue sources that are legally restricted to expenditure for specified purposes;

WHEREAS, a special election was held on the 7th day of May 2016, at which the propositions to remove the Capital Metropolitan Transportation Authority from the Village of Volente and adopt a local sales and use tax of 1% to provide revenue for maintenance and repair of municipal were adopted by the voters;

WHEREAS, the City Council of the Village of Volente, wishes to segregate funds currently reflected in the fund balance of the General Fund, and allocate those funds as Committed Funds for the specific purpose of maintenance and repair of municipal streets in the amount of \$118,000.00;

WHEREAS, in accordance with Tax code, Chapter 327 "Municipal Sales and Use Tax for Street Maintenance" the City Council of the Village of Volente, wishes to segregate municipal sales and use Tax for street maintenance collected and expenditures made to maintain and repair of municipal streets in a Special Revenue Fund;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE VILLAGE OF VOLENTE, TEXAS, THAT:

Section 1: Village of Volente hereby establishes a Committed Fund for the maintenance and repair of municipal streets in the amount of \$118,000.00.

Section 2: Village of Volente hereby establishes a Special Revenue Fund for the segregation of municipal sales and use tax revenue for street maintenance and expenditures made for the maintenance and repair of municipal streets in accordance with Tax code, Chapter 327.

Section 3: Open Meetings: It is hereby officially found and determined that this meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by the Open Meetings Act, Chapter 551, Texas Government Code.

Section 4: Effective Date: This Ordinance shall be in force and effect from and after its passage on the date shown below.

PASSED AND APPROVED by the City Council of the Village of Volente on this 20th day of September, 2016.

Signed:

Attest:

Ken Beck, Mayor

Nicole Vicuña, Acting City Secretary