CITY OF MOUNT VERNON, N.Y.
OFFICE OF THE COMPTROLLER

Darren M. Morton, Ed.D., CPRP, CMFO
Comptroller

City Hall, One Roosevelt Square
Mount Vernon, NY, 10550
(914) 665-2303

July 21, 2025

The Honorable City Council
City Hall
1 Roosevelt Square
Mount Vernon, NY 10550

RE: COMP2025-10 – Proposed Fund Balance Policy

Honorable City Council Members:

I write to respectfully request that the Mount Vernon City Council ("the Council") enact legislation adopting the attached proposed Fund Balance Policy for the City of Mount Vernon.

My office has worked with our financial advisors, Capital Markets Advisors, LLC, to develop the proposed policy. The purpose of this Fund Balance Policy (the "Policy") is to establish a key element of the financial stability of the City of Mount Vernon ("City") by defining and setting guidelines to maintain a prudent level of fund balance. Unassigned fund balance is an important measure of economic stability.

As noted in the City's 2018 and 2019 annual audits, the fund balance has steadily declined over time. To safeguard the City's long-term financial health and solvency, it is essential that we adopt formal written policies and procedures to maintain an adequate level of unassigned fund balance. Such a policy will help mitigate financial risks stemming from unforeseen revenue shortfalls and unexpected expenditures. A well-structured Fund Balance Policy not only enhances the City's creditworthiness but also ensures sufficient cash flow to meet operational needs. Ultimately, maintaining a healthy fund balance serves as a critical financial cushion for taxpayers in the face of unforeseen or extraordinary events.

The attached document provides a comprehensive policy I would ask your honorable body adopt this policy and repeal all previous fund balance policies, if applicable.

Thanking you in advance for your assistance in this matter.

Respectfully,

Darren M. Morton, Ed.D., CPRP, CMFO
Comptroller

cc: Mayor Shawyn Patterson-Howard
Corporation Counsel
File