

**CITY OF PROSPECT
ORDINANCE NO. 580, SERIES 2019**

**AN ORDINANCE COMMITTING UNALLOCATED RESERVE FUNDS FOR
PAYMENT OF THE CITY OF PROSPECT'S LONG-TERM PENSION OBLIGATION**

WHEREAS, according to the Kentucky Auditor of Public Accounts' 2018 audit, on June 30, 2018 the City of Prospect had a pension and retirees' health insurance obligation of \$2,036,411; and

WHEREAS, according to the 2018 audit of the City of Prospect's finances, on June 30, 2018 the City had \$2,349,275 in unassigned funds, otherwise known as unallocated reserves; and

WHEREAS, the City Council of the City of Prospect desires to ensure that it is able to fully meet the aforementioned pension obligation.

NOW, THEREFORE, BE IT ORDAINED AS FOLLOWS:

Section 1. The City Council of the City of Prospect henceforth commits an amount in unallocated reserves equal to the amount of the pension obligation in such manner that those funds cannot be used for any other purpose without subsequent action by the City Council of the City of Prospect.

The amount of the City of Prospect's obligation is recalculated by the Commonwealth of Kentucky each year. The committed funds will therefore be adjusted as necessary to reflect any annual change.


Section 2. This Ordinance shall take effect from and after its passage, signing, and publication as required by law.

First Reading this 20th day of May, 2019.

Second Reading this 17th day of June, 2019.

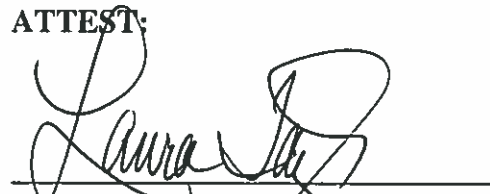
"Aye" votes: 6
"Nay" votes: 0

APPROVED:



John E. Evans
Mayor, City of Prospect

ATTEST:



Laura Taylor
City Clerk