



Request for Council Action

Originator Finance	Item Budgetary and Financial Control Policy Revisions Approval
Agenda Section	Date 12/1/2014

Description

To improve the cash flow within the General Fund, the Budgetary and Financial Control Policy has been revised to increase the required year end fund balance level. The Minnesota State Auditors recommended Fund Balance level is 35% to 50% of the following years budgeted expenditures.

The current policy of 50% of the following years General Fund portion of property taxes approximates the 35% low range of the recommended amount.

The revised policy would have the range required as 35% to 40% of the General Fund revenues and/or expenditures of the balanced budget for the following year. Each year the goal is to increase the fund balance requirement by 1.00% until it reaches 40%.

Requested Action

Request Council to approve the revised Budgetary and Financial Control Policy.

Attachments:

Redlined version of Budgetary and Financial Control Policy
Clean version of the Budgetary and Financial Control Policy