

# Financial Administration Ordinance & Policy

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Ordinance 2.90, 2.95, 2.06B

Policy 1060

# Ordinance & Policy Revisions

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- Working Committee: Mayor's Finance Team (Darrin, Shanell, Greg, Rod, Javid) as well as the Treasurer, Auditor, Jon Bronson from Zions Bank, and Gavin Anderson and Craig Wangsgard from the DA's Office.
- Policy 1060 was last updated in February 2009.
- Ordinance 2.90 did not exist – created from existing version of policy.
- Also proposing revisions to Ordinance 2.95 and 2.06B.

# Summary of Changes

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- A number of sections in the existing policy were moved to the new ordinance.
- The intention was that Policy 1060 align with the ordinance, avoiding duplication as much as possible.
- “Mayor” substituted for “Auditor” as applicable throughout the policy.
- Other clarifications and changes made throughout the policy.

# Budget Policies (1.0)

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- Updated the list of funds for which long range plans are prepared, eliminating Capital Improvements, Governmental Immunity, and Municipal Services funds, and adding Transportation Preservation and Visitor Promotion funds.
- Removed some detail and dates that are mandated in ordinance and statute to avoid redundancy and the need for updates if those change.
- Clarified that actual versus budget reports will be “made available” as opposed to “distributed”.
- Clarified that budgetary “new” requests outside the normal budget appropriation process are discouraged, as opposed to all adjustments being discouraged.
- Removed the goal for the budget document to qualify for the GFOA “Distinguished Budget Presentation Award” as the County has not found sufficient value to stakeholders to warrant the resource requirements of producing a 1000+ page document.

# Capital Project Budget Policies (2.0)

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- Added "maintenance" to the types of costs that should be included when coordinating the development of capital projects budgets with operating budgets.
- Broadened the types of capital project external financial assistance that can be accepted to include any applicable federal grants and sources, and local or other assistance.
- Clarified:
  - that best efforts will be made to fully fund annual capital budget requests necessary to protect and maintain the existing County infrastructure, and
  - that the capital improvements tax levy allocable to capital maintenance is not available to be shifted to other tax funds for non-capital maintenance items.

# Debt Policies (3.0)

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- Added Debt Section 2.90.040 to Ordinance
- Statement identifying the Deputy Mayor of Finance and Administration as the Disclosure Officer added to Ordinance 2.06B
- Disclosure Officer duties and new disclosure requirements added to the policy, including defining "reportable event"
- Reporting materiality threshold established in the policy – 2% of prior year property tax collected

# Revenue Policies (4.0)

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- Changed “shall” to “should” not use one-time revenues to support ongoing operations and added “except in cases of a declared emergency or rare exigent circumstances”.
- Added requirement for due diligence on grant applications to assess consistency with the County’s mission and priorities, cost/benefit analysis and matching requirements, and outcome measures.
- Added requirement for a committee including representation from the Treasurer, Auditor, Mayor and Council to review projections of revenue from property taxes, sales taxes, and other material sources.

# Reserve Policies (5.0)

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- Minimum reserve for funds based on revenues rather than expenditures (with the exception of TRCC).
  - Minimum reserve for the General Fund increased from 10% to 15%, while the Flood Control, Health, Library, Planetarium, and Tax Administration Funds remain at 5%.
  - TRCC is 5% of the sum of expenditures and recurring transfers out.
  - State statute limits the General Fund budgeted reserve to a minimum of 5% of revenues and a maximum of 25% of revenues.

# Investment Policies (6.0)

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- No significant changes.

# Accounting, Auditing, and Financial Reporting Policies (7.0)

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- Updated terminology for external sources that have changed: ACFR (annual report updated acronym), ICAPs (Indirect Cost Allocation Plans updated title), 2 CFR 200 (new federal regulations reference as opposed to A-87), etc.
- Added a section to require in policy that year-end audit and single audit timelines as published will be followed by County organizations to ensure records are prepared timely and are correct for the audits
- Updated the policy language to be in line with the current County Auditor's state statute regarding auditing services

# Internal Control Policy (8.0)

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- Added the internal control section to the policy.