

RESOLUTION No. 37419

Adopt revised Comprehensive Financial Management Policies; Financial Planning, Operations and Maintenance, and Budget to address the City's financial planning and annual budget processes (Resolution; amend FIN 2.03, 2.03.02 and 2.04)

WHEREAS, formal financial policies are a highly recommended component of government financial management and are endorsed by the Government Finance Officers Association (GFOA), the affiliated National Advisory Council on State and Local Budgeting, and the GFOA Distinguished Budget Presentation Awards program; and

WHEREAS, key objectives for the City's comprehensive financial management policies are to guide decision making, support long-term planning, maintain assets and infrastructure, minimize financial risk, ensure internal controls, optimize the effectiveness of service delivery, institute balanced revenue strategies, maintain financial stability, promote sound financial management, maintain credit ratings, ensure the legal use of resources, and promote collaboration; and

WHEREAS, these financial policies were last updated in 2014, and national government finance best practices recommend a frequent review and adoption of municipal financial policies; and

WHEREAS, FIN 2.03 Financial Planning and FIN 2.03.02 Operations and Maintenance have been updated to reflect City Council direction regarding the need for long-term financial planning beyond the City's five-year financial forecast; to use asset management best practices for capital assets and equipment, including reserving and funding plans; to dedicate certain portions of General Fund discretionary revenues to infrastructure maintenance or replacement projects related to emergency preparedness, parks and recreation, and transportation; and

WHEREAS, FIN 2.04 Budget has been updated to clarify the processes for requesting appropriation and contingency; to expand the allowable use of one-time funds; to require prior notification to and approval from Council for certain binding financial commitments and litigation; to require that bureaus budget internal service costs in collaboration with internal service providers; to establish certain limits on City-issued competitive grants; and

WHEREAS, proposed language referencing the funding of labor agreement costs has been removed from FIN 2.04 Budget and will be addressed separately by the Chief Administrative Officer prior to calendar year end; and

WHEREAS, FIN 2.03, FIN 2.03.02, and FIN 2.04 have been reviewed and commented upon by City budget managers, City financial and accounting staff, and the City Budget Office, and

NOW, THEREFORE, the Council directs:

- a. FIN 2.03 Financial Planning and FIN 2.03.02 Operations and Maintenance are hereby amended by substituting Exhibit A-1 and Exhibit A-2 and adopted as binding City policy.
- b. FIN 2.04 Budget is amended as shown in Exhibit B and adopted as binding City policy.

Adopted by the Council: APR 03 2019

Mayor Ted Wheeler

Prepared by: Jennifer Cooperman, CFO

Date Prepared: March 24, 2019

Mary Hull Caballero
Auditor of the City of Portland

By

A handwritten signature in blue ink, appearing to read "J. Anderson", is written over the printed name "J. Anderson" and the title "Deputy".

Deputy

Agenda No. S-291 ~~---~~ **SUBSTITUTE**

37419

Item Type: Resolution No. _____

Council Meeting Date: April 3, 2019

Title: Adopt revised Comprehensive Financial Management Policies; Financial Planning, Operations and Maintenance, and Budget to address the City's financial planning and annual budget processes (Resolution; amend FIN 2.03, 2.03.02 and 2.04)

AGENDA TYPE

CONSENT REGULAR TIME CERTAIN Start Time: _____ Item of _____
Total amount of time needed for presentation, testimony and discussion (Regular and Time Certain): 15 Minutes

INTRODUCED BY: Mayor Wheeler

COMMISSIONER / AUDITOR APPROVAL

Mayor - Finance & Administration - Wheeler 
Position 1/ Utilities - Fritz _____
Position 2/ Works - Fish _____
Position 3/ Affairs - Hardesty _____
Position 4/ Safety - Eudaly _____
City Auditor - Hull Caballero _____

BUREAU APPROVALS

Bureau: OMF/CAO
OMF/CAO: Tom Rinehart Digitally signed by Tom Rinehart
Date: 2019.02.12 12:46:02 -08'00'
Bureau Approval: Jennifer Cooperman Digitally signed by Jennifer Cooperman
Date: 2019.02.11 15:37:41 -08'00'

Prepared By: Jennifer Cooperman

Date Prepared: February 11, 2019

1) Is a completed Impact Statement attached? Yes

2) Does the item amend the budget? Yes No
If yes, **Budget Office** Approval

3) Is the item a Code ordinance? Yes No
If yes, **Auditor Office** Approval

4) Is this item a contract, code, easement, franchise, comp plan or Charter? Yes No
If yes, **Attorney Office** Approval

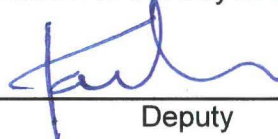
5a) Is item a Portland Policy Document or Administrative Rule? Yes No

5b) If yes, is the City Policy/Admin Rule directive in the ordinance or resolution? Yes

ACTION TAKEN:

CLERK USE: DATE FILED MAR 27 2019

Mary Hull Caballero
Auditor of the City of Portland

By:  Deputy

FOUR-FIFTHS AGENDA

1. Fritz
2. Fish
3. Hardesty
4. Eudaly
Wheeler

COMMISSIONERS VOTED AS FOLLOWS:

	YEAS	NAYS
1. Fritz	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Fish	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Hardesty	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Eudaly	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Wheeler	<input checked="" type="checkbox"/>	<input type="checkbox"/>