



## **AGENDA MEMORANDUM**

Future Item for the City Council Meeting of July 18, 2017  
Action Item for the City Council Meeting of July 25, 2017

---

**DATE:** July 16, 2017

**TO:** Margie C. Rose, City Manager

**THRU:** Sylvia Carrillo-Treviño, Assistant City Manager

**FROM:** Eddie Houlihan, Director of Management and Budget  
EddieHo@cctexas.com  
(361) 826-3792

<b>Amendment to Financial Budgetary Policies</b>
--------------------------------------------------

### **CAPTION:**

Resolution amending Financial Budgetary Policies adopted by Resolution 030790 and providing financial policy direction on preparation of the annual budgets.

### **PURPOSE:**

The financial budgetary policies are being recommended for amendment to address housekeeping needs and to satisfy GFOA requirements. The amendments are also necessary so that our policy regarding use of the Committed for Major Contingencies is strict enough to qualify it as Committed or Assigned fund balance.

### **BACKGROUND AND FINDINGS:**

Section 3. "General Fund Balance/ Working Capital" wording is being revised meet GFOA guidelines on defining committed and assigned assets.

Section 4.1. "Internal Service Funds" wording is being revised to reflect department name changes.

Section 5. "Liabilities for Other Post-Employment Benefits, Accrued Compensated Absences, and Net Pension Liability" (new section) section added to clarify process for recording these liabilities and presentation in CAFR.

Section 6-20. All other sections have been renumbered to accommodate the addition of the new Section "Liabilities for Other Post-Employment Benefits, Accrued Compensated Absences, and Net Pension Liability".

**Alternatives:**

An alternative would be to leave the financial budgetary policies as they currently are written.

**Other Considerations:**

N/A

**CONFORMITY TO CITY POLICY:**

This item conforms to City policy.

**Emergency/Non-Emergency****DEPARTMENTAL CLEARANCES:**

- Office of Management and Budget
- Financial Services
- Legal

**Financial Impact:**

X Not Applicable ☐ Operating Expense ☐ Revenue ☐ CIP

<b>FISCAL YEAR: 2016 - 2017</b>	<b>Project to Date Exp. (CIP Only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Budget				
Encumbered/Expended amount of (date)				
This item				
BALANCE				
Fund(s):				

**RECOMMENDATION:**

Staff recommends approval of the amendment as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution Redline  
Resolution