

RESOLUTION 2023-017
OF THE COUNCIL OF THE CITY OF FORT COLLINS
ADOPTING AMENDMENTS TO THE CITY’S FINANCIAL MANAGEMENT POLICIES

WHEREAS, City Council has adopted Financial Management Policies for the City pursuant to Resolution 94-174, which contemplates that City Council may adopt amendments to them, which the Council has done several times over the years (collectively, the “Financial Policies”); and

WHEREAS, the City’s Chief Financial Officer and City Manager are recommending amendments to three of the current Financial Policies; and

WHEREAS, the City is committed to sound and efficient financial planning and management consistent with the best practices as established by the Government Financial Officers Association (“GFOA”); and

WHEREAS, “Financial Management Policy 5 – Fund Balance Policy,” with its recommended amendments, is attached and incorporated by reference as Exhibit “A” (the “Fund Balance Policy”); and

WHEREAS, the Fund Balance Policy is being recommended for amendment to change the minimum fund balance for the City’s Benefits Fund from 30% to 25%; and

WHEREAS, “Financial Management Policy 7 – Debt,” with its recommended amendments, is attached and incorporated herein by reference as Exhibit “B” (the “Debt Policy”); and

WHEREAS, the Debt Policy is being recommended for amendment to clarify in Section 7.3 when equipment leases can be used and to clarify parameters for conduit debt, to remove from Section 7.4 language regarding capitalization of interest to comply with new accounting standard, to include in Section 7.8 the Inter-Agency Loan Program provisions now found in Section 8.8 of Financial Management Policy 8- Investments, and to designate in Section 7.9 additional items to be included in future Debt Administration Policy; and

WHEREAS, “Financial Management Policy 8 – Investment” with its recommended amendments, is attached and incorporated by reference as Exhibit “C” (the “Investment Policy”); and

WHEREAS, the Investment Policy is being recommended for amendment to clean up language in Section 8.1, to clarify in Section 8.6 that no split ratings will be allowed on purchased investments, to rename the heading of Section 8.7 to eliminate duplicative heading with Section 8.6, to increase in Section 8.7 the amount allowed in local government investment pools from 20% to 60%, and to remove the provisions for the Inter-Agency Loan Program from Section 8.8 that are being moved to Section 7.8 of the Debt Policy; and

WHEREAS, the Council Finance Committee has reviewed the Fund Balance Policy, the Debt Policy, and the Investment Policy, as they have been amended, and recommends that City Council approve each of them; and

WHEREAS, the City Council wishes to amend the Financial Policies, as most recently updated by Council on January 19, 2021, in Resolution 2021-010, by adopting the Fund Balance Policy, the Debt Policy, and the Investment Policy, to now read as shown in Exhibits “A,” “B,” and “C,” respectively, in pursuit of the City’s objectives of sound and efficient financial planning and management consistent with GFOA’s best practices.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS, as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That the City Council hereby approves and adopts the Fund Balance Policy, the Debt Policy, and the Investment Policy, as amended by this Resolution, to now read as shown in Exhibits “A,” “B,” and “C,” respectively.

Section 3. That except for the amendments of the three Financial Policies as provided in this Resolution, all other Financial Policies shall remain unchanged and in full force and effect until the same are amended or repealed by subsequent action of the City Council.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 7th day of February 7, 2023.

Mayor

ATTEST:

City Clerk