



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: May 11, 2022

AGENDA ITEM: Consider a motion to adopt Resolution Number 05-11-22-2 approving the budget and financial planning policy.

PREPARED BY: Jean Lane, Business Services Manager

BACKGROUND:

It is good practice for government to formally adopt financial policies. Financial policies are central to a strategic, long-term approach to financial management. Written financial policies assist the government to:

- Promote stability and continuity.
- Prevent the need to re-invent responses to recurring issues.
- Clarify how the GRPU will manage its resources to provide the best value to customers and community.
- Promote a shared understanding of how the GRPU will develop its financial practices.
- Define limits on the actions staff may take.
- Provide boundaries within which staff can innovate in order to accomplish the GRPU strategic plan.
- Support good bond ratings.
- Promote long-term thinking.
- Identify important risks to financial conditions and how to mitigate the risks.

The attached budget and financial planning policy was reviewed and discussed by the GRPU Commission at the April 26, 2022 meeting. The comments from the Commission have been incorporated into the attached budget and financial planning policy, specifically in bulleted items 7, 8, and 9.

RECOMMENDATION:

Consider a motion to adopt Resolution Number 05-11-22-2 approving the budget and financial planning policy.