



Memorandum

To: Village Council

From: Clerk/Treasurer Sonja Stout

Date: April 7, 2026

Subject: Cash Management and Fund Balance Monitoring Process

Motion: Receive and File the Cash Management and Fund Balance Monitoring Process Memo from Clerk/Treasurer Stout.

The Clerk/Treasurer's Office maintains ongoing monitoring of Village cash balances to ensure sufficient liquidity for operations while maximizing investment earnings on excess funds.

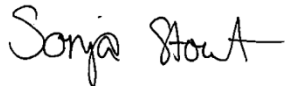
Each month, the Clerk/Treasurer reviews a Cash Fund by Bank Summary Report for the prior month to evaluate the balances held within each Village fund and bank account. This information is used to update a cash flow spreadsheet, which tracks current balances and projects upcoming cash needs based on anticipated expenditures.

Cash requirements for the upcoming month are determined by reviewing current obligations, historical spending patterns, and scheduled payments. Funds necessary for day-to-day operations remain in the Village's primary operating accounts to ensure adequate liquidity.

- **Excess Cash Management:** Funds determined to be in excess of operational needs may be transferred to the Oakland County Local Government Investment Pool (LGIP), which provides a higher interest yield while maintaining liquidity for the Village.
- **Monthly Cash Flow Review:** Cash balances and projected expenditures are reviewed monthly through the cash flow spreadsheet and supporting financial reports to determine operational funding requirements.
- **Weekly Monitoring:** Prior to each weekly check run, fund balances are reviewed to confirm that adequate cash is available in the appropriate accounts. If necessary, funds are transferred from investment accounts to operating accounts to cover disbursements.
- **Daily Balance Verification:** Bank balances are monitored daily to track available cash and identify any necessary adjustments.
- **Administrative Review:** Prior to making any adjustments or transfers between accounts, the Clerk/Treasurer reviews fund balances and cash needs with the Village Manager to ensure alignment with the Village's operational and financial priorities.

Through this process, the Clerk/Treasurer's Office ensures that the Village maintains sufficient funds for operational needs while strategically investing excess cash to maximize interest earnings in accordance with the Village's financial management practices.

Respectfully,

A handwritten signature in black ink that reads "Sonja Stout". The signature is written in a cursive, flowing style.

Sonja Stout
Clerk/Treasurer