



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: July 27, 2026

Agenda Item: Annual Finance Policy Review

Subject | Summary: The proposed 2027 Finance Policies & Procedures are attached for your consideration.

Recommended changes include:

- Budget Policy - no changes
- Capital Outlay w Capitalization & Sale of Merchandise - Increase capitalization threshold from \$5,000 to \$10,000 | Depreciation life updates
- Debt Management Policy - no changes
- Fund Balance Policy - 12 mo average fund balance for cash flow vs. year end balance
- Investment Management - no changes
- Accounting Procedures & Internal Controls - On line payments increasing | Fixed Asset Threshold | Grammar | US Bank department head approval signature.

Agenda Category: Consent

Submitted By: Beth Carlson

Recommended Motion: Consider adopting suggested modifications

Community Engagement and Outreach: Annual Review Process;

- Administrative and Departmental Review - Complete
 - Financial Advisor & Consultant Review - Complete
 - Personnel Budget Committee Review - Complete 07/13
 - City Council Review & Adopt if acceptable
 - Distribute adopted policies at annual meeting
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FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background: In 2022 it was determined that the Finance Policies would be reviewed yearly to build awareness of our fiscal responsibilities and implement the recommended practice of keeping finance policies current.

Attachments:

[Finance BUDGET Policy - 2026Rvwfor2027.01.pdf](#)

[Finance CAPITAL OUTLAY Policy -2026Rvwfor2027.01.pdf](#)

[Finance DEBT MANAGEMENT Policy - 2026Rvwfor2027.01.pdf](#)

[Finance FUND BALANCE Policy - 2026Rvwfor2027.01.pdf](#)

[Finance INVESTMENT MANAGEMENT Policy - 2026Rvwfor2027.01.pdf](#)

[Finance Procedures & Internal Controls - 2026Rvwfor2027.01.pdf](#)