



## Staff Report

**TO:** City Council  
**FROM:** Jennifer Ustation, Finance Director  
**DATE** May 16, 2023  
**SUBJECT:** 2023 City of Beaumont Financial Policies Manual

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**Description** Proposed 2023 City of Beaumont Financial Policies with added language.

### **Background and Analysis:**

Financial policies provide guidelines for financial decision-making and are central to a strategic, long-term approach to financial management. Governments adopt formal financial policies to institutionalize good financial management practices, clarify strategic intent, promote long-term thinking, manage risks, and set decision-making boundaries. Government Finance Office Association (GFOA) best practices recommend governments formally adopt financial policies. Financial policies, which are adopted by the City Council, provide written guidance for how local government officials and staff should approach fiscal issues and core financial areas.

As part of the budget process, each year, the City's financial policies will be reviewed and updated by the finance department, reviewed by the Financial and Audit Committee, and prepared for City Council adoption. The financial policies will also be used during the city-wide audits to assess compliance and risk and will be included in the City's budget book. Attached is the redlined proposed Financial Policies with recommended updates.

The Financial Policies were presented to the Financial and Audit Committee on April 10, 2023, and the Committee recommended moving forward to the City Council for approval. The Financial Policies Manual has been reviewed by legal and bond counsel for adherence to State laws.

### **Fiscal Impact:**

The estimated cost to prepare this report is \$850.

**Recommended Action:**

Approve the 2023 City of Beaumont Financial Policies Manual.

**Attachments:**

- A. 2023 City of Beaumont Financial Policies Manual