

**MIDVALE CITY CORPORATION  
RESOLUTION 2023-R-29**

**A RESOLUTION ADOPTING THE POLICIES STATED IN THE ATTACHED  
“MIDVALE CITY FINANCIAL POLICIES” DOCUMENT**

**Whereas**, city staff and Council have long followed guidelines and policies related to finance, both written and unwritten; and

**Whereas**, formal policies promote stability and continuity for any organization; and

**Whereas**, financial policies define a shared understanding of how the municipality will develop its financial practices and manage its resources to provide the best value to the community; and

**Whereas**, a solid set of financial policies can help support a good bond rating, thereby reducing the cost of borrowing; and

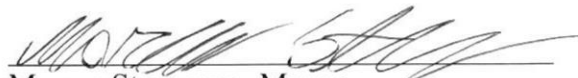
**Whereas**, the Utah State Auditor recognizes financial policies as an essential part of decreasing the risk of fraud in governments; and

**Whereas**, the Government Finance Officers Association recognizes financial policies as an essential part of public financial management.


**Now therefore be it resolved**, that the Midvale City Council approves and adopts the policies stated in the attached “Midvale City Financial Policies” document.

**This resolution** shall become effective immediately upon passage thereof.

**Passed and adopted by the City Council of Midvale City, State of Utah**, this 20th day of June, 2023.

  
\_\_\_\_\_  
Marcus Stevenson, Mayor

ATTEST:

  
\_\_\_\_\_  
Rori L. Andreason, MMC  
City Recorder



**Voting by the City Council: “Aye”**

**“Nay”**

Dustin Gettel	✓	_____
Paul Glover	<del>Absent</del>	_____
Quinn Sperry	✓	_____
Heidi Robinson	✓	_____
Bryant Brown	✓	_____

# Midvale City, Utah



Financial Policies

~~Robert M. Hale~~Marcus Stevenson – Mayor  
~~Kane B. Loader~~Matt Dahl – City Administrator  
~~Laurie N. Harvey~~Mariah Hill – Director of Administrative  
Services  
~~Dalin W. Hackett~~ – Asst. Finance Director  
2018

## Introduction

This document formally memorializes financial policies currently in effect for Midvale City elected officials and staff. The last revision to these policies occurred in 2018. This 2023~~18~~ edition may be expanded and refined over time.

As stated by Jeffrey L. Esser, Executive Director of the Government Finance Officers Association, “Financial policies are a key element of sound fiscal administration. Policies provide the guidance or “rules of the game” that shape the decisions of public managers. When policies are effective, they can preserve or enhance the fiscal health of governments. By contrast, weak policies promote fiscal instability and can also reduce citizen confidence in government.”

Questions regarding information in this document should be directed to ~~Dalin Hackett~~Mariah Hill, Midvale City, 7505 S. Holden Street, Midvale, Utah, 84047, telephone (801)-567-7206~~20~~, Email address ~~dhackett~~mhill@midvale.com.

## Midvale City, Utah

### Financial Policies

#### Purpose

The purpose of Financial Policies is to set forth parameters and guidelines for prudent fiscal operational practices and management. These policies were developed by Midvale's Department of Administrative Services with assistance from the Government Finance Officers Association publication "Financial Policies" by Shayne C. Kavanaugh and the City's Financial Advisor, Lewis Young Robertson & Burningham. These policies have been approved by executive management, and the last revisions occurring in 2018 were formally adopted by resolution by the Midvale City Council.

#### Formal Adoption of Financial Policies

The last Midvale City Financial Policies were adopted by a resolution of the Midvale City Council (2018-R-43) on October 16, 2018. This 2023 revision proposes the addition of a Cash Handling and Deposit Policy, significant revisions to the City's Investment Policy, updates the Procurement Policy to include the 2023 updates, and a few other minor changes.

## Midvale City, Utah

### Financial Policies

#### Table of Contents

General Fund Reserve Policies	4
Reserve Policies in Other Funds	5
Revenue Policies	7
Expenditure Policies	8
Operating Budget Policies	9
Capital Asset Management Policies	11
Long-term Financial Planning Policies	12
Debt Policies	13
Investment Policies	15
Accounting, Auditing, and Financial Reporting Policies	20
Internal Control and Risk Management Policies	21
Local Economic Development Finance Policies	22
Procurement Policies	23
Cash Receipting and Deposit Policy	27

## General Fund Reserve Policies

Formatted: Font: Bold

Formatted: Centered

Formatted: Font: Bold

### Purpose

- Comply with Utah state law
- Plan for contingencies
- Maintain good standing with rating agencies
- Avoid interest expense
- Generate investment income
- Ensure cash availability when revenue is unavailable
- Create a better working relationship between the governing board and staff

### Amounts Held in Reserve

Formatted: Font: 14 pt, Bold

Formatted: Font: 14 pt

Formatted: Font: 16 pt, Bold

Utah Code § 10-6-116 requires that municipalities maintain an unrestricted (committed, assigned, and unassigned) general fund balance between five and ~~thirty~~ twenty five percent of the ~~estimated~~ general fund revenues.

Midvale City will maintain a General Fund fund balance (reserve) of fifteen percent of budgeted general fund revenues.

The amount in reserves will be calculated by adding the fiscal year ending committed, assigned, and unassigned fund balances less fund balance appropriated in subsequent fiscal year.

Midvale City will maintain a General Fund balance (reserve) of fifteen percent of budgeted general fund revenues, though the City Council may direct staff to reserve up to the State limit of thirty five percent.

### Conditions for Use of Reserves

Formatted: Font: 14 pt, Bold

The reserve may be used at the discretion of the City Council for unanticipated, non-recurring needs, temporary shortfalls, or if the Mayor declares a state of disaster. Fund balances should not be used for normal or recurring annual operating expenditures. Once used, ~~the reserves~~ should be replenished in a timely manner.

Unassigned general fund balance in excess of fifteen percent may be used for one-time purchases.