

RESOLUTION NO. 2021 – 03

RESOLUTION TO ESTABLISH GENERAL OPERATIONS POLICY

WHEREAS, the Village of River Hills, Milwaukee County, State of Wisconsin (Village) desires to implement the Financial policies to outline policy and procedures related to financial matters; and

WHEREAS, the Village of River Hills, Milwaukee County, State of Wisconsin (Village) has proposed to establish a General Operations Policy.

NOW, THEREFORE, BE IT RESOLVED by the Village Board of the Village of River Hills, Milwaukee County, State of Wisconsin that:

GENERAL OPERATIONS POLICY

The establishment of general operations policy statement is an important component of the Village's financial management policy and planning efforts.

Objectives:

A. Accounting

1. The Village will establish and maintain the accounting systems according to GAAP and the State of Wisconsin Uniform Chart of Accounts.
2. An annual audit will be performed by an independent public accounting firm which will issue an official opinion on the annual financial statements, with a management letter detailing areas that need improvement. In addition, full disclosure will be provided in the financial statements and bond representations.
3. Financial systems will be maintained to monitor expenditures and revenues on a monthly basis and all revenue collections will be consolidated under the Clerk/Treasurer. A cash-flow analysis, including disbursements, collections, and investments, will be prepared on a regular basis indicating that sufficient cash is available for daily financial needs.
4. Encumbrances represent commitments related to unperformed contracts for goods or services, and will be recorded when incurred. Encumbrances outstanding at year-end will be reported as reservations of fund balance.
5. The Village will establish and maintain a depreciation schedule based on the straight-line method. The useful life of capital assets will be based on internal information, information on comparable assets from other governments, and general guidelines from professional or industry organizations.

B. Revenue

1. Each year and whenever appropriate, existing revenues will be re-examined and possible new sources of revenues will be explored to ensure that we are maximizing our revenue potential.
2. Legally restricted revenues will be avoided when they adversely affect the short or long-term financial health of our government. One-time revenues will be used for capital improvements or as legally restricted to a specific purpose.
3. Each year and whenever appropriate, intergovernmental revenues will be reviewed to determine their short and long-term stability, to minimize the impact of any adverse changes. Intergovernmental revenues shall be used as legally prescribed or otherwise set forth by policy.
4. Any amounts due to the Village will be carefully and routinely monitored by the Clerk/Treasurer. An aggressive policy of collection will be followed for all receivables,

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including property taxes. In addition, proprietary funds will generate revenue sufficient to support the full direct and indirect costs of these funds.

5. All potential grants and other aid shall be carefully examined for matching requirements and restrictive covenants, to ensure that our participation in such grants will be beneficial and cost-effective.

C. Budget & Capital Improvements

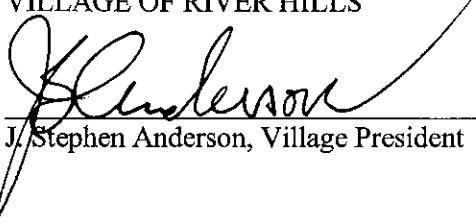
1. The Village will pay for all current operating expenses with current revenues and will avoid budgetary procedures that balance current costs at the expense of future years, such as postponing necessary expenses, accruing future revenues, or rolling over of short-term debt.
2. The Village will prepare and maintain a multi-year capital improvements plan and project its equipment replacement needs for the next ten years. In addition, a maintenance and replacement schedule will be developed and updated on an annual basis. Estimated costs of each capital improvement projected for each year will be included in the annual budget, including the impact to annual operating expenditures.
3. Intergovernmental funding sources for capital improvements from the federal, state, and private sector will be actively sought and used as available to assist in financing of capital improvements.

This policy will be reviewed by the Village Board every three years following adoption or sooner at their discretion

Section 4. Effective Date. This Resolution shall be effective upon its adoption and approval.

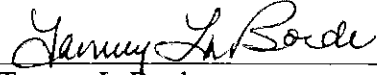
PASSED AND ADOPTED by the Village Board of the Village of River Hills, Milwaukee County, State of Wisconsin on this 10th day of March, 2021.

VILLAGE OF RIVER HILLS



J. Stephen Anderson, Village President

Countersigned:



Tammy LaBorde
Village Manager/Clerk/Treasurer