

Summary of Financial and Budget Policy Compliance

The City of Suffolk has established financial policies to ensure prudent financial practices and accountability of public funds managed by the City. The financial policies include guidelines for Revenues, Budget, Capital Improvements Planning, and Debt. A Finance Committee created by the Suffolk City Council meets on a regular basis to review and monitor compliance. As demonstrated in the attached copy of the City's financial policies and compliance summary, the City of Suffolk is achieving compliance with its financial policies. Highlights of each major compliance area include:

Revenues

- ✓ City fees and charges have been reviewed and updated in the FY 11 Operating and Capital Budget.
- ✓ Revenue collections are strong with collection rates between 96% to 99%.

Budget

- ✓ The FY 11 Operating and Capital Budget is balanced with current revenues supporting all current expenditures.
- ✓ A five year projection of revenues and expenditures is included in the FY 11 Operating and Capital Budget.
- ✓ The City has met the Undesignated General Fund balance policy goal of 12% of Governmental Fund Expenditures. The City's Undesignated General Fund balance is 13.1% of Governmental Fund Expenditures.
- ✓ The projected balance in the Risk Fund is anticipated to be sufficient to provide the required support in the FY 11 Operating and Capital Budget.

Capital Improvements Planning

- ✓ A 10 year Capital Improvements Plan has been prepared and adopted for use in the FY 11 budget year.
- ✓ The FY 11 Operating and Capital Budget includes 1.41% of General Fund departmental expenditures in cash funding in accordance with the five year FY 2012 escalation plan to achieve a 3% pay-as-you-go capital funding level.

Debt

- ✓ Debt as a percentage of assessed value is 2.09% for FY 11, below the 4% policy ceiling.
- ✓ Debt as a percentage of general government expenditures is 9.33% for FY 11, below the 10% policy ceiling.

CITY OF SUFFOLK



Financial Policies

Adopted: December 5, 2007

Revised: January 6, 2010

FY 11' Budget Status: Responses where appropriate for all compliance requirements for FY 11' are denoted in red.