



# CITY OF MCKINNEY, TEXAS

## Legislation Text

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**File #:** 20-0789, **Version:** 1

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Consider/Discuss/Act on a Resolution Adopting the Fiscal Year 2020-2021 Financial Policies

**COUNCIL GOAL:** Financially Sound Government  
4A: Provide funding and organizational framework to ensure continual economic improvements

**MEETING DATE:** September 15, 2020

**DEPARTMENT:** Financial Services

**CONTACT:** Mark Holloway, Chief Financial Officer  
Trudy Mathis, Finance Director

**RECOMMENDED CITY COUNCIL ACTION:**

- Adopt the Fiscal Year 2020-2021 Financial Policies

**ITEM SUMMARY:**

- The City of McKinney shall take action to annually adopt the financial policy.
- This policy, which is included in the annual budget document, is used by the external auditor to ensure that prudent financial management is being practiced.
- Changes to Fiscal Year 2020-2021 policy include:
  - Senate Bill 2 language replacing “effective” tax rate with “no-new-revenue” rate
  - Adding reference to the City’s Debt Management Policy
  - Other housekeeping updates for title and department name changes

**BACKGROUND INFORMATION:**

- The City adopts financial policies to provide a stable financial base at all times. The policy establishes that sufficient funds be retained to provide cash flows as needed for the financial operations of the City.

**FINANCIAL SUMMARY:** N/A

**BOARD OR COMMISSION RECOMMENDATION:** N/A