



RESOLUTION 2023-01

RESOLUTION ESTABLISHING FINANCIAL MANAGEMENT POLICIES

WHEREAS; The Upper Rum River Watershed Management Organization (URRWMO) utilizes public funds from member communities, State grants, and other sources to fund its operations;

WHEREAS; The URRWMO wishes to establish policies ensuring financial management by generally accepted accounting principles including internal controls to prevent or detect fraud and error;

THEREFORE, BE IT RESOLVED the URRWMO adopts as policy the following:

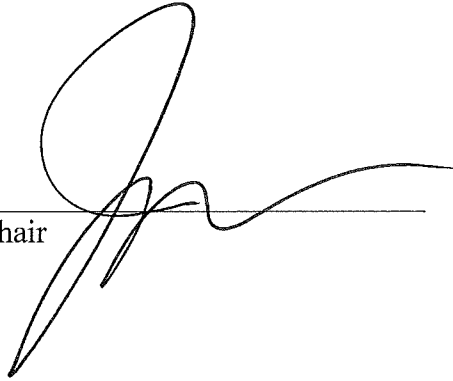
- The Treasurer will:
 - Maintain an independent ledger of debits and credits, and present it at each URRWMO meeting. The ledger will separately track funds from the current fiscal year, reserve funds, any grants the URRWMO may hold, & others as the Treasurer or board wishes.
 - On a monthly basis, deposit to the bank any checks received and reconcile URRWMO bank statement.
 - At each URRWMO meeting, review invoices and prepare checks.
 - Maintain and keep secure online banking credentials. The treasurer and one other officer are allowed to have the online banking credentials. The password must be changed whenever credentials are passed to a new treasurer or other officer.
- The URRWMO Board will:
 - Review and approve Treasurer's reports.
 - Authorize check signers.
 - Approve payments.
 - Hire a third party to prepare an annual activity report, audit report, and/or financial statement in accordance with MN Rules 8410.0150, subpart 1, except as provided in MN Statutes, section 6.756 subd 2(b).
- Two signers shall be required on all checks, both of which must be URRWMO board members. Signers must be authorized by the URRWMO board and registered as approved check signers at the URRWMO's banking institution.
- Funds shall be managed to minimize funding requests to member communities. Modest reserve funds will be maintained for unforeseen expenses and larger known upcoming expenses.
 - Undesignated reserve - The URRWMO will maintain an undesignated reserve at a target of 20% of an average annual budget as shown in the URRWMO Watershed

Management Plan*. When the undesignated reserve exceeds this target amount, the difference will be applied to the next annual budget, thereby reducing the amount requested of the member communities.

- Water monitoring fund – The URRWMO will maintain a water monitoring fund as shown in the Watershed Management Plan.

*The average annual budget in the 2019-2028 URRWMO Plan is \$55,650. 20% of this amount is **\$11,130**. Information is as of 5-2023; future plan amendments could alter this amount.

Chair

A handwritten signature in black ink, consisting of a large, stylized loop at the top and several sweeping strokes below, crossing a horizontal line.

Adopted Date: June 27, 2023