

Policy Type: Executive Limitations

Policy Title: EL2 – Business Planning and Financial Budgeting

Last revised: August 12, 2013

The General Manager shall not cause or allow business planning and budgeting to deviate materially from the Board's Ends priorities, risk financial jeopardy, or fail to be derived from a multiyear plan.

The GM will not:

1. Create plans or budgets that
 - a. Risk incurring those situations or conditions described as unacceptable in the Board policy "Financial Condition and Activities."
 - b. Omit credible projection of revenues and expenses, owner investment and return, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
 - c. Would result in default under any of Keweenaw Co-op Inc. (KCI)'s financing agreements or cause the insolvency of KCI.
 - d. Have not been tested for feasibility.
2. Provide less for Board prerogatives during the year than is set forth in the Governance Investment Policy.