

RESOLUTION NO. 87-75

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST ADOPTING SIGNIFICANT ACCOUNTING AND BUDGETARY POLICIES AND PROCEDURES.

WHEREAS, it is the desire of the City Council to insure that all public funds are spent in an authorized fashion; and

WHEREAS, the City Council has delegated fiscal implementation to its appointed officials,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Ridgecrest that Significant Accounting and Budgetary Policies and Procedures included as Exhibit "A" are hereby adopted.

APPROVED AND ADOPTED this 1st day of July, 1987, by the following vote:

AYES Mayor Mower, Councilmembers Wiknich, Bergens, Corlett and Wiknich.

NOES: None.

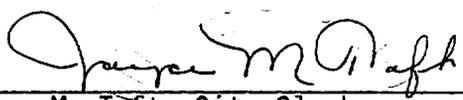
ABSTAIN: None.

ABSENT: None.



Michael R. Mower, Mayor

ATTEST:



Joyce M. Taft, City Clerk

SIGNIFICANT ACCOUNTING AND BUDGETARY POLICIES AND PROCEDURES

BUDGET AMENDMENT PROCEDURE

Departmental Budget Transfer

The City Administrator may transfer any unencumbered or unexpended appropriation balance or any portion thereof from one expenditure account to another within a division during the budget year, or an excess expenditure account to another within a division during the budget year, or an excess expenditure of one or more line items may be permitted by the City Administrator provided the total of all excess expenditures or encumbrances do not exceed total unused appropriations within the division at the close of the budget year. However, no change made by the City Administrator will increase a division budget.

Departmental Appropriation Transfer

At the request of the City Administrator, or upon its own initiative, the City Council Finance Committee may transfer any unencumbered or unexpended appropriation balance or portion thereof from one division in a fund to another within the same fund provided that no appropriation or transfer will result in a fund deficit at the close of the fiscal year.

Budget Increases

The City Council may at any time during the budget year review the individual budget of funds for which an annual budget is adopted for the purpose of determining if the total of any of them should be increased. If the City Council concludes that a fund increase is necessary, the City Council may by resolution increase an appropriation to any account in the budget; however, no increase will be permitted unless there is equal increase in the revenues for that fund.

Amending the Budget Decrease

The total budget appropriation of any division or department may be reduced for any purpose by resolution of the City Council.

APPROPRIATION

All unexpended or unencumbered appropriations except capital project fund appropriations shall lapse at the end of the budget year. Any purchase order or invoice contracted for or out to bid at the end of the fiscal year becomes a payable to the fiscal year in which the expense was incurred. However, in no event will an encumbrance remain a payable for more than 270 days after the end of the fiscal year.

PURCHASE ORDER

Each department head is authorized to expend on his own authority up to \$250.00 or a lesser amount as determined necessary by the City Administrator. Any purchases in excess of \$250.00 must receive prior City Administrator approval. All purchases will be reviewed and recorded by the Department of Finance to insure that items have sufficient budget and for expenditure accrual purposes.

CAPITAL ASSET

All capital items purchased whose value exceed \$250 will bear an inventory tag affixed to it. Said inventory tag will be affixed by the Finance Department before said item may be placed into production. The Finance Department will at that time complete an inventory record card which will be maintained in a departmental and numerical sequence. The City Administrator may cause other items whose value is less than \$250 to be affixed with an inventory tag and cause a record card to be maintained on file.

In the event a capital item is determined to be disposed of or surplus, the Finance Department will cause that the inventory tag be removed. The Finance Department will record the disposition of said surplus item and file both inventory record cards in a separate file for disposed property.