

ORDINANCE NO. 2012 - 80

ADOPTING A POLICY REGARDING ESTABLISHING AND CLOSING FUNDS

WHEREAS, the City of Mason currently does not have a policy in place regarding establishing and closing of funds; and

WHEREAS, Council for the City of Mason has determined that it is necessary to establish such policy.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Mason, Ohio, six members thereto concurring:

Section 1. That the policy for establishing and closing funds is hereby adopted as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

Section 2. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed this 26th day of November, 2012.

Vice Mayor

Attest:

Clerk of Council

Exhibit A

Establishing and Closing Funds Policy

In order for the City to establish new funds and to close old funds to properly account for receipts, expenditures and balance restricted for a specific purpose, the Finance Director is hereby authorized to establish and maintain the following funds:

- (1) General Fund
- (2) Sinking fund whenever the City has outstanding bonds other than serial bonds
- (3) Bond retirement fund for the retirement of serial bonds, notes, or certificates of indebtedness
- (4) A special fund for each special levy
- (5) A special bond fund for each bond issue when required
- (6) A special fund for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose
- (7) A special fund for each proprietary activity including public utilities and others that the City wants to be self sufficient
- (8) A trust fund for any amount received by the City in trust including when the City is a fiduciary agent for another legal entity
- (9) A special fund when Council or the City Manager wants to capture additional financial information about a specific source of revenue or a specific activity
- (10) A special fund when Council or the City Manager want to account for restricted gifts or bequests that will not be held in trust
- (11) A special fund when Council or the City Manager wants to impose internal restriction of the use of otherwise unrestricted resources
- (12) Any fund required by ordinance, state law, federal law, or grant agreement

The Finance Director is hereby authorized to close any fund (except the General Fund) that no longer has a fund balance and is not anticipated to be needed in the future.

Establishing and closing funds shall occur without needing approval from any official of the State of Ohio or Warren County.