

CITY OF BELLEVUE, IDAHO
RESOLUTION NO. 2382

**A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF BELLEVUE, IDAHO, ADOPTING
THE CITY OF BELLEVUE FINANCIAL CONTROLS POLICY**

WHEREAS, the City of Bellevue (the "City"), Idaho, is responsible for the legal and prudent handing of public monies; and,

WHEREAS, state and federal rules and regulations set forth certain provisions regarding the acceptance of municipal grant applications, purchasing, and funding of projects for the purpose of receiving federal and state funds; and,

WHEREAS, the Government Accounting Standards Board (GASB) recommends that cities adopt financial control policies to clearly define the requirements for the handling of public monies; and,

WHEREAS, State law requires the City to conduct an annual audit and the results of that audit are dependent upon the methods and controls that conform to state and federal laws and Generally Accepted Accounting Principles (GAAP) as set by GASB; and,

WHEREAS, a city's audit is utilized as the basis for the City's bond ratings; and,

WHEREAS, a written policy defines the expectations of the Mayor, Common Council, and staff regarding the accounting practices of the City, the responsibilities of the Council, the segregation of duties, and the proper acceptance and distribution of City funds.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BELLEVUE, IDAHO, AS FOLLOWS:

SECTION 1: The City of Bellevue, Idaho, formally adopts the City of Bellevue, Financial Controls Policy, substantially in the form presented at the June 10, 2024 Council meeting attached hereto as Exhibit "A".

SECTION 2: The Mayor is authorized to execute the Financial Controls Policy.

PASSED AND ADOPTED by the Bellevue Common Council and signed by the Mayor this 10th Day of June 2024.



Chris Johnson, Mayor

ATTEST:



Michelle Vest Snarr, City Clerk

ROLL CALL

Council Member Carreiro
Council Member Giordani
Council Member Leahy
Council Member Mahoney
Council Member Obenauf
Council Member Shay

AYE

X
X
X
X
Absent
X

NAY



EXHIBIT "A"

City of Bellevue, Idaho Charter City Created in the State of Idaho | 1883

Financial Controls Policy Adopted June 10, 2024

Purpose:

The City of Bellevue ("City") is committed to establishing sound accounting practices and policies necessary to ensure the integrity of financial records for the City. This policy helps support resource allocation decisions and establish objectives, standards and internal controls for the City. There is separation of financial duties and responsibilities, so the Treasurer does not have sole control over cash receipts, reconciliations, accounts payable and other accounting functions.

This policy puts in place the following: basic accounting, billing, and cash control policies and procedures to ensure the maintenance of accurate records of financial activities and compliance with governmental entities, such as, state of Idaho Statutes, City ordinances, and all other legal obligations of the City and private funding source reporting requirements. Access to the City's accounting financial records is controlled to protect and secure the City and ensure reliability and integrity of the data.

General:

1. Any section or sections of this policy determined to conflict with state statute, City ordinances or other legal obligations of the City shall be null and void, without affecting the applicability of other sections and provisions of this policy.
2. It is the policy of the City that financial affairs be conducted according to generally accepted accounting principles. The City's financial activities shall be conducted on an annual basis.
3. The Treasurer will prepare and present financial reports to the City quarterly showing past quarter revenues and expenditures compared to budgeted revenues and expenditures, along with any project amendments to the budget.

Responsibilities:

The Common Council of the City of Bellevue, Idaho, formulates financial policies and reviews operations and activities. The Treasurer is responsible, with the *assistance* of accounting staff, to the Council for all financial operations including the following:

1. Receipt and deposit of all City monies in appropriate bank accounts.
2. Distribution of funds from appropriate bank accounts as directed by resolution of the Council.
3. Sign all checks and/or promissory notes of the City.
4. Properly record City financial transactions to ensure financial accounts are useable for internal City reporting as well as external financial reporting requirements.

EXHIBIT "A"

5. Audit reports shall be prepared annually covering financial operations for the previous fiscal year. Audit reports shall be completed by an independent public accountant, with experience in auditing governmental agencies.
5. Before the beginning of each fiscal year, the Treasurer shall prepare an annual appropriations ordinance for annual revenue and expense budgets for the operation of the City.
 - a. The annual budget must show that anticipated revenues and reserves shall be sufficient to cover all expenses.
 - b. The annual budget must specify the objects and purposes for which said appropriation is made.
 - c. That a general tax levy on all taxable property within the City shall be levied in an amount allowed by law for the general purpose of the City.
6. Before the end of each fiscal year, the Treasurer shall prepare an amended annual appropriation ordinance, for the current fiscal year (if required to amend said budget).
 - a. The amended budget must specify the objects and purposes for which said appropriation is made.
 - b. Authorize a levy of a sufficient tax upon the taxable property shall be levied in an amount allowed by law for the general purpose of the City.

Segregation of Duties:

1. The Council approves all expenses/vendor invoices prior to payment.
2. Staff enters invoices/promissory notes for payment. The invoice or voucher number shall be placed on each check.
3. Staff prints City checks. When checks are presented for signature, a voucher is attached to the invoices.
4. City issued checks are signed by the Treasurer.
5. Adjustments to journal entries are entered by the Treasurer
6. Bank statements are reconciled by the Treasurer.
7. Staff shall properly account for and immediately record all payments in the City's financial software.
8. Staff deposits cash and checks on behalf of the City.

Vendor Documentation:

1. All contractors and service and supply providers must submit an IRS Form W-9 Request for Taxpayer Identification and Certifications prior to payment. A determination is made by the Treasurer on the need to file an annual IRS Form 1099-Misc. on payments made to vendors.
2. All contractors providing services to the City must provide the City with a copy of their liability insurance and Workers' Compensation insurance.

Cash Handling:

1. Staff utilizes a three (3)-part receipt book: the customer receives a copy (if one is wanted); one copy is left in the book; and one copy is attached to the check/cash.

EXHIBIT "A"

2. Receipts may be voided; however, the copy retained in the receipt book shall remain in the receipt book.
3. Copies of the checks and receipts are attached to a copy of the deposit slip and filed.
4. Checks are sequentially numbered and accounted for in sequence for three separate accounts: General Fund, Water Fund, and Sewer Fund.
5. Checks shall be locked and kept secure in a fire-proof cabinet.
6. Funds awaiting bank deposit are kept in a locked file/safe with access limited to staff.
7. No one may sign a check payable to oneself.

Missing Invoices:

1. In the event that an invoice for services or supplies is lost, a memo explaining the expense and detailing the cost is submitted to accounting staff.

Check Writing Procedures:

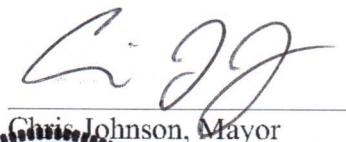
1. Checks are not to be posted dated, signed blank or made out to cash.
2. Voided or spoiled checks shall be marked void and filed in numerical order.

Check Approval Process:

1. Invoices are reviewed for proper account coding, appropriateness of expenditure, not-to-exceed amounts on contracts, and authorized signers.
2. Checks are reviewed and approved at a Common Council meeting, by means of a "Claims Payable" report for a specific period.
3. The Treasurer signs City issued checks.

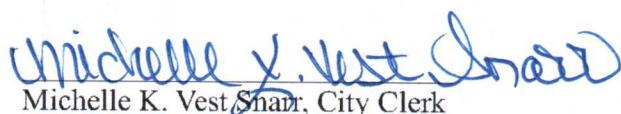
Electronic Payments/Funds Transfers: These procedures ensure that unauthorized transfers will not be made.

1. Electronic banking allows wire transfers, electronic transfers, stop payments on checks, and account balance inquiries.
2. Password security is set up to allow electronic banking by the Treasurer and any other authorized staff approved by the Council.



Chris Johnson, Mayor

ATTEST:



Michelle K. Vest, City Clerk

