

CITY OF BROMLEY, KENTON COUNTY, KENTUCKY

RESOLUTION NO. 4-2-23

A RESOLUTION OF THE CITY OF BROMLEY, KENTUCKY ADOPTING
FINANCAIL ACCOUNTING POLICIES AND PROCEDURES.

WHEREAS, The Kentucky Auditor of Public Accounts has recommended that the
City of Bromley adopt accounting policies and procedures and

WHEREAS, Policies and Procedures have been proposed for adoption
which are attached hereto and referred to as Attachment A,

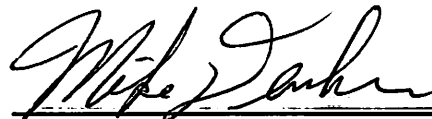
NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF BROMLEY,
KENTON COUNTY, KENTUCKY:

Section 1

That Attachment A, City of Bromley Accounting Policies and Procedures be and
are hereby adopted by the City.

Section 2

That this resolution shall take effect and be in full force when passed and recorded
according to law.



MAYOR, CITY OF BROMLEY

ATTEST:


CLERK

Passed: yes

Accounting Policies and Procedures

CASH DISBURSEMENTS

Processes

Checks

- Disbursements are initiated by the issuance of a Purchase Order. The following Department Heads can initiate a purchase order: Mayor/Council Members, Public Works, City Clerk, Treasurer. Receipts must be attached to the Purchase Order.
 - Purchase Orders are approved by the Mayor before checks are written.
- Credit card purchases require a P.O. which must identify the vendor and amount charged
- The monthly credit card statement is reviewed and initialed by the mayor.
- Standard monthly payments (utilities, etc.) do not require a purchase order. (List of standard monthly charges are approved by council at the beginning of every fiscal year)
 - Checks are issued by the Treasurer, using QuickBooks.
- Checks and supporting documents are given to the Mayor for signature.
- Signed checks are returned to the Treasurer to mail and file supporting documents (paid invoices).
- Invoices are filed by vendor.
- City Clerk is a 2nd signer as needed.

EFT Payments

- Treasurer initiates EFT payments for standard monthly payments as defined on the approved standard monthly payments listing.

Payroll

- Payroll is on the 15th and 30th of each month.
- Timeslips are submitted to the mayor for approval and then forwarded to the treasurer.
- Outside payroll service processes payroll and prepares and files payroll tax returns.
- Treasurer submits hours to payroll processing company.

Controls

- A listing of all disbursements for the month is presented to council in advance of their monthly meeting. Council reviews and approves the disbursements.
- City Clerk reviews the monthly disbursement report and compares it to QuickBooks.
- Mayor reviews and initials payroll reports.
- Council closely monitors the budget.
- Ways & Means Chair reviews monthly bank reconciliations. ● Treasurer is not a check signer.

CASH RECEIPTS

Processes

Receipt of Revenue

- Property Tax and Payroll Tax (the City/s major sources of revenue) are collected by Kenton County and direct deposited into the Cit/s General Fund Checking Account.

- Other sources of revenue are received as checks sent through the mail. These checks are remotely deposited (scanned into an MICR check reader) by the Treasurer into the City's bank account.
- Physical checks are kept until the completion of the annual audit?
- Payments received in person (usually for hall rental and traffic fines) o Payments via check are deposited remotely and recorded in QuickBooks by the Treasurer o Payments made in cash require the following:
 - A receipt is provided to the payor
 - A deposit slip is prepared by the Treasurer
 - A bank deposit is made by the Treasurer
 - The transaction is recorded in QuickBooks by the Treasurer

Controls

- Major Revenue Sources are direct deposited by Kenton County
- Other Revenues Sources are paid by Check issued to the City
- Council closely monitors the budget.
- Ways & Means Chair reviews monthly bank reconciliations.

FINANCIAL REPORTING

Processes

Internal Reporting to Council

- Monthly Financial Reports are generated in QuickBooks by the Treasurer and are distributed to council prior to their monthly meetings.

External Reporting

- On an annual basis, an outside consultant accountant assists with preparation for the year-end audit. The consultant accountant prepares the annual financial statements.
- ~~The Consultant Accountant also prepares the Uniform Financial Information Report,~~ which is submitted annually to the Kentucky Department for Local Government.

Controls

- Monthly financial reports are presented to Council for review and approval.
- External financial statements are prepared by a consultant accountant experienced in governmental accounting.
- An audit of these external financial statements is performed annually by an Independent Certified Public Accountant.