ORDINANCE #~~04-36~~ 15-XX
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA

AN AMENDMENT TO CHAPTER 3 KNOWN AS THE OPERATIONS AND ADMINISTRATION CHAPTER OF THE CITY CODE

AN ORDINANCE AMENDING CHAPTER 3 AND REPEALING AND REPLACING SECTION 3.40 ENTITLED "CITY FUNDS'

The City of Ramsey ordains:

Section 1. AMENDMENT

Chapter 3.40 entitled "City Funds" is hereby repealed and replaced with the following:

3.40 CITY FUNDS

3.40.01 Purpose. It is the purpose of this section to establish City funds for the deposit and disbursement of monies received by the City of Ramsey, to define policies for funds, and to define which funds are eligible for inter-fund loans. This section is adopted pursuant to and under the authority of Chapter 7 of the City Charter. (Section 7.9). Funds as outlined below follow the same classifications as outlined in the city's annual Comprehensive Annual Financial Report (CAFR).

3.40.02 Establishment of Funds. The following funds and fund classifications are established for deposit and disbursement of revenues:

Subdivision 1. Governmental Funds:

a. General Fund. (Fund 9101) The General Fund is the general operating fund of the City. It shall be used to account for all financial resources except those required to be accounted for in another fund.

The General Fund is eligible for inter-fund loans to and from any other fund.

b. Special Revenue Funds. ~~Special Revenue Funds are used to account for specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.~~ Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The following are the City's Special Revenue Funds:

1. Tax Increment Fund. (Funds 9201-9214)

(a) The Tax Increment Funds shall be used to account for the revenue received from general property taxes in the form of tax increments for the City's tax increment

financing districts and transfer of funds necessary for the retirement of debt issued in those districts.

(b) Funding shall consist of the following sources:
(1) Annual increments received from general property taxes through the expiration of each district; and
(2) Interest earnings on the Tax Increment Fund from the distribution of pooled interest earnings.
(3) Land sales if land purchase was originally financed with Tax Increment funds

(c) Expenditures shall consist of the following uses:
(1) Transfers to the related debt service funds for principal, interest and fiscal charges on bond issued on projects in the tax increment financing districts until such time as all bonds are retired; and
(2) Costs levied by the County for administration of the tax increment financing districts; and
(3) Costs associated with tax increment financing projects as detailed in the annual Capital Improvement Program or as approved by the Economic Development Authority and City Council.

(d) The above policies shall at all times comply with Minnesota Statutes and any City agreements currently in place or entered into in the future.

(e) This fund is eligible for inter-fund loans.

~~**2.**~~

~~(a) **Landfill Tipping Fee Fund.**The Landfill Tipping Fee Fund was used to account for revenues and expenditures as authorized by MS Section 115A.921 for mitigating and compensating for the local risks, costs and other adverse effects of landfills.~~ (This fund has been depleted via annual General Fund Budget Use of outstanding balance)

~~(b) Funding shall consist of the following sources:~~
~~(1) Grants and reimbursements from efforts to reduce, ruse and recycling solid waste; and~~
~~(2) Revenues generated from charges at the annual clean-up day, which is projected to be self-supporting; and~~
~~(3) Revenues from the sale of waste oil and scrap metals; and~~
~~(4) Interest earnings on the Landfill Tipping Fee Fund from the distribution of pooled interest earnings.~~

~~(c) Expenditures shall consist of the following uses:~~
~~(1) Transfers to the General Fund for costs associated with Environmental Services in the City in an amount that does not exceed the amount of interest earnings projected and available in the Landfill Tipping Fee Fund; and~~
~~(2) Costs associated with the annual clean-up day.~~

~~(d) This fund is not eligible for inter-fund loans.~~

~~**3. Community Development Block Grant Fund.**~~ **(Fund no longer utilized)**

~~(a) The Community Development Block Grant Fund shall be used to account for all revenues and expenditures in conjunction with the Community Development Block Grant (CDBG) program activities.~~

~~(b) This fund is not eligible for inter-fund loans.~~

2. Future Sealcoating Fund. (Fund 9250)

(a) The Future Sealcoating Fund shall be used to account for contributions from developers and property owners for future sealcoating work.

(b) This fund is eligible for inter-fund loans.

3. Revolving Loan Fund. (Fund 9232)

(a) The Revolving Loan Fund shall be used to account for loans authorized by the City of Ramsey to prospective private businesses in accordance with Chapter 469 of the Minnesota State Statutes and as outlined in the City of Ramsey's Economic Development Revolving Loan Fund Guidelines adopted in February 2005.

(b) Funding shall consist of the following sources:

(1) Funds made available by the Minnesota Department of Trade and Economic Development and the City of Ramsey; and

(2) Interest Collected on loaned funds during the term of the loan; and

(3) Interest earnings on the Revolving Loan Fund from the distribution of pooled interest earnings.

(c) Expenditures shall consist of the following uses:

(1) Loans to small businesses are to be used on eligible costs such as land improvements, purchase or renovation of building, purchase machinery or equipment, building construction, leasehold improvements, or any authorized expenditure, provided that no funds are to be used for management fees, financing costs, franchise fees, debt repayment or consolidation, moving costs, refinancing and operating costs or working capital; and

(2) The maximum loan available from the Revolving Loan Fund to an eligible project is limited to $300,000 or 40% of total project cost, whichever is less; and

(3) The minimum loan amount available from the Revolving Loan Fund to an eligible project is $25,000.

(d) This fund is eligible for inter-fund loans.

4. Peace Officers Fund. (Fund 9290)

(a) The Peace Officers Fund shall be used to account for public safety restricted revenues which must be used exclusively for public safety expenditures and other expenditures as specified.

(b) This fund is eligible for inter-fund loans.

5. Lawful Gambling Fund. (Fund 9270)

(a) The Lawful Gambling Fund shall be used to account for revenues from lawful gambling received by the City in accordance with Code Section 7.61.

(b) Funding shall consist of the following sources:
(1) Lawful gambling proceeds received in accordance with Code Section 7.61; and
(2) Outside donations from lawful gambling proceeds; and
(3) Interest earnings on the Lawful Gambling Fund from the distribution of pooled interest earnings.

(c) Expenditures shall consist of the following uses:
(1) Expenditures for recreation, community and athletic facilities, as adopted in the annual Capital Improvement Program, intended primarily for persons under age 21, provided that such facilities and activities do not discriminate on the basis of a gender; and
(2) Expenditures for community programs and/or services, intended primarily for persons under age 21, provided that such programs and/or services do not discriminate on the basis of gender: such programs that relieve the effects of poverty, homelessness, or disability and such programs that provide activities and facilities for youth. (Other community programs not eligible to be funded here, will be considered as part of the annual General Fund Budget process on a case-by case basis provided they serve a public purpose and can provide written quantification of services to the city).

(4) Contribution to a 501(C)(3) Corporation whose purpose is to provide a benefit to the community. Contribution cannot exceed $5,000 annually.

(5) On an annual basis, at least seventy (70) percent of the funds in the Lawful Gambling Fund shall be allocated for expenditures for recreation, community and athletic facilities; and

(6) Requests for fund expenditures, and donations toward fund expenditures, received during the prior calendar year will be considered by the Park and Recreation Commission and authorized by the City Council ~~Finance Committee~~ on a case by case basis.~~; and~~

~~(7) Capital purchases of $1,000 toward which donations are received and to which no City expenditures are required may occur after review and approval by the Park and Recreation Commission.~~

6. Economic Development Authority. (Fund 9230)

(a) The Economic Development Authority Fund shall account for all revenues and expenditures associated with City economic development activities within the City.

(b) Funding shall consist of the following sources:
(1) Revenues generated from economic development activities within the City; and
(2) Interest earnings on the Economic Development Authority Fund from the distribution of pooled interest earnings.

(c) Expenditures shall consist of the following uses:

(1) Expenses in conjunction with the operation of the Economic Development Authority; and

(2) Salaries, benefits and operating costs associated with the promotion and management of economic development activities; and

(3) Capital expenditures associated with economic development activities within the City as detailed in the annual Capital Improvement Program or as directed by the Economic Development Authority and City Council.

9. ~~Minnesota Department of Natural Resources Grant Fund.~~ (No Longer Utilized)

~~(a) The Minnesota Department of Natural Resources Grant (DNR) Fund shall be used to account for all grant monies received from the DNR for forestry projects.~~

~~(b) Funding shall consist of the following source:~~

~~(1) Grant funds from the Department of Natural Resources.~~

~~(c) Expenditures shall consist of the following uses:~~

~~(1) Allowable costs as outlined in the grant agreement.~~

~~(d) This fund is not eligible for inter-fund loans.~~

7. Equipment Revolving Fund. (Fund 9234)

(a) The Equipment Revolving Fund shall be used to account for resources to finance the replacement/addition of City equipment, vehicles and/or buildings and facilities.

(b) Funding shall consist of the following sources:

(1) ~~Transfers from the Landfill Tipping Fee Fund of seventy-five percent (75%) of tipping fees received during the life of the Anoka Regional Sanitary Landfill; and~~

~~(2) Transfers from non-proprietary fund types in the amount of the annual depreciation to be held and invested in order to provide funds for the replacement of equipment, vehicles, and/or buildings and facilities; and~~

(3) Interest earnings on the Equipment Revolving Fund from the distribution of pooled interest earnings; and

(4) Transfers from the General Fund at year-end for excess General Fund Revenue as outlined in the Excess/Deficient General Fund Revenue Policy (#11-11-217).

(c) Expenditures shall consist of the following uses:

~~(1) Transfers to non-proprietary fund types for costs associated with the replacement of equipment, vehicles, and/or buildings and facilities in an amount not to exceed the lesser of seventy-five percent (75%) of the replacement cost or one hundred percent (100%) of the depreciated value; and~~

~~(2) Transfers to non-proprietary fund types for costs associated with the purchase of non-replacement equipment, vehicles, and/or buildings and facilities in an amount not to exceed fifty percent of remaining cumulative interest earnings and General Fund Excess Revenue transfers unless authorized by 2/3 majority vote of City Council. Remaining cumulative interest earnings and General Fund Excess Revenue transfer will be that balance that remains after all authorized non-replacement equipment purchases have been accounted for; and~~

(1) Transfers to the General Fund to provide funding for annual capital equipment purchases as outlined in the five-year Capital Improvement Plan and the annual General Fund Budget and authorized by majority vote of City Council; and
(2) Transfers to the General Fund at year end for deficient General Fund Revenue as outlined in the Excess/Deficient General Fund Revenue Policy (#11-11-217); and
(3) Transfers to the General Fund for unscheduled, unbudgeted, maintenance repair, whereas such cost exceeds $10,000 and Council declares that an emergency situation has occurred.

~~(d) Fund Balance shall be increased and maintained at a minimum level equal to one hundred percent (100%) of the total accumulated depreciated cost of all equipment, vehicles, and/or buildings and facilities in the Equipment Revolving Fund.~~

(d) This fund is eligible for inter-fund loans.

8. Storm Water Management Fund (Fund 9292)

(a) The Storm Water Management Fund shall be used to account for contributions from developers to recoup expenses and finance storm water projects that have been, or will be done, to allow additional development to occur.

(b) Funding shall consist of the following sources:
(1) Developer's Contributions; and
(2) Interest Earnings on the Storm Water Management Fund from the distribution of pooled interest earnings.

(c) Expenditures shall consist of the following uses:
(1) Storm Water projects, but which does not include the maintenance of existing storm system.

(d) This fund is eligible for inter-fund loans.

c. Debt Service Funds. (Funds 9300-9399) Debt Service funds are used to account for the accumulation of resources for, and the payment of, general long term debt principal and interest.

1. The City shall maintain one Debt Service Fund with individual fund activities created by staff on an as needed basis as required by Minnesota Statutes regarding debt issuance. Each debt issue shall be treated as a separate fund activity under one main Debt Service Fund. All assets, liabilities, fund equity, payments, and revenues shall be maintained as separate accounts for each activity.

2. These funds are not eligible for inter-fund loans. However, after retirement of the bonds, these funds may be used at the discretion of the City Council.

d. Capital Project Funds. Capital Project Funds shall be used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds). The following are the City's Capital Project Funds:

1. Municipal State Aid Construction Fund (MSA) (Fund 9402).

(a) The MSA Fund shall be used to account for state-aid allotments used by the City for improvement projects to thoroughfare streets designated as MSA streets within the City.

(b) Funding shall consist of the following sources:
(1) Annual MSA allotments; and
(2) Interest earnings on the MSA Fund from the distribution of pooled interest earnings.

(c) Expenditures shall consist of the following uses:
(1) ~~Transfers to the Landfill Expendable Trust Fund, ending in 1996, t o repay State-Aid bonds issued in 1991;~~ For the annual payment of debt principal and interest for State-Aid street projects that were financed with General Obligation debt.
(2) Transfers to the General Fund annually to cover budgeted general maintenance to state-aid designated streets. This amount will be determined annually during the budget process; and
(3) Costs associated with municipal state-aid improvement projects as detailed in the annual Capital Improvement Program or as approved by the City Council.

d) This fund is not eligible to make loans to other City Funds.

2. Public Improvement Revolving Fund (PIR) (Fund 9400).

(a) The PIR Fund shall be used to account for revenues and expenditures in conjunction with the City's share of the annual Street Maintenance Program.

(b) Funding shall consist of the following sources:
(1) Excess debt service funds from retired bonds; and
(2) Interest earnings on the PIR Fund from the distribution of pooled interest earnings.
(3) Transfers from the General Fund at year-end for excess General Fund Revenue as outlined in the Excess/Deficient General Fund Revenue Policy (#11-11-217).

(c) Expenditures shall consist of the following uses:
(1) Transfers to the General Fund to provide a revenue source for the annual Street Maintenance Program. ~~At no time shall this amount be greater than the annual interest earnings available to the PIR Fund.~~
(2) Transfers to the General Fund at year end for deficient General Fund Revenue as outlined in the Excess/Deficient General Fund Revenue Policy (#11-11-217); and

~~(d) Fund balance shall be increased to and maintained at a level adequate to ensure future funding of not less than fifty percent (50%) of the City's share of the annual Street Maintenance Program through interest earnings.~~

(d) This fund is eligible for inter-fund loans.

3. Annual Improvement Funds.

(a) The City shall maintain one Annual Improvement Fund with individual fund activities created by staff on an as needed basis. Each set of projects financed by a

particular revenue source or bond issue shall be treated as a separate fund activity under one main Annual Improvement Fund. All assets, liabilities, fund equity, payments and revenues shall be maintained as separate accounts for each activity.

(b) This fund is not eligible for inter-fund loans. As each individual fund activity (for a set group of improvement projects) is closed, the remaining fund equity shall be transferred to the corresponding Debt Service Fund.

~~**4. Park Improvement Revolving Fund.**~~**No longer utilized)**

~~(a) The Park Improvement Revolving Fund shall be used to account for park acquisition and improvements as detailed in the annual Capital Improvement Program.~~

~~(b) This fund is eligible for inter-fund loans.~~

4. Public Facilities Construction Fund (Fund 9412).

(a) The Public Facilities Construction Fund shall be used to account for resources to be used for acquisition of land and construction for public facilities.

(b) Funding shall consist of the following sources:

(1) Interest earnings on the PIR Fund from the distribution of pooled interest earnings.

(2) Transfers from the General Fund at year-end for excess General Fund Revenue as outlined in the Excess/Deficient General Fund Revenue Policy (#11-11-217).

(c) Expenditures shall consist of the following uses:

(1) Transfers to the General Fund at year end for deficient General Fund Revenue as outlined in the Excess/Deficient General Fund Revenue Policy (#11-11-217); and

(2) Costs associated the acquisition of land and construction of public facilities as detailed in the annual Capital Improvement Program or as approved by the City Council.

(d) This fund is eligible for inter-fund loans.

~~**6. Rum River Drainage District Fund.**~~

~~(a) The Rum River Drainage District Fund shall be used to account for storm sewer drainage projects within the special District established in accordance with MS Section 444.20.~~

~~(b) This fund is eligible for inter-fund loans.~~

~~**7. Mississippi River Storm Water Subdrainage District #1 Fund.**~~

~~(a) The Mississippi River Storm Water Subdrainage District #1 Fund shall be used to account for storm sewer drainage projects within the special District established in accordance with MS Section 444.20.~~

~~(b) This fund is eligible for inter-fund loans.~~

5. Right-of-Way Acquisition Loan Fund (RALF) (Fund 9410).

~~(a) The RALF Fund shall be used to account for RALF funded projects acquired along the Highway 10 Corridor storm sewer drainage projects within the special District established in accordance with MS Section 444.20.~~ This fund shall be used to account for resources and expenditures related to the purchase of property for future state road development.

(b) Funding shall consist of the following sources:
(1) Met Council Grant Funds as outlined in Loan Agreements
(2) Rental Revenue as outlined in Lease Agreements

(c) Expenditures shall consist of the following uses:
(1) Right-of Way Acquisitions as outlined in the Met Council Loan Agreements
(2) Improvements of Leased Properties

(d) This fund is not eligible for inter-fund loans.

6. Public Improvement Revolving Fund – The COR **(Fund 9468)**

(a) The Public Improvement Revolving Fund-The COR will be used to account for all costs associated with the development/construction of the COR Project area**.**

(b) Funding shall consist of the following sources:
(1) Land sales within the COR area
(2) Interest earnings on the COR Fund from the distribution of pooled interest earnings.

(c) Expenditures shall consist of the following uses:
(1) Expenditures to market the COR area
(2) Development/Construction Improvements as authorized by City Council

(d) This fund is eligible for inter-fund loans

7. Park Improvement Fund (Fund 9805)

(a) The Park Improvement Fund shall be used to account for all cash and park dedication fees and miscellaneous revenues to be used for future land acquisition and park improvements.

(b) Funding shall consist of the following sources:
(1) Park Dedication fees as outlined in respective development agreements
(2) Donations
(3) Interest earnings on the Park Improvement Fund from the distribution of pooled interest earnings.
(4) Transfers from the General Fund at year-end for excess General Fund Revenue as outlined in the Excess/Deficient General Fund Revenue Policy (#11-11-217).

(c) Expenditures shall consist of the following uses:

(1) Transfers to the General Fund at year end for deficient General Fund Revenue as outlined in the Excess/Deficient General Fund Revenue Policy (#11-11-217); and

(2) Costs associated the acquisition of park land and construction of park improvements as detailed in the annual Capital Improvement Program or as approved by the City Council.

(b) This fund is eligible for inter-fund loans.

8. Landfill ~~Expendable Trust~~ Fund. (Fund 9803)

(a) The Landfill ~~Expendable Trust~~ Fund was ~~shall be~~ used to account for royalty receipts received from landfill monthly gross revenues and the disposition of those receipts.

(b) Funding shall consist of the following sources:

(1) Interest earnings on the Landfill ~~Expendable Trust~~ Fund from the distribution of pooled interest earnings.

(c) Expenditures shall consist of the following uses:

(1) ~~Payment of any legal costs related to the landfill closure and post closure; and~~

(2) ~~Transfers to the Park Improvement Revolving Fund, on an annual basis, in an amount not to exceed the interest available in the Landfill Expendable Trust Fund and as detailed in the annual Capital Improvement Program as defined by City Council; and~~

(1) Transfers to other non-operating City funds to offset, retire or avoid future debt. ~~This amount, when combined with the above transfers and payments, shall not exceed the amount of interest earnings available to the Landfill Expendable Trust fund~~; and

(2) Any capital expenditures (non-operating) that ~~would utilize principal and~~ are approved by a four-fifths vote of the City Council; and

(3) Any loans or transfers for other than capital expenditures shall be authorized only if the City Council declares an emergency situation to exist.

(d) Fund balance shall be increased to and maintained at $2,750,000 or a level that will provide for interest earnings adequate to support expenditures as detailed in the annual Capital Improvement Program combined with transfers to other non-operating City funds.

(e) This fund is eligible for inter-fund loans. ~~However, only forty percent (40%) of the principal balance shall be used as a source of interest free inter-fund loans and~~ Any loan or transfer of principal from the Landfill ~~Expendable Trust~~ Fund shall be approved by a four-fifths vote of the City Council.

9. Trott Brook Cemetery. (Fund 9820)

(a) The Trott Brook Cemetery Fund will be used to account for perpetual care fees collected on the sale of cemetery plots in Trott Brook Cemetery.

Subdivision 2. Proprietary Funds

a. Enterprise Funds. Enterprise Funds shall be used to account for operations:

1. That are financed and operated in a manner similar to private business enterprises - - where the intent of the Council is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or

2. Where the Council has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

3. The following are Enterprise Funds:

(a) Water Utility Fund.

(1) The Water Utility Fund shall be used to account for all water utility revenues and expenses, including depreciation.

(2) This fund is eligible for inter-fund loans.

(b) Sewer Utility Fund.

(1) The Sewer Utility Fund shall be used to account for all sewer utility revenues and expenses, including depreciation.

(2) This fund is eligible for inter-fund loans.

(c) Street Lighting Utility Fund.

(1) The Street Lighting Utility Fund shall be used to account for all street lighting revenues and expenses, including depreciation of City owned street lights within subdivisions.

(1) This fund is eligible for inter-fund loans.

(d) Recycling Utility Fund.

(1) The Recycling Utility Fund shall be used to account for all recycling revenues and expenses, including depreciation.

(2) This fund is eligible for inter-fund loans.

(e) Storm Water Utility Fund.

(1) The Storm Water Utility Fund shall be used to account for all storm water revenues and expenses, including depreciation.

(2) This fund is eligible for inter-fund loans.

b. **Internal Service Funds.** Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

1. Investment Trust Fund.

(a) The Investment Trust Fund shall be an interim fund only used to account for and distribute earned interest to the various City funds. This fund shall be closed each year prior to the issuance of the annual financial statements and has no budget because of its temporary nature.

(b) This fund is not eligible for inter-fund loans.

2. Self-Funding Insurance Fund.

(a) The Self-Funding Insurance Fund shall be used to account for insurance refunds, dividends and other miscellaneous insurance related revenues, and to provide for self-funding the deductible portion of the City's insurance policies.

(b) This fund is eligible for inter-fund loans.

Subdivision 3. Trust and Agency Funds. Trust and Agency Funds shall be used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governments, and/or other funds.

a. Expendable Trust Funds. Expendable Trust Funds are funds whose principal and income may be expended in the course of designated operations. The following are Expendable Trust Funds:

1. Escrow Fund. (Fund 9804)

(a) The Escrow Fund shall be used to account for monies held for specific purposes from developers, contractors, builders, residents or the like. This fund shall be non-interest bearing.

(b) This fund is not eligible for inter-fund loans.

~~**4. Flexible Benefit Plan Fund.** (No longer utilized)~~

~~(a) The Flexible Benefit Plan Fund shall be used to account for the City's flexible benefit plan which is classified as a "cafeteria plan" under Section 125 of the Internal Revenue Code.~~

~~(b) This fund is not eligible for inter-fund loans.~~

~~**5. Park Trust Fund.**~~

~~**(a)** The Park Trust Fund will be used to account for resources accumulated to defray~~
~~the cost of maintaining and/or acquiring park improvements.~~

~~**(b)** Funding shall consist of the following uses:~~
~~(3) Donations~~
~~(4) Excess General Fund Revenue Transfer in the amount of 10% of excess~~
~~(5) Interest Earnings from pooled interest earnings.~~
~~(6) Potential User fees (future)~~
~~**(c)** Expenditures shall consist of the following uses:~~

~~(1) Fund balance shall be increased to and maintained at $3,000,000 unless City Council declares an emergency situation exists.~~

~~(2) Yearly transfer to the General Fund in the amount of 100% of accrued interest earnings to offset park maintenance costs once $3,000,000 fund balance has been achieved.~~

~~(3) Any capital expenditures (non-operating) that would utility principal and are approved by a four-fifths vote of the City Council.~~

b. Nonexpendable Trust Funds. Non-expendable Trust Funds are funds whose principal must be preserved intact. These funds are intended to account for the principal portion of an endowment provided to the City by private donors with the stipulation that the principle be preserved intact. The following are Nonexpendable Trust Funds:

1. ~~Pension Trust Funds~~. (No longer utilized~~)~~

~~(a) The Pension Trust Funds shall be used to account for City operated public employee retirement systems.~~

1. **Agency Funds.**

(a) Agency Funds shall be custodial funds (assets equal liabilities) and do not involve measurement of operations. Agency Funds are merely clearing accounts and have no fund equity.

Subdivision 4. Account Groups

a. General Fixed Asset Account Group.
The General Fixed Asset Account Group shall be used to account for tangible assets of significant value, which have a service life in excess of one year and are not accounted for in a proprietary fund type.

b. General Long-Term Debt Account Group.
The General Long-Term Debt Account Group shall be used to account for long-term debt, which is to be financed by revenue of Governmental Fund types.

Subdivision 5. Inter-Fund Loans. Inter-fund loans are transfers from one fund to another with the intentions of repayment of principal or principal and interest. All inter-fund loans shall be approved by City Council resolution. Such resolution shall state the amount of the inter-fund loans, the interest rate, where applicable, and the repayment period.

Subdivision 6. Fund Abolishment. No Fund created by this chapter may be abolished except by properly enacted Ordinance or as detailed in Chapter 7 of the City Charter.

SECTION 2. SUMMARY

The following is the official summary of Ordinance ~~#04-36~~ #15-XX which has been approved by the City Council of the City of Ramsey as clearly informing the public of the intent and effect of

the Ordinance. The Ordinance repeals the existing City Code Section 3.40 and replaces it with a new Section 3.40. Section 3.40 is a section required by the City Charter. This section establishes the various City Funds used for the deposit and disbursement of City monies. This section further defines the policies of each Fund and how it is to be administered.

SECTION 3. EFFECTIVE DATE

This Ordinance becomes effective upon thirty (30) days after its passage and publication subject to City Charter, Chapter 5.7.

PASSED by the City Council this the ~~13th day of September, 2004.~~

_____
Mayor

ATTEST:

_____
City Clerk

Introduction Date: ~~**August 24, 2004**~~ **May 26, 2015**
Posting Dates: ~~**August 24 – September 14, 2004**~~ **May 26, 2015-June 9, 2015**
Adoption Dates: ~~**September 13, 2004**~~
Publication Date: ~~**September 17, 2004**~~
Effective Date: ~~**October 17, 2004**~~