

ORDINANCE 339

AN ORDINANCE ADOPTING INTERNAL CONTROLS FOR THE CITY OF AVON

Due to the size of the municipality, the separation of duties to meet the guidelines of the OMB Circular A-133 are not met. The following are the internal controls used by the City of Avon.:

- I. The Finance Officer (FO) handles a majority of the incoming money through the Utility Billing (Water, Sewer, Garbage) fees. In 2019, approximately 11% of the 326 utility accounts have direct deposits of their bills; which reduces some of the money handled by the office. Also in 2019, the ability to pay by credit/debit cards was added to the office; which also reduces some of the money handled by the office. The money is deposited into the bank by the FO, the FO enters the receipt information, and the FO reviews the utility accounts monthly. The majority of the additional money (sales tax, county taxes) is deposited directly into the City's bank accounts by the County and State. It is then receipted by the FO. The Ambulance has its own savings account. The majority of checks are direct deposited into it and then the FO receipts the deposits.
2. The FO prepares payroll and reviews each payroll report (periodically cross-checks time cards to report. The Mayor and the FO sign the payroll checks.
3. Vendor checks are written monthly after being reviewed and approved by the Avon City Council. The Council is given a report of all receipts and checks written monthly along with a list of bank accounts with their balance, this information is presented in the form of a finance report on a monthly basis.
4. The Avon City Pool Manager and concession personnel handle money. They use a daily tab sheet to record season passes, swimming lesson fees, and candy sales. The money is put in the FO drop box nightly. The FO reconciles the passes and lessons, deposits the money, and regularly analyzes the profit margin on the concession sales.
5. Petty cash is kept in the FO office. It has approximately \$ 100.00 in it. It is reconciled by the FO.

DATED this 7th day of October, 2019.

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ATTEST:

Twyla Simmons
Finance Officer

Mike Petrik
Mayor

(SEAL)