

City of Pacific Grove, California
City Council Policy

<i>Subject</i>	<i>Policy No.</i>	<i>Effective Date</i>
<i>Creation of New Special Funds</i>	<i>400-2</i>	<i>9-16-92</i>

Purpose:

The management of the City of Pacific Grove is responsible for establishing and maintaining an internal control structure to insure that all transactions are administered properly, in accordance with generally accepted accounting principles. It is therefore recommended that the following policy regarding the creation of new special funds be established.

Policy:

Council or staff may recommend the creation of a new special fund when it is determined that a fund is required by law or considered essential to maintaining financial management control.

All recommendations regarding the creation of a new special fund shall be approved by the City Council and shall include the following information:

- 1. The purpose and/or necessity of the new special fund; and*
- 2. The type of revenue and expenditures associated with the fund.*

A determination shall be made in each instance, as to whether the creation of a special fund is desired, or, if an account or department in the general fund is sufficient.

The creation of any new special fund shall be approved by final vote of the City Council and noted in Council minutes.

Adopted: 9-16-92

Resolution No.: 6305