

RESOLUTION NO. RES 2016-11-06

RESOLUTION OF THE BROOKHAVEN CITY COUNCIL REVISING THE  
FINANCIAL POLICY OF THE CITY OF BROOKHAVEN RESPONSIBLE FOR THE  
ACCOUNTING, AUDITS, AND FINANCIAL REPORTING PRACTICES OF THE CITY

**WHEREAS:** The City of Brookhaven, Georgia (hereinafter, the “City”) was duly incorporated on December 17, 2012; and

**WHEREAS:** A financial management policy is critical for developing and ensuring sound accounting, audits, and financial reporting practices; and

**WHEREAS:** Title 36, Chapter 81, Article 1 of the Georgia Code (§ 36-81-7) requires the city to undertake an annual and comprehensive auditing process in order to identify and examine all financial transactions and activities that were undertaken during the previous fiscal year; and

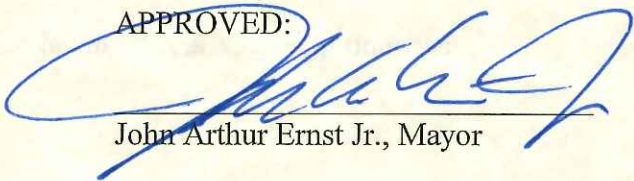
**WHEREAS:** the city has developed a policy that is not only in accordance with Federal laws, the Georgia Code and City Charter but also maintains consistency with Generally Accepted Accounting Principles (GAAP).

NOW THEREFORE BE IT RESOLVED, that the attached Policy of the City of Brookhaven (Exhibit A) be established as the official financial management policy for accounting, audits, and financial reporting practices.

This Resolution shall be effective immediately upon its adoption.

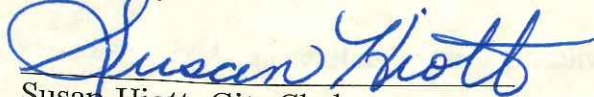
SO RESOLVED AND EFFECTIVE, this the 9th day of November, 2016.

APPROVED:



John Arthur Ernst Jr., Mayor

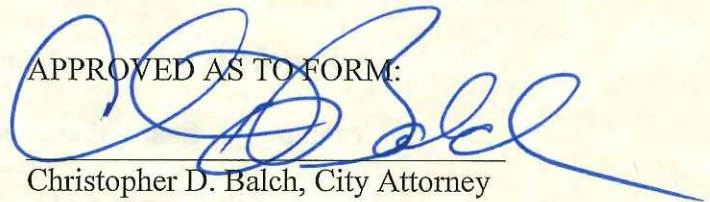
ATTEST:



Susan Hiott, City Clerk

[CITY SEAL]

APPROVED AS TO FORM:



Christopher D. Balch, City Attorney



## EXHIBIT A

### City of Brookhaven

Date of Issue: November 9, 2016

Resolution Number RES 2016-11-06

Effective Date: November 9, 2016

Subject: **Accounting, Audits and Financial Reporting Policy**

Revised Date: \_\_\_\_\_

Resolution Number \_\_\_\_\_

Approved: \_\_\_\_\_

Mayor – City of Brookhaven

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#### **PURPOSE.**

The City shall maintain a system of financial monitoring, control and reporting for all operations and funds in order to provide effective means of ensuring that overall City goals and objectives are met.

#### **ACCOUNTING AND RECORDS REPORTING**

The City will maintain its accounting records in accordance with state and federal laws and regulations and in a manner to facilitate an efficient audit process. The City will report its financial condition and results of operations in accordance with state regulations and Generally Accepted



Accounting Principles (GAAP) described in the Government Finance Officers Association publication "Governmental Accounting, Auditing, and Financial Reporting" (GAAFR). The City's accounts shall be kept in such a manner as to show fully the financial conditions of the City.

The City will maintain a Chart of Accounts that complies with State of Georgia requirements and is in accordance with GAAP.

### **AUDITING**

An independent auditor or auditing firm will annually perform the City's financial audit. The auditor must be a Certified Public Accountant (CPA) that can demonstrate that s/he has the capability to conduct the City's audit in accordance with Generally Accepted Auditing Standards (GAAS). A copy of the audit will be sent to the State Auditor who will respond with comments regarding compliance. Results of the annual audit shall be provided to the City Council in a timely manner.

### **SIMPLIFIED FUND STRUCTURE**

The City will attempt to minimize the number of funds. Funds will be categorized in accordance with GAAP for reporting purposes.

### **FINANCIAL REPORTING**

Internal financial reports will be prepared by the City's Finance Director that are sufficient to plan, monitor and control the City's financial affairs. Monthly accounting reports are meant to transmit information regarding the financial situation of the City. These regular reports are made available to the City Council, City Manager, Department heads and other staff and citizens as necessary.

