

# CITY OF HIGH POINT

## AGENDA ITEM



**Title:** Resolution Establishing Petty Cash Funds and Use of Cash for City Expenditures

**From:** Jeffrey A. Moore, Financial Services Director      **Meeting Date:** April 2, 2018

**Advertising Date**      n/a

**Public Hearing:**      n/a

**Advertised By:**      n/a

**Attachments:** Resolution Establishing Petty Cash Funds

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### **PURPOSE:**

The adoption of the resolution will authorize the use of cash specifically to pay the City's obligations for small purchases, authorizes the establishment of petty cash funds for expressed purposes, and sets limits on the use of cash in the conduct of official business.

### **BACKGROUND:**

The 2015 legislature modified G.S. 159-28 to allow local governments to use cash as a prescribed method by which certain expenditures could be authorized and obligations satisfied. The Local Government Commission (LGC) prescribed rules to address the execution of the pre-audit and disbursement process for small dollar transactions with the use of cash which had not been previously authorized by statutes but which was in widespread use and had been generally accepted for many years.

### **BUDGET IMPACT:**

There is no additional cost to the City.

### **RECOMMENDATION / ACTION REQUESTED:**

The Financial Services Department recommends that the City Council approve the Resolution Establishing Petty Cash Funds.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGH POINT  
NORTH CAROLINA ESTABLISHING PETTY CASH FUNDS**

WHEREAS, the North Carolina General Assembly enacted an amendment to G.S. 159-28 (Budgetary Accounting for Appropriations) which provides, in part, a local government may satisfy the City's obligations in cash provided that the governing board has adopted a resolution authorizing the use of cash, and specifying the limits of the use of cash; and

WHEREAS, the Financial Services Department recommends use of petty cash funds as essential to the efficiency of government and beneficial to the City for use when purchasing small dollar amounts; and

WHEREAS, procedures have been established for public purposed expenditures not to exceed fifty dollars (\$50) including sales taxes; and

WHEREAS, the City Council of the City of High Point, North Carolina recognizes the value of efficiencies in the operation of local government and desires to adopt such a resolution allowing payments in cash for said purposes,

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of High Point, North Carolina does hereby:

1. Authorize the payment of claims and obligations of the City of High Point by petty cash when the expenditure is clearly for a public purpose and the funds are appropriated;
2. Authorize the Financial Services Director to establish procedures and forms for the disbursement of petty cash funds;
3. Approve qualifying expenditures where an employee spends \$50 or less can be reimbursed for their individual outlay by use of petty cash; and
4. Establish that disbursements from petty cash funds cannot be used for any purchases that exceed the \$50 limit without prior approval of the Financial Services Director.

This resolution shall be effective retroactively to July 1, 2017.

Adopted this 2<sup>nd</sup> day of April, 2018.

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Jay W. Wagner  
Mayor, City of High Point

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Lisa Vierling, City Clerk