

CHAPTER XI

MUNICIPAL FINANCES

SECTION 11.00. (Fiscal year). The fiscal year of the city shall be established by the common council by ordinance and may thereafter be changed in the same manner.

SECTION 11.01. (Authority of council). Subdivision I. Except as otherwise provided in this charter, the common council shall have full authority over the financial affairs of the city, and shall provide for the collection of all revenues and other assets, the auditing and settlement of accounts, and the safekeeping and disbursements of public monies.

Subd. 2. The common council may authorize payroll disbursements to city employees by direct deposit in employee accounts in financial institutions designated by the employees. The common council may authorize the finance director-treasurer to sign orders drawn upon the city payroll account and the finance director-treasurer or city accountant to sign orders drawn upon the city employees savings bond account for authorized employee payroll deductions.

Subd. 3. The common council may authorize the electronic transfer and disbursements of funds from the accounts of the city as it directs.

Subd. 4. The Common Council may authorize the Public Utility Board to audit and allow claims against the City's general account which claims, if allowed, shall be paid by orders prepared at the direction of the Public Utility Board. Said orders shall be signed by the Mayor, attested and countersigned by an officer or director as delegated by the Public Utility Board, and a record thereof kept by the Public Utility Board.

(Amended by Ord. No. 2603, effective November 4, 1988)

SECTION 11.02. (Certain obligations prohibited). Except as provided in Sections 11.03 and 11.04, no obligations of the City of Rochester shall be issued to pay current expenses, but the common council may issue and sell obligations for any other municipal purpose in accordance with the procedures and within the limitation prescribed by state law.

SECTION 11.03. (Tax anticipation certificates). At any time after the first day of the year following the making of an annual tax levy, the council may issue certificates of indebtedness in anticipation of the collection of taxes levied for any fund and not yet collected. The total of all certificates issued against any fund for any year with interest thereon until maturity, together with all orders outstanding against the fund, shall not exceed the total current taxes for the fund uncollected at the time of issuance plus the cash on hand in the fund. If certificates are issued against the anticipated tax levy for any fund, any unpaid orders outstanding against the fund shall be redeemed from the proceeds of the certificates. All tax anticipation certificates shall be negotiable and shall be payable to the order of the payee and shall have a definite due date but may be payable on or before that date. No certificate shall be issued to become due and payable later than the 1st day of July of the year following the year of issuance. Each certificate shall state upon its face the fund for which the proceeds of the certificate shall be used, the total

amount of the certificates so issued against the fund, and the total amount embraced in the tax levy for that fund. They shall otherwise be issued on such terms and condition as the council may determine. The proceeds of the taxes assessed on account of the fund against which tax-anticipation certificates are issued and the full faith and credit of the city shall be irrevocably pledged for the redemption of the certificates in the order of issuance against the fund.

SECTION 11.04. (Emergency debt certificates). If in any year the receipts from taxes or other sources should for some unforeseen cause become insufficient for the ordinary expenses of the city, or if any calamity or other public emergency should subject the city to the necessity of making extraordinary expenditures, the council may by resolution issue and sell on such terms and in such manner as the council determines emergency debt certificates to run not to exceed two years. A tax sufficient to pay principal and interest on such certificates with the margin required by law shall be levied as required by law. The resolution authorizing an issue of such emergency debt certificates shall state the nature of the emergency and be approved by a majority of the council.

SECTION 11.05. (Repealed by Ordinance 3343, effective October 10, 2000)

SECTION 11.06. (Funds to be kept).¹ There shall be maintained in the city treasury such funds as are required by the constitution and statutes of the State of Minnesota and by this charter and such other funds as are established by the common council by ordinance or written resolution, as provided in Sections 11.07 through 11.09.

SECTION 11.07. (General Fund). The general fund is established for the payment of all general government expenses and obligations of the city as the council may deem proper. Into this fund shall be paid all monies not otherwise provided herein or by statute or by ordinance to be paid into any other fund.

SECTION 11.08. (Utility or other public service enterprise funds). One or more utility or other public service enterprise funds into which shall be paid all money derived from the sale of bonds issued on account of any municipally owned utility or enterprise and all money derived from the sale of utility or other public enterprise services and from the sale of property acquired for or used in connection with any such utility or enterprise. There shall be paid out of this fund the cost of the purchase, construction, operation, maintenance and repair of such utility or enterprise, including the principal of and interest upon obligations which have or shall be issued on its account.

SECTION 11.09. (Other funds). Such other funds as the common council deems necessary or advisable, including but not limited to: (1) one or more capital improvements funds; (2) one or more trust or agency funds for the care and disbursement of monies or other assets received and held by the city as trustee or custodian or in the capacity of an agent for individuals or other governmental units; (3) one or more working capital or revolving funds for financing self-

¹Editor's Note: the headnote for Section 11.08 - 11.09 are found in the ordinance adding these provisions to the charter.

sustaining activities not accounted for through other funds; and (4) one or more public improvement revolving or debt service funds.

SECTION 11.10. (Interfund transfers). The common council may make interfund transfers and loans by written resolution except when prohibited by law and except from utility or public service enterprise funds, trust funds and agency funds.

SECTION 11.11. (Other funds). All references throughout this charter to specific funds other than those funds required by statute to be maintained, shall be of no further force and effect upon the effective date of this amendment², except if such specific fund as are re-established by action of the common council as required or permitted by this amendment.

²Editor's Note: this date is July 1, 1987.