

**SECTION 260.
FINANCIAL MANAGEMENT**

260.01. FUNDS

The City Council shall establish such funds as it deems necessary for the accurate and efficient accounting of city funds.

261.01. KEEPING OF FINANCIAL BOOKS AND RECORDS

The City Administrator shall be responsible for keeping the financial books and records of the city and shall further be responsible for all accounts and funds of the city. The City Administrator under the direction and control of the City Council shall be responsible for investing the funds of the City and for making certain that cash is available for the month-to-month financial requirements of the City. The City Administrator shall be responsible for making quarterly reports to the City Council showing the state of finances of the city and the amounts received and spent. Such reports shall be filed and the City Administrator shall make an annual report at the close of the fiscal year with the total amount of all receipts and expenditures of the city and the transactions during the preceding year.

261.02. FISCAL YEAR

The fiscal year shall run from the first day of January through the last day of December of the calendar year.

262.03. AUDIT REQUIRED

Pursuant to Minnesota Statutes Section 412.591 there shall be an annual audit of the city's financial affairs by the state auditor or a public accountant in accordance with minimum procedures prescribed by the state auditor.

SECTION 263. ESCROW DEPOSITS

263.01. INTENT

Certain licensed and permitted activities carried on in the city require the assistance of the city engineer, city attorney, city administrator, or other city personnel. As these activities primarily benefit private persons rather than the city as a whole, the cost of these services should be borne by those benefiting therefrom.

263.02. ESCROW DEPOSIT REQUIRED

Where applications for subdivision approval, rezoning, conditional use permits, planned unit developments, zoning variances, sewer connection permits, liquor license, building permits, or any other municipal permits, licenses, or considerations require a cash deposit, said cash deposit shall be placed in an escrow account in an amount sufficient to pay all engineering, legal, planning, or other fees incurred by the city, and such other costs as may be the applicant's responsibility in connection with the application and supervision, inspection, and investigation of the permitted activity. The deposit shall be held in the account and shall be credited to the applicant making the deposit. All engineering, legal, and planning fees, and such other costs as may be made the applicant's responsibility, incurred in connection with an application, shall be charged to the applicant's escrow account and credited to the city.

263.03. DETERMINATION OF ESCROW AMOUNT

Based on the fee schedule as set out in Section 402.01 of this code, the City Administrator shall determine the amount of the escrow deposit required after consultation with the city attorney, city engineer, or other appropriate city personnel whose services may be required. All time, services, and materials to be billed to an escrow account shall be itemized.

263.04. ENFORCEMENT

Applications requiring escrow deposits shall not be accepted or processed by the city unless accompanied by an escrow deposit as required by Section 263. of this code.

263.05. DEFICITS

If at any time it appears that a deficit will occur in any escrow, the City Administrator may require an additional deposit in said escrow account sufficient to cover the additional expenses. Failure to make such additional deposits, or to pay to the city money owed for services for which the applicant is responsible in connection with his or her application shall be grounds for denial or revocation of the permit or license, or cessation of work on a particular project. Such permit or license shall be revoked only after a hearing complying with the requirements of Section 150 of this code.

263.06. REFUNDS

Any money remaining in an applicant's escrow account after payment of all required engineering, legal and other costs and fees shall be returned to the applicant.