

## County Goals

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The Commission meets annually to establish focus areas and respective goals for the County. The administration augments these objectives with strategies and action plans. The County Manager develops a work plan to provide a framework for the Commission and the County Manager to base budget resource recommendations and decisions for the 2004 Budget.

The Commission's goals for 2003-2004 are oriented around key areas of interest. The focus areas and goals established by the Commission are provided below:

1. Develop a more effective economic development program and explore various organizational solutions including creation of a non-profit agency, merger with Monro EDC and closer relationships with the County's municipalities.
2. Merger the E-911 and dispatching functions of the County and City of Monroe.
3. Construct an AgriBusiness Center.
4. Conduct a review of the utility water and wastewater capacity and volumetric fees.
5. Reinvigorate the MCIC meetings.
6. Improve public accessibility to BOCC meetings and County programs by promoting e-commerce through use of the County's website, airing of BOCC meetings via the internet and development of communication tools such as an annual report.
7. Update 1998 Land Use Plan

# Financial “Best Practices” Guiding Manager’s Budget

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## Overview

Several financial “best practices” provide guidance for the County Manager in the formulation and development of the recommended budget. These “best management practices”, influenced by the North Carolina Local Government Budget and Fiscal Control Act and sound financial principles, provide the framework for budgetary and fiscal planning. Operating independently of changing circumstances and conditions, these practices guide the Manager in developing the recommended budget and ideally should assist the decision-making processes of the Commission.

## Operating Budget

- The County will annually adopt a balanced budget by June 30, which will provide an operational plan for the upcoming fiscal year.
- The Manager will develop a budget which contains detailed budget recommendations for the next succeeding fiscal year (year 1) and financial targets for next budget year (year 2) following the first succeeding year.
- The County will maintain a system of budgetary controls to ensure adherence to the budget.
- Current operating revenues will be sufficient to support current operating expenditures. Fund balance appropriated for recurring expenditures will not exceed an amount that the County can reasonably expect to save during the fiscal year.
- The County will maintain an appropriated contingency account. The contingency account will not exceed 5 percent of all other appropriations within the same fund.
- Debt or bond financing will not be used to finance current expenditures.

## Accounting

- The County will establish and maintain an accounting system in accordance

with the North Carolina Local Budget and Fiscal Control Act.

- An annual audit will be performed by an independent accounting firm in accordance with generally accepted accounting principles.
- Financial systems will be maintained to monitor revenues and expenditures on a continual basis.

## Debt

- Outstanding general obligation bonds will not exceed 8 percent of the assessed valuation of taxable property of the County.
- Capital projects will be financed for a period not to exceed the expected useful life of the project.
- The County will maintain its financial condition in order to maintain a minimum bond rating in the “AA “ category for outstanding G.O. debt and “A” category for outstanding Revenue debt from at least one nationally recognized municipal debt rating service.
- General obligation school bond referendum initiatives shall be placed on the ballot in connection with countywide general elections.
- General obligation school bond referendum initiatives shall be placed on the ballot only after the development of

# Financial “Best Practices” Guiding Manager’s Budget

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## **Debt (continued)**

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- a comprehensive debt service management plan that provides for the:
- establishment of cash flow projections which provide an indication of funds requirements and the timing of bond sales
  - development of principal and interest repayment schedules associated with bond sales
  - allocation of General Fund unrestricted revenues to support the repayment of issued bonds.
- Projected school bond cash flow deficits (the difference between projected bond repayment schedules and available revenues) shall be funded through increased taxes or reduction in General Fund services and programs.
  - A school debt service management plan shall be developed in connection with each bond referendum initiative and shall be disseminated to the general public.
  - School bond referendum initiatives that pass which contain debt service management plans providing for increased taxes shall be imposed in the first fiscal year immediately following the passage of the referendum.
  - General Fund resources (taxes) required to service school debt service expenditures shall be calculated and communicated to the general public with the annual tax bill or annual report.

## **Investments**

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- The County will monitor the receipt and disbursement of all funds to ensure the maximum investment of idle cash.
- The County will invest only in instruments which comply with the North Carolina Budget and Fiscal Control Act.

## **Capital Planning**

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- The County will develop, and annually update, a comprehensive 5-year capital improvement plan for the General Fund (in collaboration with and to include the Union County Public Schools) which identifies and balances both sources (where the money comes from) and uses (where the money goes).
- The County will develop, and update semi-annually, a comprehensive 5-year capital improvement plan for the Enterprise Funds which identifies and balances both sources (where the money comes from) and uses (where the money goes).

## **Fund Balance Targets**

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- The maintenance of adequate fund balance is necessary to provide working capital, funds for unanticipated expenditures, funds for capital expenditures in advance of their reimbursement from debt proceeds and tax rate stabilization.
- General Fund target fund balances are estimated at 16%.
- Water and Sewer Fund target fund balances are estimated at 365 days cash on hand.

