

Chatham County Budget and Financial Policies



At A Glance

Budget Policies



01 Budget policies

Objective: Manage the annual budget to meet legal and debt obligations, ensure adequate funding of current service levels, meet priorities of BOC, maintain the County's financial condition, and keep property tax increases to a minimum.

CONTENTS:

New or increased services
Mid-year appropriations
Use of one-time revenue
Capital Outlay
encumbrance

Funding of nonprofit agencies
Grants
New positions

Level of budgeting
Justification for funding
Contingency funds
Budget Officer

Debt policies



02 Debt policies

Objective: The county will manage its debt obligations to meet demands for capital facilities while striving to maintain or improve the county's current bond rating.

CONTENTS:

Types of debt
When debt is appropriate
Terms

Debt limitation
Relationship to operating and
capital budgets

Fees and user charges policies



03 Fees and user policies

Objective: The county will set its fees and user charges to recover the costs of services at a predetermine recovery threshold and thereby reduce reliance on property taxes.

CONTENTS:

Enterprise funds
Other fees and charges
Subsidy

New and increased services
Review and approval of fees
and charges

Capital Improvement Program (CIP) policies



04 CIP policies

Objective: The County will plan for its capital needs at least seven years into the future in order to address needs and to earmark revenues.

CONTENTS:

Process

Relationship to annual budget

Capital project ordinances

Fund balance policies



05 Fund balance

Objective: Recurring operations expenses of the county will be funded through recurring revenue sources. Fund balance is considered one-time revenue. The county shall maintain unassigned fund balance in its general fund equal to 20 percent of the previous annual operating budget in order to meet emergency obligations, avoid interruptions in cash flow, generate interest income, and maintain investment-grade bond rating.

CONTENTS:

Allowable uses

Excess fund balance

Capital Reserves



06 Capital reserves

Objective: The County will strive to fund capital improvements on a pay-as-you-go basis in order to enhance its financial condition and bond rating.

CONTENTS:

Annual contribution

Cash Management



07 Cash management

Objective: The County shall effectively manage its cash resources in order to maximize interest earnings and minimize loss of revenue.

CONTENTS:

Cash receipts

Cash disbursements

Investment policy

Accounting and Financial Reporting



08 Accounting and Financial Reporting

Objective: The County will establish and maintain its accounting system in accordance with the NC Local Budget and Fiscal Control Act.

CONTENTS:

All records and reporting will be in accordance with Generally Accepted Accounting Principles. The County will maintain an accounting system that provides internal budgetary and accounting controls designed to provide reasonable assurance regarding both the safeguarding of assets against the loss from unauthorized use or disposition and the reliability of financial information used in the preparation of financial statements and reports.



Questions,
Comments,
Concerns?