

Finance

DESCRIPTION

The Finance Department is responsible for the financial management and planning of the County. This includes establishing and maintaining effective controls over the County's financial activities, providing accurate financial information to all County and School Board departments in a timely manner, and coordinating the annual budget and monitoring compliance after adoption. Finance performs analyses of financial condition including interim and annual financial reports and recommends financial policies to the County Administrator and Board of Supervisors. The payroll processing function is performed by Finance, including the preparation of all payroll tax forms.

GOALS AND OBJECTIVES

- Receive Government Finance Officers' Association's Distinguished Budget Award;
- Receive Government Finance Officers' Association's Certificate of Achievement for Excellence in Financial Reporting; and
- Adopt FY08 Proposed Budget by second Wednesday in April.

SERVICE LEVELS

	FY05 <u>Budget</u>	FY05 <u>Actual</u>	FY06 <u>Budget</u>	FY06 <u>Forecast</u>	FY07 <u>Budget</u>
Per capita cost of operating department	\$8.63	\$7.91	\$9.44		\$ 9.72
Average days after month end to close	5	5	5	5	5
Number of budget transfers processed	200	434	434	400	425

MUNICIPAL BOND RATINGS FOR HANOVER COUNTY

<u>Fiscal Year</u>	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>
1996	AA1	AA-	AA
1997	AA1	AA	AA
1998	AA1	AA	AA
1999	AA1	AA	AA+
2000	AA1	AA	AA+
2001	AA1	AA	AA+
2002	AA1	AA	AA+
2003	AA1	AA	AA+
2004	AA1	AA	AA+
2005	AA1	AA	AA+

A rating of AAA is described to be of the best quality with extremely strong capacity to pay principal and interest. A rating of AA is deemed to be of high quality. Within groups, those bonds with the strongest attributes are designated with a "1" or "+". Municipal bond ratings are a current assessment of the creditworthiness of an obligator with respect to a specific obligation. What the bond analyst looks for is a clear trend of sound performance, both financially and operationally, that is reinforced by a record of management's responsiveness to bondholder needs. Generally, the rating is an assessment of four key areas: debt, economic, administrative, and financial factors.

BUDGET HIGHLIGHTS

FY06

Salaries and fringe benefits increased due to continued higher health insurance costs, the addition of a Budget Analyst position, and the reclassification of a position. The increase in operating expenditures is one time costs associated with the new position and cyclical computer replacements.

Finance

BUDGET HIGHLIGHTS (continued)

FY07

The salaries and fringe benefits includes one position reclassification. All other funding is at the maintenance level.

BUDGET SUMMARY

Expenditures

Finance	FY05 Budget	FY05 Actual	FY06 Budget	FY07 Budget	Percent Change
Salaries and Fringe Benefits	\$ 733,463	\$ 672,919	\$ 815,643	\$ 862,949	5.8%
Operating Expenditures	76,279	69,501	88,872	85,382	-3.9%
Capital Outlay	-	-	-	-	0.0%
Total Expenditures	\$ 809,742	\$ 742,420	\$ 904,515	\$ 948,330	4.8%

Revenue

Total Department Generated Revenue	\$ -	\$ -	\$ -	\$ -	0.0%
Generated Revenue Percent of Budget	0.0%	0.0%	0.0%	0.0%	

Other General Fund Revenue	\$ 809,742	\$ 742,420	\$ 904,515	\$ 948,330	4.8%
Other General Fund Percent of Budget	100.0%	100.0%	100.0%	100.0%	

Full-time Positions	11	11	12	12	0.0%
Part-time Positions	2	2	2	2	0.0%
Full-time Equivalents	11.8	11.8	12.8	12.8	0.0%

FUTURE FUNDING ISSUES

<u>Expenditures</u>	FY08 Plan	FY09 Plan	FY10 Plan	FY11 Plan
Salaries and Fringe Benefits	\$ 896,713	\$ 931,798	\$ 968,256	\$ 1,006,141
Operating Expenditures	87,943	90,581	93,299	96,098
Capital Outlay	-	-	-	-
Total Expenditures	\$ 984,656	\$ 1,022,379	\$ 1,061,555	\$ 1,102,238

Revenue

Total Department Generated Revenue	\$ -	\$ -	\$ -	\$ -
Generated Revenue Percent of Budget	0.0%	0.0%	0.0%	0.0%

Other General Fund Revenue	\$ 984,656	\$ 1,022,379	\$ 1,061,555	\$ 1,102,238
Other General Fund Percent of Budget	100.0%	100.0%	100.0%	100.0%

Full-time Positions	12	12	12	12
Part-time Positions	2	2	2	2
Full-time Equivalents	12.8	12.8	12.8	12.8

The budget represents a maintenance level funding.