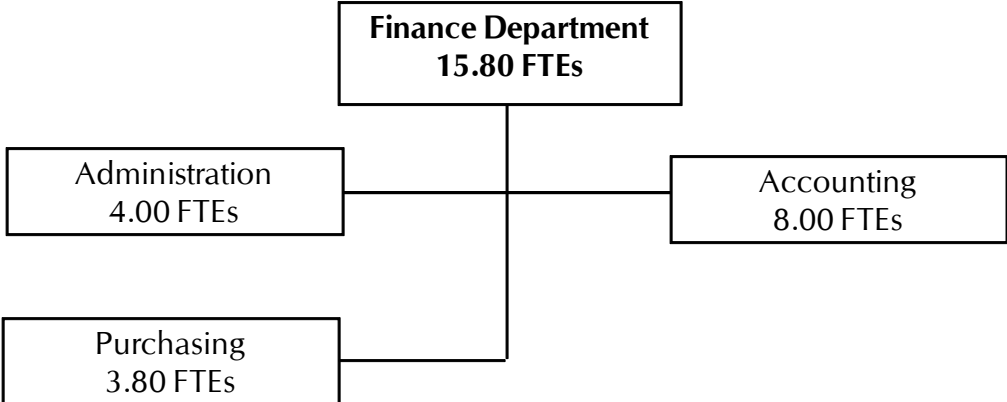


# Catawba County Government



# Finance

	Summary				
	2005/06	2006/07	2007/08	2007/08	Percent
	Actual	Current	Requested	Approved	Change
<b>Revenue</b>					
Investments Earnings	\$866,236	\$800,000	\$800,000	\$800,000	0%
Personnel Indirect Cost	29,429	30,459	31,830	31,830	5%
Miscellaneous	8	0	0	0	0%
Charges & Fees	900	0	0	0	0%
General Fund	371,310	499,407	625,925	625,425	25%
<b>Total</b>	<b>\$1,267,883</b>	<b>\$1,329,866</b>	<b>\$1,457,755</b>	<b>\$1,457,255</b>	<b>10%</b>
<b>Expenses</b>					
Personal Services	\$808,855	\$831,651	\$888,570	\$888,570	7%
Supplies & Operations	459,028	475,215	542,685	542,185	14%
Capital	0	23,000	26,500	26,500	15%
<b>Total</b>	<b>\$1,267,883</b>	<b>\$1,329,866</b>	<b>\$1,457,755</b>	<b>\$1,457,255</b>	<b>10%</b>
<b>Employees</b>					
Permanent	15.80	15.80	15.80	15.80	0%
Hourly	0.15	0.15	0.15	0.15	0%
<b>Total</b>	<b>15.95</b>	<b>15.95</b>	<b>15.95</b>	<b>15.95</b>	<b>0%</b>

## Budget Highlights

Functions included with the Finance Department are: Administration, Accounting, and the Purchasing/Service Center. Accounting encompasses Receivables, Payables, Billing, and Payroll. The Purchasing/Service Center assists all County departments with purchasing goods and services and provides mail courier and copying services.

The Finance budget reflects a 9% increase primarily due to contractual payments for ambulance billing, which are paid on the basis of collections. Finance contracted this service out several years ago to take advantage of the expertise the contractor has in filing reimbursements under the complicated and ever changing Medicare, Medicaid, and overall insurance policy regulations. The increase is necessary because the contractor is doing so well in collecting accounts.

The County has taken a stance of purchasing environmentally friendly vehicles when possible as replacement or additional vehicles are needed. The Purchasing budget includes funds to purchase a Ford Escape hybrid to replace a 1996 Geo Tracker with over 110,000 miles for the mail courier. This vehicle was out of service 458.6 hours during calendar year 2006.

## FINANCE ADMINISTRATION

### Statement of Purpose

The Finance Department is responsible for overseeing the financial affairs of Catawba County. We are accountable to the citizens to ensure that the County maximizes its resources and handles funds in accordance with all applicable local, State, and Federal regulations.

### Outcomes

1. The Finance Department assists with the development of the Fiscal Year 2008/09 annual budget by providing the Budget Office with information on a timely basis, normally by October 31<sup>st</sup>, 2007, that includes the following:
  - a. Revenue projections for major revenue sources (property taxes, sales tax, ABC profits, and investment earnings).
  - b. Assessment of the County's level of Fund Balances and recommendations on the amount of Fund Balance that can be appropriated.
  - c. Debt service requirements.
2. The County follows the requirements of the Local Government Budget and Fiscal Control Act. The Finance Department ensures that transactions comply with these requirements by:
  - a. Monitoring all financial transactions in accordance with the annually adopted Budget Ordinance.
  - b. Accurately recording all amendments to the County's Budget Ordinance within five (5) working days from receipt.
3. Timely and accurate financial information is important to the County's association with various funding and oversight agencies. These may include bond ratings agencies for future debt issuance; Federal, State, and local granting agencies; the Local Government Commission, and others. The Finance Department provides financial information in an accurate, efficient, and timely manner by:
  - a. Review of internal controls and testing of transactions for selected departments before June 30, 2008, to ensure the financial integrity of the County.
  - b. Completing the County's Comprehensive Annual Financial Report (CAFR) by October 31, 2007, and submitting to the Local Government Commission by December 1, 2007.
  - c. Submitting the Comprehensive Annual Financial Report (CAFR) to the Board of Commissioners at its first meeting in December.

- d. Making the CAFR available for other County departments, State and Federal agencies, bond-rating agencies, and the citizens of Catawba County by December 31, 2007.
  - e. Submitting the CAFR to the Government Finance Officer's Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting by December 31, 2007.
4. The County is responsible for financing major capital projects including those for the local public schools and community college. The goal of the Finance Department is to maximize cash on hand and borrow money as cheaply as possible.
- a. The department will plan, execute, and oversee all underwriting and debt issuance of Catawba County including any approved new debt financing issues needed for Public Schools, Community College, or renovations/additions to County facilities or equipment.

# Finance Administration

Organization: 170050

	2005/06 Actual	2006/07 Current	2007/08 Requested	2007/08 Approved	Percent Change
<b>Revenue</b>					
Investment Earnings	\$866,236	\$800,000	\$800,000	\$800,000	0%
Miscellaneous	8	0	0	0	0%
Personnel Indirect Cost	29,429	30,459	31,830	31,830	5%
Charges & Fees	900	0	0	0	0%
General Fund	(478,699)	(384,624)	(370,425)	(370,425)	-4%
<b>Total</b>	<b>\$417,874</b>	<b>\$445,835</b>	<b>\$461,405</b>	<b>\$461,405</b>	<b>3%</b>
<b>Expenses</b>					
Personal Services	\$261,975	\$271,525	\$281,905	\$281,905	4%
Supplies & Operations	155,899	174,310	179,500	179,500	3%
Capital	0	0	0	0	0%
<b>Total</b>	<b>\$417,874</b>	<b>\$445,835</b>	<b>\$461,405</b>	<b>\$461,405</b>	<b>3%</b>
<b>Employees</b>					
Permanent	4.00	4.00	4.00	4.00	0%
Hourly	0.00	0.00	0.00	0.00	0%
<b>Total</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>0%</b>

## ACCOUNTING

### Statement of Purpose

The accounting division of the Finance Department is responsible for accurately processing all financial transactions in a timely manner. These processes are in place in order to maximize cash on hand and comply with Federal, State, and local guidelines.

### Outcomes

#### Accounts Payable

1. Make accurate and timely payments (an average of 600+ checks) to all vendors on a weekly basis by:
  - a. Processing all documentation received and generating vendor payments accurately 99% of the time, as evidenced by corrected checks.
  - b. Responding to and correcting 100% of the payment discrepancies within one (1) working day.
2. Compliance with all Federal, State, and local guidelines by:
  - a. Processing and distributing 100% of the 1099s (approximately 200) by January 31<sup>st</sup> for vendor tax records.
  - b. Processing State reports and, if applicable, accompanying payments (e.g. North Carolina Sales Tax Report, North Carolina Sales Tax Refund Report, Register of Deeds Pension, Concealed Gun Permit Payments, etc.).
  - c. Making daily deposits of all revenue received 100% of the time, as evidenced by deposit ticket dates.
3. Maintain an accurate and thorough inventory of all County fixed assets (items costing \$5,000 or more with a useful life of three years or more) in order to produce documentation for the annual audit by processing additions, deletions, and transfers by August 31<sup>st</sup>.

#### Payroll

4. Make accurate and timely payment of wages to 1,100+ full-time and hourly employees on a bi-weekly basis, with a gross payroll in excess of \$1,350,000 by:
  - a. Processing all documentation received and calculating wage payments accurately 99.5% of the time, as evidenced by corrected payments.
  - b. Correcting 100% of all payroll errors within two (2) working days after notification or discovery, as evidenced by log.

5. Compliance with all Federal, State, and local guidelines to prevent any penalties and enable employees to maximize their employee benefits by:
  - a. Processing and distributing 100% of Form W-2s (approximately 1,600) by January 31<sup>st</sup> for employee's tax records.
  - b. Reporting, processing and paying of taxes (State and Federal withholdings, FICA and unemployment) when due 100% of the time, as evidenced by receiving no penalty notices.
  - c. Process all benefit reports (Retirement, Long-term Disability, Short-term Disability, Health, Dental, and other optional benefits) and payments by the due date 100% of the time, as evidenced by date of payment.

### **Billing**

6. As a measure of good customer service and vendor relations, the billing office has the following procedures in place:
  - a. Posting all payments within five (5) working days 98% of the time.
  - b. Process a monthly billing cycle by mailing bills within five (5) working days of cutoff 98% of the time.
  - c. Respond to 100% of billing inquiries within one (1) working day.
  - d. Processing refund requests within ten (10) working days 100% of the time.
  - e. Process documentation for building inspections, landfill, and miscellaneous billings within ten (10) working days after receipt.
  - f. Process documentation for ambulance bills within ten (10) working days after entry into the ambulance billing service database and forward notice of payments to billing service within two (2) days of deposit 98% of the time.
  - g. Coordinate collection efforts with the ambulance billing service company to ensure a 78% collection rate on ambulance bills.
  - h. Process a monthly billing cycle by mailing bills within five (5) working days of cutoff 98% of the time.
  - i. Inform the department requesting a miscellaneous bill of nonpayment if the charge remains unpaid after three (3) notices 98% of the time.

# Accounting

Organization: 170060

	2005/06 Actual	2006/07 Current	2007/08 Requested	2007/08 Approved	Percent Change
<b>Revenue</b>					
General Fund	\$661,386	\$665,631	\$752,879	\$752,379	13%
<b>Total</b>	<b>\$661,386</b>	<b>\$665,631</b>	<b>\$752,879</b>	<b>\$752,379</b>	<b>13%</b>
<b>Expenses</b>					
Personal Services	\$380,113	\$392,031	\$414,129	\$414,129	6%
Supplies & Operations	281,273	273,600	338,750	338,250	24%
Capital	0	0	0	0	0%
<b>Total</b>	<b>\$661,386</b>	<b>\$665,631</b>	<b>\$752,879</b>	<b>\$752,379</b>	<b>13%</b>
<b>Employees</b>					
Permanent	8.00	8.00	8.00	8.00	0%
Hourly	0.00	0.00	0.00	0.00	0%
<b>Total</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>	<b>0%</b>

## Budget Highlights

The Finance budget reflects a 9% increase primarily due to contractual payments for ambulance billing, which are paid on the basis of collections. Finance contracted this service out several years ago to take advantage of the expertise the contractor has in filing reimbursements under the complicated and ever changing Medicare, Medicaid, and overall insurance policy regulations. The increase is necessary because the contractor is doing so well in collecting accounts.

Finance also began using the State's Debt Set-Off Program in March 2003 to try and collect delinquent ambulance accounts. This is a free program overseen by the North Carolina Association of County Commissioners and the North Carolina League of Municipalities. The program permits counties and cities to submit any outstanding delinquent debt (\$50 or more) through a local government clearing-house to the North Carolina Department of Revenue, to attempt to match these debts against individual state income tax refunds. This attachment remains effective for 10 years or until the full amount of debt is collected. A total of \$188,248.34 has been collected since the program was implemented and another \$75,077.60 has been collected as a result of warning notices.

## PURCHASING / SERVICE CENTER

### Statement of Purpose

To ensure the timely procurement of quality goods and services as economically as possible within the guidelines of General Statutes and County Code. To provide timely, accurate and courteous mail and courier service to county departments.

### Outcomes

1. Expedite the procurement of County goods and services and respond to departmental needs as economically and timely as possible by:
  - a. Processing 99% of all purchase orders within one (1) working day after requested goods and services become a purchase order.
  - b. Provide satisfactory source for office and janitorial supplies.
  - c. Review formal bid requests (equipment and supplies totaling \$90,000 and over) establishing specifications, conducting formal bid openings and making recommendations to the Board of County Commissioners to the satisfaction of County departments.
  - d. Process contracts and assign contract numbers within two (2) days upon receipt as evidenced by purchasing log.
  - e. Assist departments in obtaining formal quotes (for purchase of supplies and equipment less than \$90,000).
  - f. Assist departments in receiving the best available pricing on purchases of supplies and equipment less than \$90,000 requiring informal quotes by maintaining a list of vendors, reviewing State Contract and U.S. Communities contracts, and soliciting at least three quotes when feasible.
  - g. Educate departments on what U.S. Communities and State Contract have to offer; utilize these services when it is cost and time effective.

Measure: The above will be measured by purchasing logs indicating turn-around time, items purchased, and savings generated and maintenance of a customer satisfaction rating of 90% or above.

2. Work with the Waste Reduction Coordinator/Educator to establish and promote a policy to increase the procurement of recycled and other environmentally preferable products by County departments and contractors by December 2007 (current policy has not been updated since 1994).

Measure: Maintain a log of all procurement of recycled products.

3. Expedite the procurement process for end users through improved and increased use of e-procurement by:

- a. Implementing the use of electronic purchase orders using PeopleSoft by August 2007.
  - b. Increasing the use of the electronic bidding system currently being used for formal bids by 20%.
  - c. Educating vendors on the use of e-procurement.
  - d. Implementing imaging system for County contracts and other procurement documents by December 2007.
  - e. Implementing an on-line vendor form on the County's Web site with the assistance of Technology staff by March 2008.
4. Enhance minority participation in County's informal and formal building construction projects to reach or exceed the County's Minority Outreach goal of five percent by:
- a. Conducting a pre-bid conference for each formal construction bid and educating contractors.
  - b. Working with minority-focused and small business groups that support minority business and small business inclusion in the solicitation of bids.
  - c. Soliciting bids from know minority businesses and contractors for applicable projects and services.

Measure: Maintain a log of all procurement of goods, services and construction contracting with minority vendors and contractors.

5. Provide daily courier service between all departments, agencies, and the U.S. Postal Service in a timely, accurate and courteous manner by:
- a. Ensuring all purchasing staff is familiar with the postal equipment and mail route in the event the mail courier is absent.
  - b. Maintaining a regular schedule for the mail route.

Measure: Conduct departmental survey with a 90% satisfaction rate.

# Purchasing

Organization: 170101

	2005/06 Actual	2006/07 Current	2007/08 Requested	2007/08 Approved	Percent Change
<b>Revenue</b>					
General Fund	\$188,623	\$218,400	\$243,471	\$243,471	11%
<b>Total</b>	<b>\$188,623</b>	<b>\$218,400</b>	<b>\$243,471</b>	<b>\$243,471</b>	<b>11%</b>
<b>Expenses</b>					
Personal Services	\$166,767	\$168,095	\$192,536	\$192,536	15%
Supplies & Operations	21,856	27,305	24,435	24,435	-11%
Capital	0	23,000	26,500	26,500	15%
<b>Total</b>	<b>\$188,623</b>	<b>\$218,400</b>	<b>\$243,471</b>	<b>\$243,471</b>	<b>11%</b>
<b>Employees</b>					
Permanent	3.80	3.80	3.80	3.80	0%
Hourly	0.15	0.15	0.15	0.15	0%
<b>Total</b>	<b>3.95</b>	<b>3.95</b>	<b>3.95</b>	<b>3.95</b>	<b>0%</b>

## Budget Highlights

The County has taken a stance of purchasing environmentally friendly vehicles when possible as replacement or additional vehicles are needed. The Purchasing budget includes funds to purchase a Ford Escape hybrid to replace a 1996 Geo Tracker with over 110,000 miles for the mail courier. This vehicle was out of service 458.6 hours during calendar year 2006.