

# LEON COUNTY POLICIES

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## **Policy for Accounting and Reporting: Policy No. 92-4**

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that: The County will establish accounting and reporting systems to:

1. Maintain accounting and reporting practices in conformance with the Uniform Accounting System of the State of Florida and Generally Accepted Accounting Principles (GAAP).
2. Maintain accounting system records on a basis consistent with the accepted standards for local government accounting according to Governmental Accounting and Financial Reporting (GAFR), the National Council on Governmental Accounting (NCGA), and the Governmental Accounting Standards Board (GASB).
3. Provide regular monthly financial reports that include a summary of activity for all funds.
4. Provide regular monthly trial balances of line item financial activity by type of revenue and expenditure.
5. Ensure that an annual financial and compliance audit of the County's financial records is conducted by an independent firm of certified public accountants whose findings and opinions are published and available for public review.
6. Provide that the Office of Management and Budget (OMB) will submit to the County Commission quarterly reports on the operating condition of the County and, where applicable, to identify possible trends and, where necessary, to recommend options for corrective action.
7. Seek, annually, the Government Finance Officers • Association (GFOA) Certificate of Achievement in Financial Reporting and the GFOA's annual budget award.

## **Policy for Amending the Budget: Policy No. 97-11**

The County will establish practices for the operation and amending of the annual budget to:

1. Provide that all amendments/transfers of funds will first be reviewed by the director(s) of the requesting department/division, followed by a second review by the Office of Management and Budget, prior to submission and subsequent approval/denial by the County Administrator and/or the Board of County Commissioners, as set forth by the following provisions of this policy.
2. Provide that:

- a. Notwithstanding the provisions of paragraph 1, program managers shall have the flexibility to amend their operating expenditure budgets and personnel services budgets by up to 10-percent of the total on an aggregate basis between line items within programs with a \$20,000 cap, contingent upon approval by the County Administrator;
  - b. The County Administrator delegates to the Office of Management and Budget the responsibility for monitoring and enforcing the provisions of this paragraph based on policies adopted by the Board of County Commissioners.
3. Provide that, in addition to the provisions of paragraph 2, the County Administrator may authorize intrafund transfers up to \$20,000.
  4. Provide that intrafund transfers greater than \$20,000, and all interfund transfers, must be approved by a majority vote of the Board of County Commissioners.
  5. Provide that all requests for use of reserves for contingency must be approved by a majority vote of the Board of County Commissioners.

## **Policy for Carry Forward Program: Policy No. 98-16**

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that Policy No. 94-8, entitled "Carry Forward Program" and adopted by the Board of County Commissioners on December 13, 1994, is hereby repealed and superseded, and a new policy is hereby adopted in its place, to wit:

The Carry Forward Program provides budget incentives to managers to improve financial management effectiveness and accountability. The program allows managers to carry forward into the ensuing fiscal year a portion of, or all of, the unexpected end-of-year funds for identifiable projects which will result in increased productivity, cost savings and/or increased efficiency. Those projects which receive the County Administrator's approval will be presented to the Board of County Commissioners prior to November 1 of each year.

### **A. Eligibility Requirements**

The department manager must submit the program proposal to the Office of Management & Budget (OMB) no later than the deadline established by OMB. The proposal must include financial savings estimated based on the most recent financial data available.

## LEON COUNTY POLICIES

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The department manager must clearly indicate in the Carry Forward Program how the County will realize an increase in productivity, save money or increase efficiency by approving the proposal.

Any request that was denied during the budget review process will be forwarded directly to the County Administrator for special review. The County Administrator will provide further direction to OMB.

Note: Those projects which were funded by the Board in the current fiscal year, and which were not completed, are not affected by this program. In such case, the manager must submit a "Carry Forward Request Form" (See Attachment) to the Office of Management & Budget requesting that these funds be added to the budget of the ensuing fiscal year for the sole purpose of completing the projects for which the funds were appropriated in the previous fiscal year. The program must state on the "Carry Forward Request Form" why the project was not completed within the current fiscal year and the anticipated completion date.

### B. OMB Responsibilities

The Office of Management & Budget shall review all proposals from department managers. The Office of Management & Budget will be responsible for the program activities listed below.

Verify the total amount of funds eligible to be carried forward into the ensuing fiscal year with the Finance Department.

Review an analysis of the proposed project to determine if it will increase productivity, save tax dollars and/or increase efficiency.

Make a recommendation of approval or denial to the County Administrator.

Notify the program manager in writing of whether the project was accepted or denied within two (2) working days of the County Administrator's final decision.

### **Human Service Request for Discretionary Funding: Policy No. 00-4**

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that: Policy No. 99-4 "Mid-Fiscal Year Funding Requests for Outside Agencies," adopted by the Board of County

Commissioners on November 23, 1999, is hereby repealed and superseded, and a new policy is hereby adopted in its place, to wit:

### Human Service Request for Discretionary Funding

#### 1. Board Intent

- a. All requests for funding which can legitimately be planned for must be made through the normal budget cycle.
- b. The initial disposition of the Board will be to disapprove or delay all requests made outside the normal budget cycle.
- c. The full impact of any request on the present and future resources of the County must be disclosed.
- d. No requests for funding during the fiscal year may come directly to the Board without prior administrative review as specified in this policy.

#### 2. Procedures

The following procedures shall govern all funding requests made during the fiscal year outside the normal budget cycle:

- a. Outside agencies or individuals requesting funding from the Board of County Commissioners any time during the fiscal year shall first submit their requests in writing to the County Administrator.
- b. The County Administrator is authorized to develop forms and procedures to be used by outside agencies or individuals.
- c. All requests will be brought to the Board for consideration at a regularly scheduled meeting.
- d. Requests approved by the Board will be funded from the Commissioner's Discretionary Account.
- e. In the case where funding has been exhausted in the Commissioner's Discretionary Account, all requests will be denied at the staff level, and the Board will be notified via inter-office memorandum.

#### 3. Evaluation Criteria

All funding requests will be evaluated and funded at the discretion of the Board.

#### 4. Exceptions

- a. Mid-year requests from athletic teams or similar organizations for funding from the Board's Youth Sports Team Fund are exempt from this policy.

### **Policy for Contingency Reserves: Policy No. 99.3**

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that: Policy No. 94-11 "Contingency Reserves and Mid-Fiscal Year Funding Requests for Outside Agencies,"

## LEON COUNTY POLICIES

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adopted by the Board of County Commissioners on September 1994, is hereby repealed and superseded, and a new policy is hereby adopted in its place, to wit:

### Use of Contingency Reserves

#### 1. Board Intent

Contingency reserves are established to provide the following:

- a. Funding for authorized mid-year increases to adopted levels of service.
- b. Funding for unexpected increases in the cost of providing existing levels of service.
- c. Temporary and nonrecurring funding for unexpected projects.
- d. Funding of a local match for public or private grants.
- e. Funding to offset losses in revenue caused by actions of other governmental bodies.
- f. Funding to accommodate unexpected program mandates from other governmental bodies.

#### 2. Procedures

- a. The general revenue reserves for contingency will be budgeted at an amount not to exceed 10% of projected general operating revenues for the ensuing fiscal year.
- b. The County will maintain an annual unappropriated fund balance at a level sufficient to maintain adequate cash flow and to eliminate the need for short-term borrowing. The unappropriated fund balance shall be no less than ten (10) percent of general operating revenues and shall be separate from the reserves for contingency.
- c. The County Administrator is authorized to develop forms and procedures to be used by outside agencies or individuals or County agencies in submitting their requests for use of contingency reserves.
- d. County agencies, including County departments and Constitutional Officers, requesting additional funding from the Board shall first submit their requests in writing to the County Administrator for full review and evaluation.
- e. After evaluation, all requests will be brought to the Board for consideration at a regularly scheduled meeting.
- f. Requests for use of reserves for contingency may be approved only by the Board of County Commissioners.
- g. The County's budget will be amended at such time the County Commission, by majority vote, authorizes reserves for contingency. All requests to the County Commission for the use of any reserves for contingency shall be accompanied by a "contingency statement" prepared by OMB showing the year-to-date activity on the reserves account as well as the current account balance and the net effect on the account of approving the use of reserves.

#### 2. Evaluation Criteria

a. The Board will use the procedures and evaluation criteria set forth in this policy. The evaluation of funding requests shall include, but not be limited to the following:

- consistency with other Board policy;
- the urgency of the request;
- the scope of services to be provided;
- the short-term and long-term fiscal impact of the request;
- a review of alternative methods of funding or providing the services,
- a review for duplication of services with other agencies;
- a review of efforts to secure non-County funding;
- a discussion of why funding was not sought during the normal budget cycle; and a review of the impact of not funding or delaying funding to the next fiscal year.

#### 3. Exceptions

a. This policy is not intended to limit regular mid-year salary adjustment transfers from the salary adjustment contingency account, which is reviewed separately by the Board of County Commissioners in the month of April of each year.

### **Policy for Debt Management and Other Investments: Policy No. 93-47**

It shall be the policy of the Board of County Commissioners of Leon County, Florida that: Policy No. 92-6, adopted by the Board of County Commissioners on March 10, 1992, is hereby superseded and repealed, and a new policy is hereby adopted in its place, to wit: Debt management and investment practices are established to:

1. Ensure that capital projects financed through the issuance of bonds will not be financed for a period that exceeds the useful life of the project or the life of the supporting revenue source.
2. Ensure that interest, operating or maintenance expenses will be capitalized only for facilities or enterprise activities and will be limited to those expenses encumbered prior to the actual operation of the facility or its improvement.
3. Provide that debt for Leon County, Florida shall be limited to an amount which will not prevent the County from maintaining sources of available revenues for service of debt at 135% of annual debt service. The State of Florida does not mandate legal debt limitation for local governments.

## LEON COUNTY POLICIES

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4. Provide that the County will limit its investments to only the safest types of securities, to include those backed by the U.S. Government or its agencies and those which provide insurance or the legally required backing of the invested principal.

5. Provide that, unless market conditions otherwise require, not more than fifteen (15) percent of the County's investment portfolio shall be placed in any one institution other than those securities issued or guaranteed by the U.S. Government or its agencies or the State Board of Administration of the State of Florida.

### **Debt Management and Other Investments 9.04 Policy No. 93-97**

1. Provide that the investment portfolio of Leon County, Florida must be structured in such a manner to provide sufficient liquidity to pay obligations as they become due. The investment

portfolio shall be diversified by type of investment, issuer, and dates of maturity in order to protect against fluctuations in the market economy. At least fifteen percent (15%) of the County's portfolio shall be kept in liquid investments which are available on a daily basis, without loss of principal.

2. Provide that the clear title to principal and collateral backing for all investments shall be maintained by Leon County, in the County's own bank, or a third party agent under agreement to the County.

3. Provide that the Board of County Commissioners seeks to optimize return on investments within the constraints of safety and liquidity. The purchase and sale of securities shall be at competitive prices based on market conditions.

4. Provide that Leon County will use only major banks, brokers or dealers which have been selected after review of their qualifications, size, capitalization, inventories handling and reputation.

5. Provide that Leon County will not place funds with any institution which is less than three (3) years old.

6. Provide that the Board shall adopt a plan by October 1 of each year to govern the policies and procedures for the investment of surplus funds of the County based on the criteria as set forth in the County's Investment Ordinance for Surplus Funds, No. 93-3.

7. Provide that collateral shall be required for any re-purchase agreement, not covered under Chapter 280, Florida Statutes. Collateral placed for any re-purchase agreement will be governed by the same terms as those defined in the County's Investment Ordinance for Surplus Funds, No. 93-3.

8. Provide that the County shall establish a County Investment Oversight Committee whose membership

and duties shall be governed by the provisions as set forth in the County's Investment Ordinance for Surplus Funds, No. 93-3.

### **Policy for Dues and Memberships: Policy No. 93-46**

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that:

Policy No. 77-7, adopted by the Board of County Commissioners on June 21, 1977, is hereby repealed and superseded, and a new policy is hereby adopted in its place, to wit:

Organizations to which dues and memberships are paid for a County employee by Leon County shall be listed in a department's/division's annual budget request submission to the office of Management and Budget and reviewed for their appropriateness to the employee's job responsibilities with final denial/approval of such membership(s) by the County Administrator or his/her designee during the development phase of the tentative budget. Any request for County-paid employee memberships made during the fiscal year shall be submitted to the Office of Management and Budget for review with final denial/approval by the County Administrator. All memberships paid by the County for its departments/divisions shall follow the same review and approval process as that of a County Employee as outlined in this policy.

### **Policy for Fiscal Planning: Policy No. 93-44**

It shall be the policy of the Board of County Commissioners of Leon County, Florida that: Policy No. 92-3, adopted by the Board of County Commissioners on March 10, 1992, is hereby repealed and superseded, and a new policy is hereby adopted in its place, to wit:

The County will establish fiscal planning practices to:

1. Provide that the annual operating and capital budget for Leon County shall be developed in conformity with the Tallahassee-Leon County Comprehensive Plan by the Office of Management and Budget in conjunction with revenue estimates from the Finance Division of the Clerk of the Circuit Court, under the advisement of the County Administrator and adopted as provided in State law by a majority vote of the Board of County Commissioners presiding in a public hearing.

2. Provide for the development and annual review of a capital improvement budget. This budget shall contain

## LEON COUNTY POLICIES

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a 5-year plan for acquisition and improvement of capital investments in the areas of facilities, transportation, equipment and drainage. This budget shall be coordinated with the annual operating budget.

3. Provide that the Board of County Commissioners will continue to reflect fiscal restraint through the development of the annual budget. In instances of forthcoming deficits, the Board will either decrease appropriations or increase revenues.

4. Provide that the County will strive to better utilize its resources through the use of productivity and efficiency enhancements while at the same time noting that the costs of such enhancements should not exceed the expected benefits.

5. Provide that expenditures which support existing capital investments and mandated service programs will be prioritized over those other supporting activities or non-mandated service programs.

6. Provide that the County Administrator shall be designated Budget Officer for Leon County and will carry out the duties as set forth in Ch.129, F.S.

7. Provide that the responsibility for the establishment and daily monitoring of the County's accounting system(s), shall lie with the Finance Division of the Clerk of the Circuit Court, and that the oversight of investment and debt management for the government of Leon County shall lie with the Board of County Commissioners.

8. Provide that this policy shall be reviewed annually by the Board of County Commissioners to ensure its consistency and viability with respect to the objectives of the Board and its applicability to current state law and financial trends.

### **Policy for Industrial Development Revenue Bond Financing: Policy No. 81-1**

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that:

Industrial Development Revenue Bond (IDRB) financing will be considered as an inducement to local and new prospective business expansion and relocation as a means to promote the diversification and expansion of the local economy, subject to the following conditions:

1. Information and application requirements of the County are completely and accurately met.

2. All fees and charges are paid, if and when assessed.

3. the project, consisting of land acquisition, construction, renovation and/or equipment purchases, has not begun prior to IDRB financing approval.

4. the project complies with all federal, state and local laws with regard to industrial development revenue bond financing eligibility.

5. except in unusual circumstances, the Board will give priority consideration for IDRB financing to an industrial or manufacturing plant.

### **Policy for Landfill Rate Stabilization Reserve: Policy No. 03-08**

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that Policy No. 94-1, "Policy for Landfill Rate Stabilization Reserve," adopted by the Board of County Commissioners on February 8, 1994 is hereby repealed and superseded, and a new policy entitled "Solid Waste Rate Stabilization Reserve Fund" is hereby adopted in its place. It shall be the policy of the Board of County Commissioners of Leon County, Florida that:

1. The Solid Waste Rate Stabilization Reserve Fund is established to provide the following:

a. To accumulate funding for planned future capital project expenditures;

b. Funding for temporary and nonrecurring unexpected capital projects;

c. Funding to accommodate unexpected program mandates from other governmental bodies;

d. Funding for extraordinary operating expenses.

e. Funding for operating expenses in order to stabilize rates.

2. Use of funds from the Solid Waste Rate Stabilization Reserve Fund will be limited to operation of the landfill and transfer station.

3. The Board of County Commissioners must approve requests for use of Rate Stabilization Reserve Fund. The Board will use the procedures and evaluation criteria set forth in this policy. Such requests will be evaluated in insure consistency with other Board policy; the urgency of the request; the scope of services to be provided; the short- and long-term fiscal impact of the request; a review of alternative methods of funding or providing the services; a review for duplication of services with other agencies; a review of efforts to secure non-County funding; a discussion of why funding was not sought during the normal budget cycle; and a review of the impact of not funding or delaying funding to the next fiscal year.

4. The Rate Stabilization Reserve Fund will be budgeted at the excess of revenues over expenditures after the requirements of the balance needed in the Contingency Reserve and Closure Reserve are met. The Rate Stabilization Reserve Fund shall be separate from the Contingency Reserve and Closure Reserve. The County's budget will be amended at such time as

## LEON COUNTY POLICIES

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the County Commission, by majority vote, authorizes the use of reserves. All requests to the County Commission for the use of Rate Stabilization Reserve Fund shall be accompanied by an addendum prepared by OMB showing the year-to-date activity on the reserves account as well as the current account balance and the net effect on the account of approving the use of reserves.

5. As used in this document, the term "Fund" does not require the establishment of a self-balancing set of accounts, but rather indicates a separate account established within the Solid Waste Enterprise Fund.

### **Policy for Revenues:**

#### **Policy No. 92-5**

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that:

The County will establish revenue practices to:

1. Provide that the County seek out and maintain a diversified revenue system to protect it from fluctuations in any one revenue source.
2. Provide that fees charged in enterprise operations will be calculated at a level which will support all direct and indirect costs of the enterprise.
3. Ensure that the County does not accept any revenue source whose terms of acceptance or collection may negatively affect the County.

### **Financial Advisory Committee:**

#### **Policy No. 00-1**

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that:

In order to ensure that financial matters which come before the Board of County Commissioners have been appropriately and thoroughly reviewed, a Finance Advisory Committee is hereby established which shall be comprised of the Leon County Administrator, the Leon County Attorney, the Director of Public Services, the Director of Management and Budget and the Clerk of Courts' Finance Director.

The Finance Advisory Committee shall review and make recommendations to the Board of County Commissioners on financial matters related to the Board of County Commissioners and all County boards and authorities. Such financial matters may include, but not be limited to, issuance of debt, selection of bond counsel, financial advisory services, bond underwriter services, underwriter counsel and arbitrage rebate compliance services.