

Category: 200 – FINANCIAL

Number: 211

Subject: **GENERAL FINANCIAL POLICY**

1. **Purpose:** The purpose of this policy is to:
 - 1.1 Define the accounting practices and procedures that will ensure timely and accurate reporting of the financial condition of St. Clair County
 - 1.2 Assure that the County complies with the requirements of the State of Michigan as they relate to governmental finance.
 - 1.3 Serve as a planning tool in the formulation of future budgets by setting forth general financial parameters from which budgets are derived.
 - 1.4 Communicate to County Elected Officials, Department Heads and the Public, the formal financial policy of the Board of Commissioner's.
2. **Authority:** St. Clair County Board of Commissioner's
3. **Application:** This policy applies to all County Elected officials, Department Heads, Employees and Agencies of St. Clair County.
4. **Responsibility:** The Administrator/Controller shall be responsible for the implementation and administration of this policy.
5. **Definitions:** None
6. **Policy:** St. Clair County will operate in compliance with all applicable federal and state laws governing county finances in such a way as to assure the citizens of our county that county government is well maintained by utilizing prudent and modern financial and management practices and maintaining a sound fiscal position. The principles utilized to achieve these goals include, but are not limited to, the following:
 - 6.1 The County shall maintain a high standard of accounting practices in conformance with Generally Accepted Accounting Principles for governmental entities as promulgated by the Government Accounting Standards Board.
 - 6.2 The County will annually project revenues and expenditures in accordance with the provisions of Public Act 2 of 1968, as amended by Public Act 621 of 1978, as follows:
 - 6.2.1 Revenues:
 - 6.2.1.1 Each year existing and potential revenue sources will be examined with the respective Elected Official/Department Head to determine the accuracy of the projection.
 - 6.2.1.2 User charges and fees will be established at levels consistent with the cost of the service provided. Enterprise Fund fees and charges will be

maintained at levels that fully support the total direct and indirect costs of the activity, including depreciation of capital assets.

6.2.1.3 The County shall maintain a sound equalization review system to maintain property values. Property values will be assessed at 50 % of true market value in accordance with the State of Michigan constitutional and statutory requirements.

6.2.2 Expenditures:

6.2.2.1 Each year existing and proposed expenditures will be examined with the respective Elected Official/Department Head to determine the accuracy of the projection. All expenditures will be reviewed to determine if they are reasonable and necessary, and if they comply with the adopted policies of the Board of Commissioner's.

6.3 An independent firm of Certified Public Accountants shall perform an annual financial and compliance audit in accordance with Generally Accepted Auditing Standards and will issue an opinion on the financial statements as required. Copies of the annual audit will be maintained for public inspection in the office of the Administrator/Controller.

7. **Administrative Procedures:** None

8. **Administrator/Controller and Legal Counsel Review:** The Administrator/Controller has determined that his policy as submitted to the Board of Commissioners contains the necessary substance in order to carry out the purpose of the policy. The County Corporation Counsel has determined that this policy as submitted contains content that appears to be legal activities of the St. Clair County Board of Commissioners.

Adopted: November 29, 2000