

**CALHOUN COUNTY  
BOARD OF COMMISSIONERS  
POLICY STATEMENT**

<b>SUBJECT:</b>  <b>PROCEDURE FOR APPROVAL OF CONTRACTS, BONDS AND OTHER DOCUMENTS</b>	<b>DATE APPROVED:</b>  6/2/2022	<b>EFFECTIVE:</b> 6/2/22	<b>POLICY NO.</b> 235
		<b>REPLACES:</b> #235 of 9/2/93	

- I. PURPOSE:** The purpose of this policy is to govern the issuance of contracts, long-term debt (including, but not limited to: bonds and notes payable, financing of capital assets, leases, installment purchase agreements, grant agreements, compensated absences, and severance agreements/early retirement incentives), bid awards and other agreements financially obligating or benefitting Calhoun County
- II. AUTHORITY:** The Calhoun County Board of Commissioners
- III. RESPONSIBILITY:** The Office of the Administrator/Controller, as the County’s Chief Financial Officer, shall be responsible for the implementation and administration of this policy. This policy applies to all Calhoun County employees and Elected Officials.
- IV. POLICY:**
- A. All contracts, long-term debt (including, but not limited to: bonds, and notes payable, capital assets, installment purchase agreements, compensated absences, and severance agreements/early retirement incentives), and other official agreements of Calhoun County requiring the signature of county officials will be referred to the office of the County’s Corporation Counsel for review prior to execution.
  - B. The Corporation Counsel shall review the document or contract for accuracy and content, and shall forward to the County Administrator for review and presentation to the Board of Commissioners for consideration, if required under the County’s Purchasing Policy and other policies governing Administrative authorities. The document or contract, and a draft resolution shall be provided to the office of the County Administrator for review.
  - C. If required, signatures will be executed by the Chairperson of the Board of Commissioners and the County Clerk-Register, who are the authorized signatories on behalf of Calhoun County, unless otherwise specified by resolution of the Board of Commissioners. In the event of the absence, illness or disability of either the Chairperson or the Clerk-Register., then the Vice-Chairperson, or a Chief-Deputy to the Clerk-Register are respectively authorized and directed to sign such documents on behalf of Calhoun County.
  - D. All original contracts, bonds and other official documents are to be kept by the Clerk to the Board of Commissioners. Responsibility for submission and distribution of attested or certified copies remains with the party requesting action on the matter.
  - E. Issuance of Long and Short-Term Debt:
    - 1. The issuance of long-term debt will be subject to approval by the Board of Commissioners and County Administrator/Controller.

2. The issuance of long-term debt will be recorded as an “other financial source” in the governmental fund financial statements, along with any premium or discount thereon. Costs of issuance will be reported in the governmental fund financial statements as a component of debt service expenditures.
  3. In the full-accrual government-wide statements, long-term debt and any related discounts, premiums, or deferred gain/loss on refunding, will be reported as a liability. Bond issuance costs will be capitalized as an asset and amortized over the life of the bonds using the straight-line method.
  4. Short-term debt with an initial maturity of less than one-year will be recorded as a liability in the governmental fund financial statements, along with accrued interest payable thereon.
- F. Compensated absences payable will be recorded in the government-wide statements for earned but unused sick and vacation time, as provided for in bargaining agreements and/or personnel policies. Such accruals will be limited to the maximum payout based on these policies.
- G. Severance agreements/early retirement incentives will also be recorded liabilities in the government-wide statements. Multi-year agreements will be reported at the net present value using a discount rate equal to the rate management expects to earn on the assets used to liquidate such liabilities. A current portion will be recorded each year, based on the payment schedule in the severance agreement