



County takes new approach to finances

By [Chuck Martin](#), [Mount Vernon News](#)

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MOUNT VERNON — As counties deal with tight budgets caused by decreasing or flat revenue and rising costs, they need to be able to analyze trends and take action to avoid crises. As the result of 18 months of work, the county now has such an analysis program. It is one of the first counties in the state to take this approach.

County Auditor Jonette Curry had representatives of Public Finance Resources Inc. present the results of their work to the county commissioners Monday afternoon.

Commissioner Allen Stockberger compared the results to flying: "Before we were flying by the seat of our pants, now we have GPS."

Consultant Ernie Strawser presented most of the report and explained how, although the report contains many numbers, the important thing was how they used past and current figures to project trends and how this, with software the auditor now has, can be updated easily as new numbers come in each month or quarter.

Curry said counties tend to operate on a year-to-year basis, but this will give the county a better picture of where it's at financially.

Stockberger said development of this financial analysis developed out of its decision to refinance a number of bond issues. The company handling the refinancing suggested the county talk to PFR, a subsidiary, about the possibility of adapting the financial analysis programs it uses for school districts to city finances.

School districts are required to do five year-year financial reports of this type, which takes figures from previous years, plus current numbers, to create a five-year projection. If revenues are not keeping up with expenses, they can tell when it will become serious and identify exactly where the problem is, such as the big jump in insurance costs in the current budget, an obvious, but important factor in the county budget.

Strawser showed how the county's efforts to cope with the Great Recession are reflected in the analysis trends and cited the commissioners for taking proactive actions to maintain the credibility of county finances.

For the full story, [click here for the May 1, 2012 e-edition](#). *The article will only be available for thirty (30) days.*

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