

Budget Process and Financial Policies

Phase I – 5.10.20 Exercise – All Department Heads and Elected Officials were asked to size their budgets down at 5%, 10%, & 20% levels and to demonstrate the impact on services.	December 14, 2012
Revenue Committee Begins – The revenue committee is made up of the Administrator/Controller, Deputy Administrator, Finance Officer, Treasurer, Deputy Treasurer, Equalization Director, Deputy Equalization Director, and Register of Deeds. Their purpose is to forecast the county’s largest revenue source, property taxes, through the use of data, economic indicators, and statistical methods. The goal is to have a revenue target for approval by the Board of Commissioners at the board retreat.	January 7, 2013
Phase I Budget Submission Due	January 14, 2013
Phase II Budget Submissions Sent Out – Department heads and elected officials identify and update performance measures and document progress made on strategic plan goals. Measures and progress are used to create the board retreat.	February 28, 2013
Revenue Committee Concludes	January 25, 2013
Strategic Implementation Team prepares Strategy presentations for Board Retreat	January 8, 2013
Board Retreat – The Board Retreat is divided in to three presentations. First, the revenue committee reports its findings and revenue forecast. Second, The administrator’s office reviews the expenditure changes for the coming year and proposes a budget target. Lastly, the administrator’s office gives an update on the strategic plan objectives and metrics based on feedback from the Phase I budget submission and citizen survey.	February 8, 2013
	February 15, 2013
	March 8, 2013
	March 19,2013
Phase II Budget Submissions Due	March 19, 2013
Phase III Budget Instructions Sent Out - Department heads and elected officials receive the Boards fiscal guidance.	March 20, 2013
Phase III Budget Submissions Due – Department heads and elected officials submit recommendations to meet budget target.	March 31, 2013
Administrator/Controller’s Office Review – Administrator/Controller reviews phase II submissions to assess progress toward target.	March 31, 2013
	April 2, 2013
Phase III Budget Instructions Sent Out	April 2, 2013
Phase III Budget Submissions Due – Department heads and elected officials enter budget into the financial system	April 19, 2013
Budget Submission Review / Budget Formation – The Administrator/Controller’s Office reviews budget entries. The Administrator/Controller, Deputy Administrator, and Finance Officer prepare a balanced budget for recommendation to the Board of County Commissioners that is consistent with the targets from the board retreat and the Board’s Strategic Plan.	April 19, 2013 –
	June 7, 2013
Budget Presentation – The Administrator/Controller’s Office presents the recommended budget. The draft budget document is posted online for public comment.	June 7, 2013
	June 18, 2013
Public Hearing – The Board of County Commissioners receive public comment about the recommended budget.	July 23, 2013
Budget Adoption – The Board of County Commissioners makes any amendments and formally adopts the County Budget.	July 23, 2013

Basis of Accounting and Budgeting

The county uses the modified accrual basis of accounting for accounting purposes and budgeting.

Budget Amendments

The budget can be amended throughout the year (see Policy No. 1050). Amendments under \$10,000 can be done administratively. Amendments between \$10,000 and \$25,000 must be done through the Personnel & Finance Committee. All amendments over \$25,000 must go through Personnel & Finance Committee and then be approved by the full Board of County Commissioners.

Budget Definition

County Policy 1010 provides the following definition of balanced budget:

A balanced budget shall be adopted by the appropriate board at the department level for the General, Special Revenue, Debt Service, Capital Projects, Enterprise Funds, and Internal Service Funds.

Total anticipated revenue plus that portion, if necessary, of beginning Fund Balance or Budget Stabilization Fund must equal estimated expenditures of that Fund.

Financial Policies

The 2011 Jackson County budget has been prepared within the parameters of the fiscal policies established by the Board of County Commissioners. The Jackson County Fiscal Policies are contained in Section 1000 of the County Policy Manual. The following financial policies are included in Section 1000.

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| 1000 | Budget Resolution
Policy 1000 requires the budget to be approved by resolution. Establishes the fiscal year as January 1 through December 31 st . Outlines some procedural rules for budget development and approval. |
| 1010 | Balanced Budget Policy
Requires that a balanced budget be adopted at the department level for the General, Special Revenue, Debt Service, Capital Projects, Enterprise Funds, and Internal Service Funds. |
| 1020 | Additional Operating Appropriation Policy
Requires, except in extenuating circumstances, that the addition of employees or additional operating appropriations be done through the annual budget process. |

- 1030 Capital Budget Policy**
Requires a five-year capital plan to be updated and adopted annually.
- 1040 Department Float Policy**
A wage float, reflecting employee turnover, will be made annually for those departments with over \$500,000 in personnel costs. Adjustments will be made at the end of the year up to the float amount for departments in a deficit position.
- 1050 Budgetary Adjustment Policy**
This policy establishes a budget adjustment limit of \$10,000 for the Administrator/Controller, \$25,000 for committees, and the Board of Commissioners for all other budget adjustments.
- 1060 Transfers Out / Appropriations Policy**
Policy 1060 sets the transfer-out for appropriations and operating transfer-out at 25% per quarter. Exceptions are authorized by the Board of Commissioners.
- 1070 Unreserved Fund Balance Policy**
This policy establishes the unreserved fund balance at 18%-24% of the annual audited expenditures and transfers out of the previous fiscal year.
- 1080 Budget Stabilization Fund Policy**
Budget stabilization may not exceed 15% of the previous year's budget. This policy explains restrictions on the use of the budget stabilization fund.
- 1090 Public Improvement Fund Policy**
The Public Improvement Fund may be used to appropriate non-tax revenue toward capital expenses. Money placed in the fund becomes restricted by Public Act 177 and 136 and cannot be used for purposes other than the Public Improvements specified in the act.
- 1100 Delinquent Tax Revolving Fund Policy**
Excess annual earnings from the revolving fund shall be used for non-operational purposes such as capital expenses and equipment. Policy 1100 sets policy for borrowing from revolving fund.
- 1110 Interest Allocation Policy**
Interest shall be allocated back to the appropriate fund except in specific circumstances.
- 1120 Inter-Fund Borrowing Temporary Cash Deficit Policy**

All funds shall be reviewed at month end by the Administrator/Controller and presented to the Personnel and Finance Committee.

- 1130 Investment Policy**
This policy defines the scope of funds to be invested. It speaks to the level of risk in which investments should be made and delegate's authority to the County Treasurer to invest funds specified in the policy.
- 1140 Grant Administration Policy**
The grants administration policy defines the level of accountability and reporting between county staff and the Board of County Commissioners.
- 1150 Full Faith and Credit Policy**
This policy governs the granting of the County's full faith and credit pledge, as secondary security, for the payment of bonds and notes issued by the County on behalf of local units of government within the County.
- 1160 Donation Policy**
Donations must be properly receipted and notification of such shall be given to the Board of Commissioners.
- 1170 Annual Audit**
The audit policy outlines the procurement of audit services and establishes a rotation policy.
- 1180 Anti-Fraud and Abuse**
The anti-fraud and abuse policy establishes a process for reporting, investigating, and reconciling reports of waste, fraud, and abuse.