

**PURPOSE:** Operating budget policies are structured to:

- Help all to understand how the budget is formulated and adopted;
- Communicate available opportunities and necessary restrictions to ensure long-term fiscal stability;
- Clarify to staff, management, and elected officials their roles and responsibilities;
- Explain how the operating budget links to other government documents such as the capital budget, long-term financial plan, and the strategic plan.

**DEFINITIONS:**

- I. **Budget Amendment:** is defined as change to the budget that changes the total budget amount of that fund.
- II. **Budget Transfer:** is defined as a change within a fund that does not affect the total budget amount of that fund.
- III. **Intradepartmental:** is defined as within a department’s management structure. For example, the Facilities Maintenance Department manages several departments such as Maintenance-Other County Buildings, Maintenance-Judicial, Recreation, etc. Transfers between departments under the Facilities Maintenance Department control are considered intradepartmental.
- IV. **Interdepartmental:** is defined as between departments not in the same management structure. For example, a transfer between Office of Management and Budget and Library is interdepartmental.

**POLICY:**

- 1 Pursuant to Florida Statutes 129.025, the Board has designated the Office of Management and Budget Director as its Budget Officer.
- 2 Florida Statutes Chapter 129 “County Annual Budget” detailing the annual budget process and amendment requirements as adopted by the State of Florida shall be followed in compliance with Florida law. Budgets are adopted on an annual basis with the fiscal year defined as October 1 - September 30.
- 3 Florida Statutes Chapter 129 requires the County’s budget must be balanced, so that the total of the estimated receipts available from taxation and other sources, including balances brought forward from prior fiscal years, equals the total of appropriations for expenditures and reserves. The balancing requirement also applies to each fund.
- 4 The budget must show budgeted revenues and expenditures by organizational unit which are at least at the level of detail required for the annual financial report under s. 218.32(1). (e.g. major category of Personal, Other, Operating, etc.)
- 5 The county utilizes a predetermined set of budgetary guidelines established through practice, as well as that provided in Florida statutes chapters 166 and 200. The County follows these procedures in adopting the budget:
  - The County Manager submits a proposed budget to the Board of County Commissioners for the upcoming fiscal year
  - Public hearings are held to obtain citizen input (Florida statute 200.065)
  - The budget and millage rates are adopted by ordinances prior to October 1 each fiscal year
  - The budget may be amended during the fiscal year to reflect changes in available resources and appropriations

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- Departments are authorized to spend within the budget amounts but may request the Budget Officer transfer amounts between operating accounts within the department
  - Unexpended appropriations lapse at year-end unless funds are carried forward
  - All budgets shall be adopted by the Board of County Commissioners at the legal level of budgetary control, which is the fund level. Per Florida Statute 166.241 (5)(b) the governing body may establish procedures by which the designated budget officer may authorize budget amendments if the total appropriations of the fund is not changed.
- 6 Florida Statutes Chapter 200 “Determination of Millage” defines how Florida counties must proceed with respect to raising monies through taxation of real, personal and intangible property and shall be followed in compliance with Florida law.
- 7 The modified-accrual basis or accrual basis of accounting is followed for all funds in accordance with generally accepted accounting principles.
- 8 Budget transfers and amendments may be initiated by the director (or authorized designee) of the requesting department/division, the County Manager or the Budget Officer. Department director requests are followed with review by the Budget Officer prior to the subsequent approval/denial by the County Manager and the Board of County Commissioners, as set forth by the following provisions of this policy.
- 9 Budgetary Levels of Authority:
- A. Intrafund Budget Transfer: Transfers requested within a major expenditure category (i.e. personal services, operating and capital), and within a department (intradepartmental), may be initiated by the department director or authorized designee, the County Manager, or the Budget Officer and approved by the Budget Officer or authorized designee.
  - B. Intrafund Budget Transfer: Transfers requested between a major expenditure category (i.e. personal services, operating and capital), and within a department (intradepartmental), may be initiated by the department director or authorized designee, and require Budget Officer, or authorized designee, or County Manager approval up to \$100,000. Transfers of this nature in excess of \$100,000 require Board approval.
  - C. Intrafund Budget Transfer: Transfers requested between departments within the same fund (interdepartmental), may be initiated by the department director or authorized designee, County Manager, or the Budget Officer or authorized designee and require Budget Officer or County Manager approval up to \$100,000. Interdepartmental budget transfers in excess of \$100,000 require Board approval.
  - D. Intrafund Budget Transfer: Transfers from reserves (designated as function “599”) in the General Fund, County Transportation Fund and Municipal Service Fund require the Budget Officer, County Manager, and Board approval. Transfers from reserves in the other governmental funds (Funds 105-399) may be approved up to \$25,000 by the Budget Director and approved by the County Manager. Transfers in governmental funds in excess of \$25,000 require Budget Officer, County Manager and Board approval.
  - E. Budget Amendments: The Budget Officer, County Manager, and the Board must approve. Budget amendments shall be in accordance with the advertising and public hearing requirements set forth in Florida Statute 129.
- 10 Budget policies shall be reviewed as part of the annual budget process.
- 11 All funds are required to balance; therefore, budgeted revenues must equal budgeted expenditures for each fund.

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- 12 The County’s annual budget shall be developed in accordance with policies and priorities set forth in the comprehensive plan, strategic plans, capital improvement plan, fleet replacement program, county goals, the needs of the community, and Federal and State laws.
  - 13 The County shall adopt a “revenue driven” budget philosophy where expenditures are limited to expected revenues based on the existing millage rate adjusted to account for changes in the percent change in the “Save Our Homes” (SOH) assessment limitation as established by section 193.155(1), Florida Statutes. Alternatively, the Board may provide additional direction at the annual strategic planning workshop.
  - 14 Constitutional offices budget request shall seek to be inline or below the projected reoccurring ad valorem revenue growth percentage. Such request shall be inclusive of fleet and technology replacement programs. All capital projects may be requested through the County’s Capital Improvement Plan discussions.
  - 15 The County’s initial preliminary annual budget shall be developed based on the Minimum Fund Balance, Emergency Fund Balance, and Reserve for Contingency being set at their minimum fund balances as required by the Fund Balance and Reserve Policy. The BOCC may direct and approve higher funding levels through the budget process.
  - 16 Enterprise activities shall strive to operate as stand-alone financial entities. If an enterprise activity fails to maintain self-sufficiency for 3 consecutive years a thorough review shall be conducted to consider outsourcing, privatization or divestiture if financially advantageous to the County.
  - 17 The Budget Officer and County Manager shall work to develop financial and budget reports for submission to the Clerk of the Courts and Comptroller and Board.
  - 18 For funds and departments for which there is no department head, the Budget Officer shall prepare department budget. Examples: Debt Service Funds, indigent assistance department.
  - 19 Department budgets shall be submitted to the Budget Officer for first review. Upon completion, the County Manager shall review department budgets and adjust as considered necessary for the budget presented to the Board in accordance with Florida Statutes 129.
  - 20 Authorized Positions: All changes in FTE count or number of authorized positions must be approved by the Board after review and approval by the Human Resources Director, OMB Director and County Manager.