

BURLESON COUNTY, TEXAS



BUDGET POLICY & PREPARATION MANUAL

FISCAL YEAR 2014

BURLESON COUNTY, TEXAS FY2014 BUDGET CALENDAR

2013

DATE	ACTION	POSITION	
April 8	Adopt Budget Policy and Calendar.	Commissioners' Court	
April 30	Submits estimate of taxable values to taxing units	Chief Appraiser	TC 26.01(e)&(f)
May 15	Chief Appraiser submits estimate of total appraised value to appraisal review board for review and determination of protests.	Chief Appraiser	TC 25.22
May 28	Open Meeting with all Officials/Department Heads. Distribute budget policy, calender and worksheets with projections.	County Auditor County Judge	
June 17	Deadline for budget request forms (completed worksheets) to be returned to County Judge.	Department Heads	
June 17	Deadline for proposed budget for Appraisal District due to Commissioners' Court from Chief Appraiser.	Chief Appraiser	TC 6.06(a)
June 17	County Auditor prepares revenue projections for FY2013 and estimates for FY2014	County Auditor	
June 17 - 21	Departmental Hearings- discretionary meetings with County Judge and/or County Auditor to review budget reports, upon request.	County Auditor/Judge/ Department Heads	
June 28	Compile completed worksheets in Proposed Budget and deliver to County Judge.	County Auditor	
July 8 - 12	Commissioners Court reviews budget.	Commissioners' Court	
July 8 - 19	Budget workshop meetings for each Department Head to meet with the Commissioners' Court (to be scheduled upon request)	Commissioners' Court/ Department Heads	
July 25	Certified Appraisal Roll due to Tax Assessor/Collector.	Chief Appraiser	TC 26.01(a)
Aug 1	Certified appraisal roll and collection rate due to Commissioners Court.	Tax Assessor/Collector	TC 26.04(b)
Aug 5 or 12	1. Submit effective/rollback tax rates to commissioners court. 2. Publication of effective and rollback tax rates; statement and schedules; Deadline to newspaper 10am./website publication.	Tax Assessor (published on Aug. 8th or 15th)	TC 26.052(c) TC 26.04(e)
August 12	Present Proposed Budget to Commissioners Court	County Auditor/Judge	
August 12	1. Commissioners' Court sets or confirms date for Public Hearing on budget authorizing notice to be published in newspaper 2. Discuss tax rate. If exceeds rollback tax rate or effective tax rate, take record vote and schedule (2) Public Hearings.	Commissioners' Court	
August 12	Prepare schedule of proposed salaries, expenses or allowances for elected county or precinct officers.	Commissioners' Court	
August 12	Publish "Notice of Elected County or Precinct Officers Salaries", expenses or allowances proposed to be increased.	Commissioners' Court (Published on Aug. 15th)	LGC 152.013
August 12	Publish "Notice of Public Hearings on Tax Increase" at least 7 days before 1st hearing.(1st-Q pg #1) 10am deadline to newspaper/website	Commissioners' Court (Published on Aug. 15th)	
Aug 12 - 16	1. Commissioners Court budget workshops 2. Make changes to Proposed Budget and delivers to County Judge	Commissioners' Court County Auditor	
August 19	File Proposed Budget with County Clerk for public inspection	County Judge	
August 19	Publish Notice of Public Hearing on Budget 10-30 Days before Hearing. 10am. deadline to newspaper	Commissioners' Court (Published on Aug. 22nd)	LGC 111.0075
August 22	5:30 pm - Public Hearing #1 on Tax Revenue Increase - Announce date, time & place of meeting to vote on tax rate.	Commissioners' Court	
August 26	9:00 a.m. - Public Hearing to set salaries, expenses or allowances	Commissioners' Court	LGC 152.013

**BURLESON COUNTY, TEXAS
FY2014 BUDGET CALENDAR**

2013

DATE	ACTION	POSITION	
	of elected county or precinct officials.		
August 30	Publish "Notice of Tax Revenue Increase" at least 7 days before hearing. (2nd Quarter page) 10am. deadline to newspaper/website	Commissioners' Court (Published on Sep. 5th)	
Sept 13	Last day for Appraisal District to adopt 2014 CAD Budget	Chief Appraiser	TC 6.06(b)
Sept 1	District Court order increasing salary of official district court reporters due to Commissioners Court for next budget year	District Judge/Clerk	GC 52.051(c)
Sept 9	1:30 pm - Public Hearing #2 on Tax Revenue Increase - Announce date, time & place of meeting to vote on tax rate.	Commissioners' Court	
Sept 9	1:30 pm - Public Hearing on Proposed FY 2014 Budget - Action on FY 2014 Budget	Commissioners' Court	LGC 111.008
Sept 16	Final Appraisal District Budget due to Commissioners Court	Chief Appraiser	TC 6.06(b)
Sept 16 or 23	9:00 am. - Commissioners' Court meeting to set 2013 Tax Rate - 3-14 days after 2nd public hearing.	Commissioners' Court	TC 26.05(a)&(b)

All notices subject to website publication. Dates subject to change without notice.

All subject to 72-hour notice for public meetings (Open Meetings Notice).

(04/08/2013)



DATE: May 28, 2013
TO: All Department Heads
FROM: Commissioners' Court
SUBJECT: Fiscal Year (FY) 2014 Budget Policy

The mission of Burleson County is to maintain overall efficient and effective management of county resources while providing the services mandated by state and federal law and desired by the citizens of Burleson County.

Goals and objectives are incorporated into formal policy statements, it is through the formation, adherence and continued re-evaluation of these formal policy statements that provide the necessary structure for achieving these goals and objectives.

A comprehensive budget shall be prepared on an annual basis covering all proposed expenditures for the succeeding fiscal year. This policy is in accordance with Texas Local Government Code §111.003. It should further provide the Commissioners' Court and the general public with the necessary financial information to evaluate the overall financial condition of Burleson County. The FY 2014 Budget will be prepared in the 10th month of the fiscal year pursuant to the change from a calendar year basis beginning 10/01/2008 as approved by Commissioners Court on May 14, 2007.

The budget shall be prepared in such a manner as to facilitate its understanding by the general public and the Commissioners' Court. The County Judge/Budget Officer will be striving to provide the general public and the Court with a more informative and comprehensive budget document that not only provides financial data, but addresses policy statements and issues pertinent to the decisions of the County. This budget document will be designed to give a more complete understanding of the facts and circumstances supporting the decisions being made by county officials.

The Commissioners' Court shall hold public hearings and workshops on the budget. Texas Local Government Code §111.007 requires the county to hold a public hearing on the proposed budget. Budget hearings with the Commissioners' Court will be held during the budget process and the hearings are subject to the Texas Open Meetings Act.

The budget shall be prepared in such a manner as to support the reporting requirements promulgated by the Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP). A goal of the County Judge/Budget Officer is to corroborate the financial reporting requirements of GASB and GAAP by coordinating the budget documentation with financial reports provided through the County Auditor's office.

Burleson County shall maintain a budgetary control system for adherence to the adopted budget. All approved appropriations in the annual budget are expended only through the issuance and approval of purchase orders.

Basis of Accounting and Budgeting will be the modified accrual method. The FY2014 Burleson County budget will be prepared on a modified accrual basis. Under modified accrual basis of accounting, revenues are recognized for budgetary purposes when they are received or become measurable and expenditures are recognized when incurred.

In accordance with GAAP, the FY2014 Burleson County budget will represent a balanced budget in that total expenditures will not exceed total resources (total estimated revenues plus reserves). In its operating funds, the County attempts to maintain its unrestricted reserve balances within a range of 15-25 percent of estimated expenditures.

The FY2014 budget will be adopted in a categorical format. This format requires line item transfers requested between categories, as well as transfers between departments and funds, to be approved by the Commissioners' Court. This format also allows elected and appointed officials to request line item transfers within their department's expenditure categories without the approval of the Commissioners' Court. Even though the FY2014 budget is adopted in the categorical format, budgetary control is monitored by the County Auditor at the line item level.

Expenditure budget amendments are considered only in emergency situations as allowed by Texas Local Government Code §111.010 (c). All budget amendment and transfer requests (in accordance with the above guidelines established by the Commissioners' Court) are submitted to the County Auditor with comments regarding the necessity of each request. The County Auditor will submit all requests, requiring Commissioners' Court approval, for budget amendments and transfers to the County Judge. The County Judge is responsible for placing the requests on the Commissioners' Court agenda and the Court has the authority to grant or deny any request.

As required by GAAP, Capital Projects are accounted for in separate capital project funds that remain available for use until project completion. It is the County's policy to appropriate known funding levels during the budget process for specific projects and, when necessary, roll the budget forward into the next year until the project is completed. In accordance with Burleson County's Capital Asset Policy, items costing \$5,000 or more will be considered capital purchases. Additionally, small equipment expenditures for items costing between \$500 and \$5,000 are identified and tagged for inventory purposes. Items costing less than \$500 will be tagged as deemed necessary by the County Auditor.

HIGHLIGHTS FOR FISCAL YEAR (FY) 2014 BUDGET

The 2014 fiscal year will begin Oct. 1, 2013 and end Sep. 30, 2014. Following is a summary of the changes necessary for the preparation:

- Property tax revenue: we are anticipating a 1.0% increase in tax revenue
- Retirement rate: Currently **8.13%**, new rate **8.36%**
- Death Benefits: Currently **0.68%**, new rate **0.62%**
- Unemployment Insurance rate: Currently **0.42%**, Proposed new rate **0.????%**
- Health Insurance: Currently \$6,600 per employee plus \$1,200 for dependent per employee. New rates to be determined in July by the TAC Risk Pool Board. This year any change in cost is unknown at this time.
- Pay Periods: (Full year = 26 pay periods/2080 hours) However, for next year we are considering budgeting an additional 56 hours per FTE for year-end accrual adjustments required by GAAP. In September 2013 we will have 75% of the final pay period paid in October that must be accrued. More details will be made available after further consultation with the external auditors.
- Year End Purchases/Accruals: **Please remember that purchases made before Sept. 30th, that are paid after October 1st as year-end purchases will be booked in September 2013 and shall be within the limits of the FY2013 budget.** Budget adjustments for purchases should be approved before Sept. 30th but may be processed during October Commissioners Courts only if absolutely necessary. As such the county will budget on a modified accrual basis.
- Projected to Year End: Projected expenses based on YTD Totals for bills paid through 04/30/2013. Bills in process or received after that date will NOT be included in this total.
- Reclassification of certain line items is in progress. Some line items will be moved during the budget process to a more appropriate Category. You will be notified when these changes take effect for your respective budget(s).
- Salary Increases: We will consider any increase for employees and officials but the amount will be dependent upon final benefit rates and the level of certified property values received in July.
- Capital Purchases: All capital purchase requests must be accompanied by detailed justifications including estimates for each item requested. A bid estimate or quote may be necessary depending on the item requested.
- Tax Rate: The Commissioners Court will resist any increase in the Tax Rate to the citizens of Burleson County.
- Capital Projects: Several capital projects are currently being addressed and/or continued into the next budget year. These include a courthouse annex, computer infrastructure and network updates, and the CIJIMS software projects.



BURLESON COUNTY, TEXAS BUDGET PREPARATION MANUAL - FY 2014

PURPOSE OF THE ANNUAL BUDGET

The County's budget is a plan of operation for the year, together with revenues estimated to be available to finance that plan.

The annual budget determines the quality and quantity of governmental services and the method of distributing costs to the various segments of the County through the collection of taxes and fees.

The Commissioners' Court sees the County's budget as more than just a financial plan for raising and spending money to operate the County government. It determines:

1. a level of accountability, control and usage of public resources,
2. a plan of operations for coordinating and scheduling programs,
3. a budgetary purpose for evaluation of programs,
4. the operating services to be rendered by the departments,
5. the level of quality in departmental personnel,
6. the level of capital expenditures required by the County, and
7. the level of communication that is to be required.

The County's annual budget sets the "standard of living" for the County as a whole.

The budget brings together in one document a detailed explanation of anticipated revenues, identified by source, which will be used to finance County operations throughout the year. The budget then identifies how these revenues will be used during the year by department, by classification and by identifiable line expenditure.

The budget as adopted should place before the people of Burleson County a clear and concise summary of the services to be rendered by County government, how these services will be financed, and what the cost of the services will be by department.

THE BUDGET PROCESS

The chief budget officer for Burleson County is the County Judge. All budget requests will be reviewed by the County Judge, at scheduled workshops with the assistance of the Commissioners' Court and the County Auditor. All departments will have an opportunity to present their requests for changes in organizational structure, personnel, operating methods

and work programs for the new fiscal year. All requests will be quantified and qualified by the elected officials and department heads.

The elected official or department head sets overall departmental goals. Goals represent a significant statement by the departments should document the elected official and department head's visions, desires, platforms and promises. Publicly stated goals in essence establish guidance for departmental staff members in the development of objectives designed to realize the elected official or department head's desires. These departmental objectives can be stated as goals or as a mission statement. Goals as established by the department can then be used to direct the programs (objectives) to be served. Presentation of departmental budgets to Commissioners' Court provides each department head and elected official the opportunity to explain proposed programs and focus attention on problems, services, new and old agendas that require Commissioners' Court action or support for their ultimate solution.

In reviewing the budget the Commissioners' Court has the opportunity:

1. to evaluate the adequacy of proposed operating programs;
2. to establish the level of services to be rendered;
3. to determine basic organization and personnel staffing patterns and needs; and,
4. to review any changes to the County's classification and compensation plan.

The adoption of the budget is the most important policy decision made during the year by the Commissioners' Court, and provides the legal basis for the expenditure of funds to accomplish the policies established by the court.

Unlike governmental accounting, there are no commonly accepted standards for preparing county budgets. What the County's budget should look like, how it should be prepared, and what is included in the budget is basically governed by State budgetary statutes (Local Government Code §111). Areas not covered by the statutes are generally left to the control of the County budget officer.

As a result, no two county budgets are alike; terminology, size, content and even formats differ. The common budget types and formats are line item, program, modified program, performance, lump sum, expenditure, control, zero base and multi-year. For the past several years, Burleson County has adopted a line item program budget, which is approved at the individual line item level requiring **all** amendments to be approved by Commissioners' Court. Beginning with the 2003 Budget, the County adopted a modified program budget that promotes efficiency in local government.

A modified program budget compiles personnel, operating and capital costs related to a program (department) into one concise budget. Accountability and control of expenditures is at the department level. A pure program budget has as its focus the total funds for a department, e.g. Sheriff s Office = \$ 500,000. The modified program budget develops levels of classification for more intense control; e.g. Personnel = \$390,000, Operating Supplies = \$40,000, Contractual Costs = \$5,000, Repairs and Maintenance = \$39,000, Capital Costs = \$35,000. The classifications used by the County are as follows:

Salaries and Wages
Benefits
Departmental Support
Repairs and Maintenance

Contractual/Professional Services
Miscellaneous
Capital Outlay
Debt Service

These classifications are broken down in the budget preparation process by the departments using detail line item specifications as set out in Exhibit A (attached). The line items are to be used as a management tool to categorize costs by department. With all departments using a standardized chart of accounts, the Commissioners' Court will be able to evaluate total expenditures in a specified area on a countywide basis. The purpose of a program (department) budget is to move the focus from paper clips and trips, to areas of service and accomplishment thereby linking objectives and performance.

No County department will be permitted to budget "emergency" funds within its budget at any level of classification. Emergency expenditures are at the discretion of Commissioners' Court. The County will provide an annual provision for "contingency" with the primary expectation that contingency funds will be used to fund those instances that could not be properly anticipated during the budgetary proceedings. Contingency funds should not be viewed as being available to fund poor management decisions.

It will be the responsibility of the County Auditor's office to provide the budget officer with a County Revenue Budget. The budget is to be accompanied by an explanation of the method used to arrive at the estimated budget. If after investigation and inquiry the County Auditor is not able to make a reasonable estimate with regards to an area of revenue, then a statement to this effect should accompany the budget.

Commissioners' Court will only levy taxes each year in accordance with the budget. The Commissioners' Court wishes to effectively discourage deficit spending at the County level, and therefore at all departmental levels, in accordance with the public policy of the State of Texas (Constitutional Article 11, §7). The annual revenue budget may include an anticipated level of delinquent tax collections. This level will be stated as a percentage of the outstanding taxes and will be set each year at the discretion of the County Judge and the County Auditor.

STATUTORY BUDGET REQUIREMENTS (L.G.C. §111)

During the 7th or 10th month of the fiscal year (as established by the Commissioner's Court), the County Judge, assisted by the County Auditor, shall prepare a budget to cover all proposed expenditures of the County for the coming fiscal year. The County Judge shall itemize the budget to allow a clear comparison between the proposed budget, current actual expenditures, and actual expenditures for the preceding fiscal year.

The County has historically selected July (7th month) to prepare the budget from Budget requests typically sent out in May. **However, beginning in FY 2009, Commissioners Court designated the 10th month of the fiscal year which will continue to be the month of July.**

In order to assist the County Judge, budget hearings usually begin as soon as the financial data for the five months ending in May have been compiled.

The budget must contain a complete financial statement of the County, showing the following:

1. outstanding obligations of the County;
2. cash on hand to the credit of each fund of the County
3. funds available from all sources for the preceding fiscal year;
4. funds available from all sources during the current fiscal year;
5. estimated revenues available for the proposed budget; and,
6. property tax rate required to cover the proposed budget.

In order to properly prepare the budget, the County Judge may require all County officials with oversight responsibility to furnish information with regard to anticipated needs. The Judge may request the information to be in writing and/or presented orally.

Once the budget is completed, a record copy will be filed with the County Clerk, and is available for inspection by any taxpayer. In addition, the Commissioners' Court will hold a public hearing on the proposed budget. The public hearing will be set for a date after the 15th of the month in which the budget was prepared. Public notice must be provided, to include the date, time, and location of the hearing. At the conclusion of the public hearing, the Commissioners' Court shall take action on the proposed budget (L.G.C. §111.008). Upon final approval by the Court, a copy of the budget as adopted will be filed with the County Clerk.

Prior to final approval the Commissioners' Court may make changes to the proposed budget. Once approved and filed with the County Clerk the Court may begin spending available County funds in compliance with the budget.

The Truth in Taxation bill provides that the Commissioners' Court will need to have two special public hearings if it finds it necessary to raise property tax revenue over the effective tax rate or rollback rate. The County Tax Assessor/Collector will make this calculation for the Court each year. The Commissioners' Court must publish a notice before holding the public hearing discussing the proposed tax revenue increase. The notice must appear at least seven days before the first public hearing. Once the second public hearing has been held, the Commissioners' Court must vote on the proposed tax rate within 14 days of the hearing, but not before 3 days have expired. Public notice of Vote on Tax Rate must be published at least 7 days before the open meeting.

AMENDMENTS TO THE ANNUAL BUDGET

Emergency Budget Amendment

Commissioners' Court may authorize an emergency expenditure as an amendment to the original budget. This may only occur in the case of grave public necessity, to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonable and diligent thought and attention (L.G.C. §111.010). Commissioners'

Court is the sole agency having discretionary power to determine the existence of such facts as would constitute an emergency, and thereby justify a budget amendment.

This does not authorize the Commissioners' Court to increase the budget after its adoption (A.G. Opinion C-499, 1965). Any increase to the overall level of budgeted expenditures must be accompanied with an increase in overall revenues after the budget is adopted and the tax rate established. Revenue budgets may not be adjusted except when the County has realized revenues from new sources not anticipated before the adoption of the budget or certain revenues from grants or interlocal agreements as specified by L.G.C. §111. Therefore, the declaration of an emergency requires the Commissioners' Court to designate the funding source for the payment of the emergency.

The procedure used when the Court declares that an emergency exists, (and therefore a budget amendment is required), is as follows:

1. issues an order in compliance with L.G.C. §111.010, specifically stating the reason for the amendment;
2. shows the funds that will be required to meet the emergency (by line item); and,
3. files a copy of the order and all attachments with the County Clerk.

In the event that the County must increase the budgeted level of expenditures without additional revenues, the Commissioners' Court may use accumulated surpluses from prior years. The use of such funds must be stated explicitly in the resolution adopted by the Court to amend the budget, and the approval must be by the majority of the Commissioners' Court at a public hearing.

Non-Emergency Budget Amendments (Classification/Category Transfer)

Amendments, or Line Item Transfers (Adjustments), to the budget at the departmental level are required to be made when an **anticipated** expenditure will create a deficit in a classification. No expenditure will be authorized which will create deficit spending within a classification. Amendments will be made in compliance with L.G.C. §111.011. The Commissioners' Court is the only body with authority to approve such amendments. Amendments will only be approved by the Court once a request has been made by the departmental supervisor. All departments are required to submit their amendment requests to the County Auditor, who will assist the department in preparing amendments for the Court's review. All requests presented to the Court are to be prepared following generally accepted accounting and budgetary concepts. The request as prepared by the department should identify the available sources to fund the request, allowing the Commissioners' Court to decide how funding will take place, if approved.

No classification area will be allowed to be depleted below zero.

All budget amendments will be through official orders by Commissioners' Court.

Any changes within the classifications of Salary & Wages or Benefits must receive prior approval from Commissioners Court in the form of a budget amendment only.

Transferring funds from one department to another is authorized. The department requesting the transfer must receive permission from the donor department in writing. Upon receiving permission, the department can request that Commissioners' Court make an official budget transfer (amendment). Such request must also be in compliance with L.G.C. §111.011.

The budget may be amended at any time to include obligations incurred before the budget was adopted. To amend the budget in such circumstances, the Court must comply with L.G.C. §111.011 when making an amendment.

Budget Adjustments (Line item transfers)

When a reallocation is to be made within a classification, a budget adjustment may be presented by a department head to the County Auditor for approval and subsequent implementation to the approved budget by the County Treasurer. Any reallocation change that affects the Salary & Wages or Benefits classifications, however, must be presented to the Commissioners' Court for approval prior to implementation. Such request must be in compliance with L.G.C. §111.011 as well.

BUDGETARY OVERSIGHT AND CONTROL

Each elected official and/or department head is responsible for insuring that their departmental expenditures stay within the confines of the approved budget in the established classifications. It is the elected official and/or department head's responsibility to alert the County Budget Officer, or the County Auditor as the Assistant Budget Officer, as soon as they are aware of the need for a budgetary change (increase or decrease).

Every County official who has the responsibility for collecting taxes, fines, or fees has the obligation of notifying the County Auditor that revenues over which they have collection control may possibly undergo a material change. The County designates a 3% to 8% variance as being material.

It is the duty and responsibility of the County Auditor's office to enforce the terms and provisions of the County budget as approved and subsequently amended. Approval of a requisition and/or request for payment by the County Auditor's office informs the Commissioners' Court that said request is properly budgeted, the classification has sufficient budgeted appropriations, and funds are available in the treasury to physically pay the request. The Auditor's office will not approve requests for payment unless all three conditions have been met.

BUDGET ANALYSIS

In evaluating the budgets as proposed, the County **will not** follow the standard operating procedure of “spend it or lose it.” Each department should make it clear as to what is required to fund the department’s base budget, and what is required to fund new programs and capital projects. If the department is aware of revenues that are available to fund the base budget, programs or capital projects, then such information should be provided with the initial budget request. New programs need to be carefully evaluated and well documented. In all instances budgets both in preparation and in review should be evaluated using the following list of questions:

1. Why is this item needed?
2. When will this item be required?
3. What are the direct and indirect costs associated with the item requested?
Are they included in the budget?
Will they need to be in next year’s budget?
4. What are the departmental objectives?
5. Is there an established means for measuring results?
Are results important?
6. What are the personnel requirements?
7. Can the program be phased in over a period of time?
8. Is the program temporary or permanent?
9. What is the department’s continuing training requirements?
10. Will the creation of the program require additional equipment?
11. Will additional space be required?
12. With the creation of a new program what additional demands will be placed on the existing system?
13. With the creation of the new program will new problems be created?
14. Is sufficient information available to support the addition of the program?
15. What is the program’s priority in relationship to programs currently in operation?
16. Will the program generate additional revenue?
Will costs be recovered?
How?
17. What is the projected ratio of revenues to program costs?
18. Where will the funds come from to pay for the program?
Are Public or Private grants available?
19. Can the program be delivered in another way?
20. Is it cost effective and more efficient to out source the program and contract for services?
21. Was a cost benefit analysis done?
Are the program costs a result of a state/federal mandate?
Is the program a public service offering?

BUDGET PREPARATION

This section is provided as a guide to assist the elected officials and department heads in the preparation of their respective annual budgets for the fiscal year. All expenditure estimates and additional program requests should be reasonable and justifiable.

Since expenditure estimates for the coming fiscal year are made on the basis of current year actual expenditures, a copy of your current departmental expenditures is attached. The "Projected to Year End" expenditures column on the budget worksheets is based on actual expenditures for October through April multiplied by a factor of **2.0**. Salaries are projected at actual through the first pay date in May times **1.625**. Projected expenditures shall be reviewed by each Department Head for accuracy. **Departments are responsible for notifying the County Auditor of material discrepancies in the Projected Expenditures based upon knowledge that certain expenses may increase or decrease during the remainder of the current year.** Departments should be reasonably certain that their estimates for the coming fiscal year are based on logical assumptions.

Salaries & Wages and Benefits categories

For FY2014, personnel costs will be calculated for 26 pay periods or 2,080 hours. Departments heads are not required to complete the Benefits category as these costs historically change during the budget process due to contract & rate renewals due this summer. If you wish to complete these line items in order to see how your total budget stands, please use the following base numbers for your calculations:

Social Security	7.65% times all Salaries, Wages, & Allowances
Retirement	8.36% times all Salaries, Wages, & Allowances less Temporary
* Health Insurance	\$6,600 times the number of full-time employees, plus \$1,200 times # of employees with dependent coverage
Death Benefits	0.62% times all Salaries, Wages, & Allowances less Temporary
* Unemployment	0.42% times all Salaries, Wages, & Allowances

* Pending updates and approved program rates.

For your convenience budget forms have been developed for your use. Copies are attached. These budget forms are to be used to justify departmental requests for each classification area addressed. The operating budget forms contain all current operating expense line items. If you wish to add a new line item or if the new budget procedures require the addition of a line item, it should be added at the bottom of the form. **You should refer to Exhibit A attached to ensure your expenditures are requested in the appropriate line item.** When a department feels that it is necessary to add new personnel, programs or equipment, please be sure to use the proper form. Please provide a reasonable explanation for all requests.

All budget items must be completed. Justifications must be stated for any increases. Requests for Capital Outlay and Equipment – Non-Capital items must be detailed and justified. Any line items left blank will be presumed ZERO.

Things to Remember

All contracts must be approved by the commissioners' court.

All grant applications require approval by the commissioners' court prior to submission of the application to the granting agency as well as acceptance of the grant award.

All donations must be accepted by the commissioners' court before expenditures will be allowed from the donated funds. In case of non-monetary donations, the commissioners' court must approve the acceptance before use of the item(s) is allowed and fair-market-value of the item must be provided.

The majority of your budget is funded by taxpayer dollars. Spend Wisely.

All expenditures are subject to the Open Records Act.

If you are uncertain or have questions, ask the county auditor.

The commissioners' court has the ultimate authority over county policy and approving the budget.



FUND BALANCE POLICY

COUNTY OF BURLESON, TEXAS

Adopted October 11, 2011

Purpose: The purpose of this policy is to establish operating and reporting guidelines for the fund balances of the governmental funds of Burleson County, Texas beginning with the year-end of fiscal year 2011 pursuant to the Governmental Accounting Standards Board (GASB) Statement 54.

Fund Balance Classification: The county governmental-fund financial statements will present fund balances classified in a hierarchy based on the strength of the constraints governing how those balances can be spent. These classifications are listed below in descending order of restrictiveness:

- **Nonspendable:** This classification includes amounts that cannot be spent because they: (a) are not in spendable form (e.g., inventories and prepaid items); (b) are not expected to be converted into cash within the current period or at all (e.g., long-term receivables); or (c) are legally or contractually required to be maintained intact (e.g., the non-spendable corpus of an endowment).
- **Restricted:** This classification includes amounts subject to usage constraints that have either been: (a) externally imposed by creditors (e.g., through a debt covenant), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that are constrained to use for specific purposes pursuant to formal action of Commissioners Court.¹ These amounts cannot be used for other purposes unless the Court removes or changes the constraints via the same type of action used to initially commit them.
- **Assigned:** This classification includes amounts intended by the county for use for a specific purpose but which do not qualify for classification as either restricted or committed. The intent can be expressed by Commissioners Court or by a Court designee.² This classification applies to the positive unrestricted and uncommitted fund balances of all governmental funds except the General Fund. Assignment of fund balance may be determined by the County Auditor based on the intentions communicated by Commissioners Court.
- **Unassigned:** This classification applies to the residual fund balance of the General Fund and to any deficit fund balances of other governmental funds.

Order of Spending: Where appropriate, Burleson County will typically use restricted, committed, and/or assigned fund balances, in that order, prior to using unassigned resources, but it reserves the right to deviate from this general strategy.

Minimum Fund Balances: Burleson County generally aims to maintain the following minimum fund balances:

- **General Fund:** Unassigned fund balance of at least 20% of budgeted expenditures for the fiscal year, to be used for unanticipated needs.
- **Road & Bridge Funds:** Unassigned fund balances of approximately 18% - 25% of budgeted expenditures for the fiscal year, to be used for unanticipated needs but will be subject to a 50% unassigned fund balance ceiling.
- **Debt Service Funds:** Restricted fund balances of approximately 25% - 50% of the following year's debt service requirements, to be used for debt service.

1. A commitment of fund balance requires formal action as to purpose but not as to amount; the latter may be determined and ratified by the Court at a later date. This is often important near year-end, when a purpose or need is known but a cost is not.

2. An assignment of fund balance implies an intent of Commissioners Court, but operationally, the ability to implement the intent may be delegated to one or more persons. Designees may be listed in this document or, alternatively, in the county's budgetary policy.

Procedures:

1. A goal of each year's budgeting process will be to adopt a budget that maintains compliance with the stated fund balance policy.
2. Specific County financial conditions, economic conditions, or special initiatives may be considered reasons for temporary non-compliance with this policy.
3. In the event of either planned or unplanned non-compliance, it is the County's intention to take action during the annual budget process to reach compliance within 2 annual budget cycles.
4. Actions in the budget process available to increase the fund balance may include increasing taxes, decreasing spending in specific areas, dedicating one-time revenues to fund reserves or making transfers of excess fund balances from other funds.
5. In the event that the level of unassigned fund balance is judged to be in excess of the amount required by this policy, amounts over that required may be used to fund one-time, non-recurring expenditures such as acquisition of capital items. Excess fund balances will not be used to fund recurring operating expenditures.
6. In the event Road & Bridge unassigned fund balances exceed the stated ceiling for two budget years, the excess fund balance amount over the ceiling amount shall be transferred to Road & Bridge General Fund during the subsequent budget cycle.

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<u>Line Item</u>	<u>Description</u>
xxx-1010	SALARY, OFFICIAL Salaries for officials and department heads
xxx-1020	SALARY, EMPLOYEES Salaries for full time employees including clerical and road& bridge workers.
xxx-1025	LONGEVITY PAY Longevity Pay available for full time employees
xxx-1030	PART-TIME HELP Wages for Regular part time workers (eligible for retirement/death benefits only)
xxx-1040	SALARIES - JAILERS Assigned to Jail.
xxx-1041	SALARIES - DISPATCHERS Assigned to Jail.
xxx-1042	SALARIES - CLERICAL Assigned to Jail & Sheriff's Department.
xxx-1045	HAZARD PAY-SWAT TEAM/DRT Assigned to Jail and Sheriff's Department.
xxx-1046	CERTIFICATION PAY Assigned to Jail and Sheriff's Department.
xxx-1050	OVERTIME Overtime Pay paid out at one and one-half times the employees hourly wage.
xxx-1065	ELECTION SALARIES Wages for election workers.
xxx-1070	TEMPORARY HELP Wages for temporary workers (not eligible for any benefits)
xxx-1150	BAILIFF Salary for court bailiff where bailiff is already a county employee.
xxx-1151	BAILIFF-OTHER
xxx-1152	BAILIFF-AG COURT
xxx-2010	SOCIAL SECURITY The County's portion of all wages/salaries paid at 7.65%.
xxx-2020	RETIREMENT Calculated based on officials salaries and full time employees.
xxx-2030	HEALTH INSURANCE Calculated based on current premium plus 5% of total for August renewal. County pays \$100 per month of dependent insurance coverage per employee family.
xxx-2031	HEALTH INSURANCE, RETIREES Premiums for eligible retired county employees.
409-2035	EMPLOYEE LIFE INSURANCE Premiums for all county employees.
xxx-2040	DEATH BENEFITS County paid on all officials and employees eligible for Retirement benefit.
xxx-2080	WORKERS COMPENSATION INSURANCE County contributions categorized by major fund.
xxx-2090	UNEMPLOYMENT INSURANCE County paid based on all wages except officials' salaries.
xxx-2255	CELL PHONE ALLOWANCE-OFFICIAL Court approved allowance paid thru payroll system.
xxx-2256	CELL PHONE ALLOWANCE-EMPLOYEES Court approved allowance paid thru payroll system.
xxx-2260 to	TRAVEL ALLOWANCE
xxx-2270	Travel paid through payroll system.

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<u>Line Item</u>	<u>Description</u>
xxx-3050	SURETY & NOTARY BONDS Bond premiums for public officials, deputies, & notaries.
xxx-3060	ASSOCIATION & MEMBERSHIP DUES Annual cost of professional associations/organizations.
xxx-3110	OFFICE SUPPLIES Consumable supplies and non-inventoried office equipment.
xxx-3120	POSTAGE Stamps, metered postage, mailing/shipping out costs
xxx-3121	POSTAGE - (specialized)
xxx-3320	EQUIPMENT, NON-CAPITAL Items purchased less than capitalization threshold (\$5,000) but require inventory tracking
xxx-3330	LAW BOOKS Includes Reference books.
xxx-3350	AMMUNITION (Law enforcement departments.)
xxx-3351	UNIFORMS (Law enforcement departments.)
xxx-3510	PARTS & SUPPLIES Miscellaneous departmental supplies not otherwise detailed.
xxx-3520	FUEL Fuel for vehicles and equipment
xxx-3600	JANITORIAL SUPPLIES Cleaning supplies for public buildings
xxx-3610	PEST CONTROL Pest control services for public buildings.
xxx-4020	TAX APPRAISAL DISTRICT Interlocal contribution for share of Appraisal District budget.
xxx-4030	LEGAL SERVICE Outside counsel hired by the county.
xxx-4036	SPECIAL PROSECUTOR Assigned by the court.
xxx-4040	COUNSELING & TESTING Testing as required by law for new employment.
xxx-4130	MEDICAL EXAM - PSYCHIATRIC Psychiatric exams ordered by the court.
xxx-4150	PUBLISHING LEGAL NOTICES Costs of posting legal advertisements and notices.
xxx-4160	ESTRAY EXPENSES Related to all estray processing. Assigned to Sheriff's Department.
xxx-4190	REIMBURSABLE EXPENDITURES - (specialized)
xxx-4260	MILEAGE/TRAVEL REIMBURSEMENT Reimbursement for mileage within the county.
xxx-4270	MILEAGE/TRAVEL REIMBURSEMENT Reimbursement for mileage outside the county.
xxx-4290	CONFERENCES & SEMINARS Registration fees, hotel, and meal expenses.
xxx-4370	MICROFILM, REC,INDEX,CASHERING Charges for services currently utilized by County & District Clerks
xxx-4410	TELEPHONE/INTERNET Monthly charges for telephone service and long distance (except General Fund LD).

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<u>Line Item</u>	<u>Description</u>
xxx-4413	CELL PHONES/PAGERS Periodic charges for cellular phone and pagers service.
xxx-4420	UTILITIES Monthly charges for electricity, water service, etc.
xxx-4500	REPAIRS-BUSINESS MACHINES Repairs and maintenance to office equipment from computers to phones.
xxx-4510	REPAIRS-VEHICLES & EQUIPMENT Repairs & maintenance to vehicles and mobile equipment.
xxx-4515	TIRES & TUBES For automotive & equipment use.
xxx-4520	REPAIRS-BUILDING & GROUNDS Repairs and maintenance to public facilities including HVAC systems, plumbing, lawn, & landscaping.
xxx-4525	REPAIRS-BRIDGES Repairs & maintenance county bridges
xxx-4530	GRAVEL, CONCRETE, PREMIX (previously -3540) Assigned to Road & Bridge departments.
xxx-4535	PIPES & CULVERTS (previously -3550) Assigned to Road & Bridge departments.
xxx-4540	CONTRACT LABOR Payments to independent contractors for services rendered.
xxx-4545	TECHNICAL SUPPORT Software support costs pursuant to approved contract.
xxx-4550 to	INSURANCE (various)
xxx-4590	Premiums for all property, law enforcement, & liability, including auto, public officials, and general liability insurance.
xxx-4600	RENT-OFFICE/PROPERTY Rental cost of buildings, offices, storage.
xxx-4610	RENTALS-MACHING/EQUIPMENT Rental cost of any leased equipment, primarily copiers.
xxx-4620	BOX RENT Rental expense of post office box.
610-463x	SOLID WASTE DISPOSAL Expenses relating to citizens collection stations itemized by precinct.
xxx-4700	COURT REPORTER - CONTRACT Independent court reporters not on county payroll.
xxx-4704 to	COURT BAILIFFS-CONTRACT
xxx-4707	
xxx-4710	COURT APPOINTED ATTORNEYS Representation for criminal indigent defense.
xxx-4712	CPS COURT APPOINTED ATTORNEYS Representation for all Child Protective Service cases
xxx-4715	CT.APPT.ATTY- GUARDIANSHIPS Representation for civil.
xxx-4920	JURY COMMISSIONERS Assigned to District Court
xxx-4930	GRAND JURORS Payments for grand jury.
xxx-4940	PETIT JURORS Payments for petit jury.
xxx-4950	FEEDING JURORS Meal expenses for sequestered jurors.

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<u>Line Item</u>	<u>Description</u>
xxx-4960	INTERPRETER Court approved interpreter for defense or prosecution.
xxx-4965	MISC. TRIAL EXPENSE Court approved investigative, expert witness, & miscellaneous expenses.
xxx-4970	VISITING JUDGE Travel reimbursement for court approved special/visiting judges.
695-4980	AUTOPSY County-wide autopsy expenses including transports.
xxx-5200	CAPITAL OUTLAY-LAND
xxx-5300	CAPITAL OUTLAY - BUILDING Expenses relating to Building acquisition and construction.
xxx-5700	CAPITAL OUTLAY - EQUIPMENT Equipment purchases greater than fixed assets threshold (see Fixed Asset Policy).
xxx-5800	CAPITAL OUTLAY - VEHICLES Vehicle purchases greater than fixed assets threshold (see Fixed Asset Policy).
xxx-5900	CAPITAL OUTLAY - R&B CONSTRUCTION Road & Bridge new construction greater than fixed assets threshold (see Fixed Asset Policy).
xxx-6100	CAPITAL LEASES - PRINCIPAL Principal payments on lease and lease/purchase agreements.
xxx-6110	CAPITAL LEASES - INTEREST Interest payments on lease and lease/purchase agreements.
xxx-6200	TIME WARRANT - PRINCIPAL Principal payments on time warrants issued with depository.
xxx-6210	TIME WARRANT - INTEREST Interest payments on time warrants issued with depository.
xxx-9000	CONTINGENCY Budget established contingency on Fund level only. Commissioners Court approval for all transfers
700-1000	TRANSFERS OUT Interfund transfers.
700-2000	TRANSFERS IN Interfund transfers.

INCREASED EXPENDITURE REQUEST FORM

Department: _____

Page ____ of ____

	<u>Line Item</u>	<u>FY2013 Budget</u>	<u>FY2014 Request</u>	<u>Justification</u>
1.	_____	_____	_____	_____ _____ _____
2.	_____	_____	_____	_____ _____ _____
3.	_____	_____	_____	_____ _____ _____
4.	_____	_____	_____	_____ _____ _____
5.	_____	_____	_____	_____ _____ _____
6.	_____	_____	_____	_____ _____ _____
7.	_____	_____	_____	_____ _____ _____
8.	_____	_____	_____	_____ _____ _____

*** Copy and renumber sheets as needed.

EQUIPMENT – NON-CAPITAL &

CAPITAL OUTLAY REQUEST FORM-FY2014

Department: _____

Page ____ of ____

	<u>Type of Expenditure</u>	<u>Estimated Cost</u>	<u>Justification</u>
1.	_____	_____	_____ _____ _____
2.	_____	_____	_____ _____ _____
3.	_____	_____	_____ _____ _____
4.	_____	_____	_____ _____ _____
5.	_____	_____	_____ _____ _____
6.	_____	_____	_____ _____ _____
7.	_____	_____	_____ _____ _____
8.	_____	_____	_____ _____ _____

*** Copy and renumber sheets as needed.