

**CALHOUN COUNTY
BOARD OF COMMISSIONERS
POLICY STATEMENT**

SUBJECT: BUDGET	DATE APPROVED: 7/6/17	EFFECTIVE: 7/6/17	POLICY NO. 275
		REPLACES: 275 OF 10/14/03	

PURPOSE: The purpose of this policy is to ensure that the County prepares, presents and administers an annual budget as defined in the Uniform Budget and Accounting Act (M.C.L. 141.434 and MCL 141.435). The budget is a resource allocation document that defines the County’s financial resources and claims against those resources.

AUTHORITY: The Calhoun County Board of Commissioners.

RESPONSIBILITY: The Office of the Administrator/Controller – Finance Department shall be responsible for the implementation, administration of, and adherence to this policy.

POLICY: The Board of Commissioners adopts the annual budget no later than December 31st of the year preceding the year budgeted. The Office of the Administrator/Controller - Finance Department shall administer the budget process in accordance with a set forth calendar in order for events to stay on track for this prescribed date. The Finance Department shall distribute the annual budget preparation documents to all Elected Officials/Department Heads for those business units under their responsibility. These documents will be distributed in a timely manner in order to ensure that each Elected Official/Department Head has adequate time to prepare a detailed budget. Budget preparation documents shall include (modeled after MCL 141.435):

- A budget calendar
- A budget worksheet detailing prior year actual expenditures, current year budgeted expenditures and budget year directive of expenditures
- Projected revenue and expenditures by department, business unit, and account category, for the ensuing fiscal year
- The amount of surplus, or deficit that has been accumulated from prior fiscal years, together with an estimate of the amount of surplus or deficit expected in the current fiscal year
- Other data relating to the fiscal conditions that the Administrator/Controller or Finance Director consider to be useful in considering the financial needs of the local unit

Requests for additional employees or operating appropriations should be made first during the annual budget process. The request should include a detailed rationale for the request. Requests for additional personnel or operating appropriations outside of the annual budget process must be presented, in writing, to the Office of the Administrator/Controller- Finance Department for review and may require Board approval in accordance with the Annual Appropriations Resolution.

The County shall adopt an annual balanced budget for the General Fund, Special Revenue Funds (including the Road Fund and Health Fund), Debt Service Funds, Enterprise Funds, and Internal Service Funds, and in accordance with the Uniform Budget and Accounting Act. Each fund's total anticipated revenues plus, if necessary, a portion of their fund balance must equal the estimated expenditures of that fund.

The Office of the Administrator/Controller – Finance Department will coordinate annual investment of capital outlay and long term forecast in conjunction with Administrative and Procurement Offices. The County Board of Commissioners will be provided through the annual budget presentation, a categorized recommendation of capital outlay/fixed asset for informational purposes and total planned expenditure for approval. All capital outlay/fixed asset acquisitions must remain within the total outlay approved annually by the Board of Commissioners and purchased in accordance with the County Purchasing Policy #405.

It is the responsibility of each Elected Official/Department Head to review the monthly Budget Variance Reports and to alert the County Administrator/Controller and Finance Director immediately of any significant annual revenue shortfalls or when annual expenditures are expected to exceed budget. Budget performance reports are available in the financial software on a real time basis; and are most accurate after each month end close.

The Finance Department will monitor the budget to actual on an ongoing basis and propose adjustments to the Board of Commissioners at mid-year, end of the fiscal year, and in events of significance. The County Administrator/Controller or Finance Director shall report the state of the budget to the Board of Commissioners at minimum on a quarterly basis. The Board of Commissioners shall approve all budget adjustments in excess of \$20,000 per business unit. The County Administrator/Controller or delegate shall approve all budget adjustments of \$20,000 or less per business unit.

Systems and procedures are implemented and reaffirmed each year through the Budget Resolution where such rules and regulations regarding business concerns of the County have been established and carried out in accordance with statute (See MCL 46.11(m); 43.71, Act 156 of 1851 as amended, and specific requirements within the Uniform Budgeting and Accounting Act).