

COUNTY OF TULARE

OFFICE OF THE COUNTY ADMINISTRATOR

ADMINISTRATIVE REGULATION NO. 4, Revision #2 ***(Resolution No. 96-0563 (as amended by Resolution No. 2009-0936 and 2014-xxxx))***

SUBJECT: BUDGETARY CONTROLS

EFFECTIVE DATE: April 29, 2014

OVERVIEW

The County Budget Act (Chapter 1, Division 3, Title 3 of the Government Code, Chapter 1. Budget and Tax Levy) controls the budgeting of governmental funds. Except as otherwise specifically provided in this policy, the County has elected to apply the same budgetary controls to proprietary funds.

Government Code (GC) Sections 29125 and 29130 define actions which may be taken by the Board of Supervisors for transfers or revisions to the adopted appropriations and allows the Board to designate certain authority to the administrative officer. This administrative regulation outlines the authorities of the Board per Government Code and serves to delegate certain authority to the County Administrative Officer and Department/Agency Heads.

Through County policy, certain limitations on revisions and transfers of appropriations are deemed necessary to maintain fiscal and budgetary controls, aside from those specified in the Government Code.

Per GC 29009, "In the recommended, adopted, and final budgets the funding sources shall equal the financing uses." This means that even though authorities exist to transfer appropriations or to otherwise make appropriations available, each governmental fund budget must remain in balance.

Per GC 25260 – 25261, the Board of Supervisors has authority to create proprietary funds and to make funding available to maintain their solvency. Per GC 29141, the adopted budget shall include a schedule showing the managerial budget for each proprietary fund, but adjustments to the adopted budget are not covered in the County Budget Act and GC 29009 does not apply.

Note: A "budget unit" is defined as that classification of the budget expenditure requirements into appropriately identified accounting or organizational units deemed necessary or desirable for control of the financial operation. For County of Tulare, that refers to the unique fund-department combination.

AUTHORIZATIONS

Subject to the availability of funding, the following authorizations are effective regarding appropriation transfers:

1. Per GC 29125, the Board of Supervisors has authority, by a four-fifths vote, to:
 - a. Transfer appropriations between funds, and
 - b. Transfer appropriations from the Contingency Reserve.
2. Per GC 29125, the Board of Supervisors has authority, by a majority vote, to transfer appropriations to or from any budget unit, object account, or sub-object account within a fund if overall appropriations are not increased.
3. Per GC 29130, the Board of Supervisors has authority, by a four-fifths vote, to:
 - a. Make appropriations available from designations or reserves, excluding general reserve, balance sheet reserves, and reserves for encumbrances, and
 - b. Increase appropriations offset by an excess of anticipated amounts or by an actual or anticipated increase in financing sources. (This does not include an increase in the 94xx, 96xx, and 98xx inter/intra-object accounts).
4. The Board of Supervisors may increase appropriations in proprietary funds, without a corresponding offset to other appropriations or additional offsetting revenues.
5. Per GC 29125, the Board of Supervisors delegates authority to the County Administrative Officer to approve transfers of appropriations within any budget unit among the object accounts or sub-object accounts, with the following restrictions:
 - a. Overall appropriations of the budget unit are not increased,
 - b. Transfers cannot create a Capital Asset appropriation.
 - c. Increases to existing Capital Asset appropriations (relating to Board approved purchases only) cannot exceed 10%, and
 - d. Transfers from sub-object account 6001 may be approved for unspent salaries that are tied to a regular position that is vacant or under-filled.
6. Department/Agency Heads have the authority to transfer appropriations within the budget units of their department applicable to increases or decreases in any object or sub-object accounts in the Salaries and Benefit appropriations or the Service and Supplies appropriations in the following accounts:

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<u>Sub-Object Account</u>	<u>Account Number</u>
Overtime	6002
Other Pay Types	6003
Extra Help	6005
Sick Pay Buyback	6006
Board of Directors Fees	6008
Intern Full Pay	6009
Intern Partial Pay	6010

All Account Objects in the 7000 series

Note: All Extra Help costs should be charged to sub-object 6005 only.

7. The Auditor-Controller has the authority to approve transfers of appropriations of \$1 within any "budget unit" without prior approval of the department/agency within the 9000 object accounts in order to establish new object accounts as needed to facilitate inter/intra departmental billings for services.
8. The Auditor-Controller has the authority to establish new object accounts with \$0 budget:
 - a. Within the 6000 object accounts as needed to facilitate processing of payroll, or
 - b. Within the Trust Funds 9000 object accounts to facilitate transfers between funds.