

CHAPTER FOUR

BUDGET CODE

4.0 PURPOSE

The purpose of the Osceola County Budget Code (Policy) is to set forth the policy by which the County and its departments and agencies under the control of the Board of County Commissioners (Board) develops, implements, and administers its operating and capital budgets. The purpose is also to ensure that the future growth of the County's Budget is managed in a fiscally responsible manner and in line with national, state, and local trends. This Budget Policy includes budget submission dates for Constitutional Officers and other outside entities. The Policy permits the continued development of comprehensive budget procedures that provide for increased public confidence in the management of public funds. County Administration has the responsibility to establish and maintain an adequate system to ensure the financial integrity of the County. Definitions for terms referenced throughout the Chapter are located in Appendix A.

4.1 GENERAL PROVISIONS

4.1-1 APPLICABILITY

The provision of the Budget Code shall apply to the development and administration of the County's operating and capital budgets of the County Departments and agencies under the control of the Board. Budgets of federal or state assistance funds and grants will be established in accordance with applicable laws and regulations, which may not be reflected in, or may be inconsistent with, any provision of this Policy. Nothing in this Policy shall prevent the County from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with law.

4.1-2 WAIVER OF REQUIREMENTS

This Policy is intended to manage the overall growth of the Budget from year-to-year in a fiscally responsible manner, but not limit any future Board's ability to fund needed services. As such, the Board may, when consistent with law, waive any or all requirements or provisions set forth in the Budget Policy and proceed thereafter to take action that is deemed to be in the best interest of the County.

4.1-3 CHANGES IN LAWS AND REGULATIONS

In the event an applicable law, regulation, or accounting standard is modified or eliminated, or a new law, regulation or accounting standard is adopted, the revised law, regulation or accounting standard shall, to the extent inconsistent with the Budget Policy, automatically supersede this Policy.

4.1-4 REQUIREMENT OF GOOD FAITH

The Budget Policy requires all parties involved in the administration of the County's Budget to act in good faith.

4.1-5 CONFIDENTIAL INFORMATION

Confidential information shall be administered in accordance with the Public Records Act, Chapter 119, Florida Statutes, as amended and other applicable provisions of the law.

4.2 AUTHORITY

4.2-1 BOARD OF COUNTY COMMISSIONERS

- A. The Osceola County Home Rule Charter, Chapter 125 and Chapter 218, Florida Statutes and Chapter 69I, Florida Administrative Code grants the Board the ability to establish policies governing the administration of public funds and its tangible personal property.
- B. The Board is responsible for adopting a balanced Budget in accordance with Chapters 129, 197 and 200 in the Florida Statutes, as amended.
- C. The Board shall designate a County Budget Officer to carry out the duties set forth in F.S. Chapter 129, County Budget, and this Budget Policy.

4.2-2 COUNTY MANAGER

- A. In accordance with Chapter 1.2 of the Administrative Code, the County Manager is responsible for the day-to-day administration of the County and to administer and carry out the Board's policies.
- B. The County Manager shall prepare and present the Budget, as required, to the Board for their consideration within the required timelines established in Florida Statutes.
- C. Chapter One of the Administrative Code, as amended, designates the County Manager as the County Budget Officer.
- D. The County Manager shall have the authority to adopt operational procedures, consistent with this Chapter of the Administrative Code, and Florida Statutes governing budget preparation and management.
- E. The County Manager (County Budget Officer) shall have the authority to approve amendments to the Adopted or Revised Budget if the total appropriation of the fund does not change in accordance with Florida Statutes.

- F. The County Manager shall report to the Board the various budget activities either as an agenda item and/or via electronic communication. The report shall identify, by Fund, the actual performance of revenues and expenditures in comparison to the Adopted Budget.
- G. As required by Chapter One of the Administrative Code, the County Manager will present an Organizational Chart to the Board. Whenever possible, this will be done in conjunction with the adoption of the Budget.

4.2-3 COUNTY BUDGET STAFF

- A. The County Manager shall designate the qualified individuals responsible for the County's budget as identified throughout this Policy, including the following:
 - 1. Reviewing the County's adopted Budget Policy and regulations whenever necessary, and propose any necessary amendments to ensure compliance with Florida Statutes and best practices.
 - 2. Assisting the County Manager in the development, implementation, and administration of the County's Budget to include ensuring expenditure requests are allowable per the Fund's revenue source.
 - 3. Assisting the County Manager in the development, implementation, and administration of Budget procedures and processes.
 - 4. Ensuring internal control over the County's budget system and reporting to reflect proper budget monitoring.
 - 5. Complying with Truth in Millage (TRIM) statutory compliance and deadlines.
 - 6. Ensuring employees receive and retain the necessary training for the administration of their assigned duties.
- B. Budget employees are responsible for assisting with the development, implementation, and delivery of the above.

4.2-4 COUNTY DEPARTMENT ADMINISTRATORS/DIRECTORS

As designated by the County Manager, Departments' Administrators/Directors are responsible for their functional areas, and associated accounts. As it relates to this Budget Policy, this includes but is not limited to, the following responsibilities:

- A. Preparation and submission of their recommended budget to the County Manager in compliance with the Budget Assumption Document, Budget Policy, Ordinances,

Resolutions, County Manager's Procedures, and any applicable state or federal requirements.

- B. Ensure expenditure requests are in line with any applicable stipulations of the revenue source such as grants, Florida Statutes, Debt Covenants, etc.
- C. Administer and monitor assigned Budget to ensure expenditures are within appropriations or ensure the necessary process to implement a budget adjustment has been initiated.
- D. Expend only the funds necessary to carry out assigned directives.

4.3 COUNTY BUDGET STRUCTURE

4.3-1 GENERAL PROVISIONS

- A. The Budget shall serve as the annual financial plan for the County. It serves as a tool for implementing the Board's goals and objectives. The Budget shall provide the resources necessary to meet service levels determined by the Board.
- B. The Budget establishes the County's Chart of Accounts in accordance with the County Manager's Organizational Chart and the State's requirements.
- C. The Adopted Budget, as well as any subsequent amendments, shall be a balanced budget with projected revenues equal to expenditures. No budget may be adopted unless this requirement is met.
- D. Each Budget covers a Fiscal Year.
- E. The Budget is legally controlled at the Fund level.
- F. Additional management control is generally maintained at the County Department level within Categories identified by the Chart of Accounts.

4.3-2 ACCOUNTING METHOD

- A. The type of governmental fund accounting the County utilizes impacts how and when items should be budgeted.
- B. The County uses the Modified-Accrual Basis of Accounting for Governmental Funds which means revenues are recognized when available and measurable and expenditures recognized when incurred.

- C. The County uses Accrual Basis Accounting for Proprietary Funds which means revenue is recognized when earned regardless of when recorded, and expenses are recorded at the time the liability is incurred regardless of when paid.
- D. Principal and interest on general long-term debt differ from other expenditures in that they are recorded when due.

4.3-3 FUNDS

The County's finances and budget accounts are managed in accordance with Generally Accepted Accounting Principles (GAAP). Accounts are organized and operated on the basis of Funds. In addition to each Fund being balanced, Fund accounting segregates resources according to their intended purpose and is used to aid management in compliance and budget management. The different Fund Types are identified in Appendix A – Definitions.

4.3-4 CHART OF ACCOUNTS

In adherence to proper accounting and regulatory guidelines, the County utilizes the State of Florida's Uniform Accounting System (UAS) Manual to establish the classification and budgeting of accounts. The UAS provides guidance to differentiate between Fund Types, Funds, revenues vs. expenditures, department/division, activity, Categories and other related information. Definitions are included in Appendix A.

4.4 BUDGET PREPARATION AND DEVELOPMENT

4.4-1 STRATEGIC PLAN

At the discretion of the Board, a Strategic Plan, with individual Strategic Plan Action Items, may be adopted. The Strategic Plan is typically done or reviewed on an annual basis so that the approved Strategic Plan Action Items are considered in the development of the Budget. As recommended by the County Manager, funding requests that are in support of the Strategic Plan and Strategic Plan Action Items will be identified and noted as such throughout the Budget process.

4.4-2 BUDGET CALENDAR

Florida Statute Chapters 197 and 200 establish the time limits under which Special Assessments, Millage Rates, and the Budget must be developed and adopted. Although subject to change by the Florida Legislature, each year Osceola County follows the process outlined in Florida Statutes to establish its annual budget and comply with the mandated processes. In order to ensure compliance with the deadlines, a budget calendar will be prepared and distributed for all required processes and public meetings.

4.4-3 BUDGET ASSUMPTION DOCUMENT

When appropriate, but generally on an annual basis, a Budget Assumption Document will be prepared and distributed to provide County Departments and Constitutional Officers with any information specific to the new Fiscal Year. Any guidance received by the Board, County Administration, or potential rates for items such as employee-related benefits, expenses, utilities, etc., will be identified.

4.4-4 BUDGET DEVELOPMENT - REVENUES

- A. Ad Valorem Revenues will be budgeted in accordance with the Statutory requirements for calculation and approval. Specifically, this process is identified in Chapter 200, Florida Statutes Determination of Millage, as amended.
- B. Special Assessments, also called non-ad valorem assessments, are approved through the budget process separately from the millage rates. Special Assessments collected through property tax bills must follow the process outlined in Section 197.3632, F.S., as amended.
- C. Revenues other than Ad Valorem or Special Assessments shall be estimated realistically, and those considered unpredictable should be budgeted conservatively dependent on the collection method, current Fiscal Year, and prior years' actuals along with projections to aid with accuracy.
- D. As designated by the County Manager and with oversight and concurrence by budget staff, County Departments are responsible for providing respective revenue projections generated within the activities and/or functions within their areas of responsibility. In addition, this includes estimates for carried forward amounts for grants and/or Capital Projects that will be ongoing into the Fiscal Year.
- E. Annual Fee Resolution: The County will review its fees and charges on an annual basis to ensure fees are adequate/cover the costs of the services and, where applicable, remain competitive. When necessary, a Resolution containing the proposed changes will be submitted to the Board for consideration.
- F. Fund Balance: In accordance with the Governmental Accounting Standards Board (GASB), the County is required to budget Fund Balance within specific guidelines.
 - 1. Unassigned Fund Balance is an important measure of the financial and economic stability of the County. It is essential that the County maintain adequate levels of Unassigned Fund Balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. It also provides cash flow liquidity for the County's general operations. It is the goal of the County to achieve and maintain an Unassigned Fund Balance in the General Fund to properly fund Reserves for Cash.

2. Restricted Fund Balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation such as grants and impact fees.
 3. Committed Fund Balance will include revenue brought forward for specific purposes as approved by the Board. Therefore, expenditure of said funds would be solely for the Board-specified purpose, such as Capital Projects.
 4. Assigned Fund Balance is revenue intended for specific purposes as identified by the County Manager. In governmental funds, other than the General Fund, Assigned Fund Balance represents the amount that is not restricted or committed.
- G. In general, the County's Revenue sources provide for, and are accounted for, in the following manner:
1. Establish a property tax rate to fund the desired level of service.
 2. Maintain a diversified and stable revenue base to mitigate the effects of short-term fluctuations in any one revenue source.
 3. Interest earned from investment of available monies shall be distributed in accordance with the cash balance of each fund from which monies were invested.
 4. Special and restricted Revenues shall be budgeted solely for the purpose(s) intended.
 5. Capital Fund Revenues shall be from a reliable source, including debt when appropriate, to ensure sufficient availability of funds to support approved projects.
 6. Rate structures for Enterprise Funds and Internal Service Funds shall be adequate to ensure that these funds remain firmly and separately self-supporting, including all costs of operation.
 7. Generally, Funds shall reimburse the General Fund for administrative costs, unless otherwise prohibited by the revenue source.
 8. One-time or non-recurring revenues should not be used to fund ongoing operations.

4.4-5 BUDGET DEVELOPMENT – OPERATING BUDGET EXPENSES

- A. Generally, the County utilizes a modified form of zero-based budgeting in that new requests are evaluated based on prior expenditures, actual need and the desired level of service.
- B. The County's Credit Rating is based on a number of factors such as revenue stability, conservative budgeting practices, reserves, current debt, debt management, etc. It is critical to maintain a good rating for a number of reasons, but especially to ensure the best interest rates are obtained for future debt issuances.
- C. It is the goal of the Board when budgeting expenditures to:
 - 1. Maintain a level of service that provides, to the extent reasonable and practicable, for the public health, safety, and welfare of the residents of the community.
 - 2. Support ongoing Operating Expenditures/Expenses via ongoing operating revenues.
 - 3. Provide essential services to its citizens in a financially responsible manner ensuring growth is managed when it occurs.
- D. Personnel Services Category: Determining personnel requirements is a critical component in formulating budgetary estimates.
 - 1. Adjustment to Salaries: The County's service needs, retaining qualified staff and remaining competitive will be considered in a fiscally responsible manner. Salary adjustments are dependent on funding availability and sustainability, in accordance with the County's approved Personnel Policy and County Manager Procedures, and the different adjustment options will be evaluated by the County Manager and recommended to the Board for consideration.
 - 2. Benefits: A comprehensive employee benefit package is provided to County employees in accordance with federal and state regulations and to remain competitive. The costs related to these expenses will be evaluated and incorporated within the Budget.
 - 3. Organizational Chart: The Operating Budget includes a number of Full-Time Equivalent (FTE) positions that have been deemed necessary to support the desired level of service. As part of the Budget adoption process, an Organizational Chart with the recommended number of FTEs will be submitted for approval. Within the approved number of FTEs, the County Manager has the authority to assign those FTEs in a manner that is supportive of the County's needs and Strategic Plan. An overall increase of FTEs, however, is only within the Board's authority.

4. Increase or Expansion of Existing Services: Requests for new positions should be supported by a documented increase in the demand on services/quantitative data relevant to the specific service.
 5. New Service Requests: Requests to provide a new service may be initiated for a variety of reasons. If the new service requires an increase in the authorized number of FTEs, the request shall be presented to the Board. If the request relates to a new grant allocation or award, the request for the new position(s) should note that they are specifically tied to the awarded funding and thus eliminated when the grant funding is exhausted.
 6. Level of Service (LOS) Requests: Requests for additional FTEs to increase the current service levels due to a deficient LOS will be evaluated based on that service's criteria. The County Manager may re-evaluate the approved service levels and, if necessary, request additional FTEs to meet the desired service level.
- E. Operating Category: As another key component of the Budget, the overall growth of applicable operating accounts should generally be in line with the change in the Consumer Price Index for goods and services utilized by governmental entities. As the Board may consider any items separately when deemed appropriate, it should be noted that some accounts may skew (such as a major repair, grant funding, etc.) an accurate analysis of the growth in the Operating Budget.
1. Repair and Maintenance: Many substantial infrastructure improvements are expensed instead of capitalized. These include items needed to keep the asset for its intended use (proper condition) and maintain the value of County's infrastructure, but does not extend the useful life.
 2. Utilities/Insurances: As utility and insurance costs are not completely within the control of the County, the County pursues energy saving initiatives as well as efforts to reduce accidents and incidents.
 3. Outsourcing: Outsourcing an existing County service will result in an increase in Operating accounts, but should be considered separately when analyzing the change in Operating Expenditures/Expenses from one year to another.
- F. Outside Entities/Constitutional Offices: Pursuant to the provisions of Section 129.03(2), Florida Statutes, the Board adopted an unnumbered resolution in 1992 requiring the Sheriff, Clerk of the Circuit Court for its support of the Board's functions, and Supervisor of Elections to submit their tentative budgets to the Board by May 1 of each year.

In the absence of the resolution specified in Section 145.022, Florida Statutes, the Tax Collector and Property Appraiser currently operate their respective offices on a fee basis. As such, their budget submissions are governed by Section 195.087, Florida Statutes. The

Property Appraiser (1)(a) submits their budget to the County for inclusion in the County's Adopted Budget on or before June 1, and the Tax Collector (2) on or before August 1.

Pursuant to the provisions of Section 29.008(2)(c)2, Florida Statutes, the Board has resolved (Resolution 04-004R) and directed the Chief Judge to submit to the Budget Officer a budget request for local requirements as well as the reasonable and necessary salaries, costs, and expenses for each local requirement on or before May 1 of each year.

Failure of any of the above to submit budgets by the required due date may result in the Board simply continuing the prior year's Personnel Services and Operating budgets at the same rate. Additionally, administrative or personnel costs incurred by the County that are attributable to a late budget submittal may be considered by the Board when approving the Final Budget.

The State Attorney's Office and the Public Defender's Office receive funding from the County for services in accordance with s. 14, Article V of the State Constitution. To request support from the Board, these Offices submit their budget request to the County in conjunction with County Departments.

G. Other Categories and Expenses: In addition to Capital Outlay discussed in the next section, the County's Budget includes other Categories.

1. Grants & Aids: Will vary greatly from year-to-year depending on grant awards within the Fiscal Year. Regardless of the type of grant (recurring, non-recurring, project specific, etc.), appropriations for awarded grants shall continue, along with any required County match, until the purpose has been accomplished, all funds expended and the grant agreement fully satisfied. As such, remaining funds from one Fiscal Year to another are considered restricted for that purpose and will be carried forward into the new fiscal year.

If known during the budget preparation process, the County Manager will include the anticipated grant award and/or estimated remaining balance in the budget request for inclusion in the Adopted Budget. Grants awarded or increases to grant awards during a Fiscal Year may be recognized in the County's Budget in accordance with Florida Statutes.

2. Transfers Out: Typically Transfers Out exist to account for transfers between different County Funds. There are exceptions within the General Fund and Special Revenue Funds as this is the mechanism to provide the required Budget appropriations to the Constitutional Officers.
3. Cost Allocation: Unless prohibited, in accordance with GAAP, the County Manager shall cause a Cost Allocation plan to be prepared to reimburse the General Fund

for costs incurred due to administrative support services provided to other Funds, as permitted.

4. Debt Service: The County's Debt Service funds and required payments will be accounted for in the County's Adopted Budget in accordance with proper accounting methods and any relevant covenants/agreements. Limitations on additional debt are related to acceptable financial practices and available sources to pledge.

4.4-6 BUDGET DEVELOPMENT – CAPITAL BUDGET EXPENSES

- A. The Budget will attempt to provide for adequate replacement and/or addition of Capital Assets which shall be budgeted in accordance with the Florida Administrative Code and Finance Code.
- B. Generally, an individual new item that exceeds the asset threshold is considered Capital Outlay.
- C. Generally, if an item exceeds \$25,000 and has a useful life of more than 10 years, it will also be included in the Capital Improvement Plan (CIP).
- D. Due to the annual, ongoing nature of Vehicle purchases, Small Vehicles are exempted from the CIP process, but are still Capital Outlay which includes necessary tracking of the inventory.
- E. Approved Capital Outlay (non-CIP items) and the first year of the CIP are included in the Budget.
- F. A budget for a Capital Project shall be a project-length budget although it may be established in phases when appropriate. Upon approval by the Board and depending on the funding source, the project's appropriation shall be considered committed or restricted for that purpose until satisfied. Requests to increase funding for a Capital Project, that are unable to meet the requirements identified in 4.7-6 below, must be considered by the Board.
- G. At the end of the Fiscal Year, the unspent appropriation of an approved Capital Project shall be carried forward to the subsequent Fiscal Year(s) until the specific project (phase) is completed.
- H. There are no limitations to the growth in capital expenditures from one Fiscal Year to the next except for the availability of financial resources. This Budget Policy is not intended to limit any future Board's ability to fund needed infrastructure improvements.

4.4-7 BUDGET DEVELOPMENT – RESERVES

- A. Maintaining an adequate reserve level is important for sound fiscal management. It is a critical factor considered by bond rating agencies in relation to the County's Credit Rating. The County shall maintain an adequate level of unrestricted funds.
- B. While reserves may be generally used for cash flow purposes and to address emergencies, unanticipated economic downturns, unfunded/unanticipated mandates, and one-time capital expenditures, it is the County's goal to appropriate a minimum Operating Reserve of fifteen percent (15%) of the fund's total appropriation minus Reserves, except for those funds with separate requirements.
- C. Replenishment of Reserves: If the Operating Reserves are less than the required amounts per this Policy, the County Manager shall submit a plan for all funds, except for those with separate requirements, for expenditure reductions and/or revenue increases to the Board. The plan shall be reviewed and amended as necessary. At a minimum, the Reserves for Cash must be replenished no later than the end of the second year after its occurrence.
- D. Categories of Reserve Accounts: Reserve accounts are generally funded through Fund Balance from the prior Fiscal Year. As such, when appropriate, the purposes for the Reserves should coordinate with the categories of Fund Balance as defined by proper accounting standards and in accordance with the Finance Code.
- E. Reserves for Cash: In accordance with Florida Statutes, the Reserves for Cash may not exceed limitations established by Florida Statutes. The primary purpose of this Reserve account is to ensure adequate resources for a Fund's operating purposes at the beginning of the Fiscal Year.
 - 1. If a Fund's primary revenue source is a revenue source that typically lags 2 months behind in its remittance (Ad Valorem, revenues distributed by the State of Florida, and/or Special Assessments, etc.), the Reserves for Cash shall be a minimum of 2 months of the total of Personnel Services, Operating Expenditures/Expenses and Transfers Out. Based on an individual determination, some Funds may be exempted from this requirement based on sound fiscal management practices. These Funds include, but are not limited to, the following:
 - a. Funds that receive significant revenue (Transfers In) from the General Fund or from other County Funds to support its operations;
 - b. The neighborhood serving Municipal Service Taxing Units (MSTUs)/Municipal Service Benefit Units (MSBUs); and

- c. Tourist Development Tax Funds which will utilize a different calculation based on the month with their largest operating deficit.
 2. Special Revenue Funds' revenues are legally restricted for specific purposes. With the exception of those mentioned above, the Reserves for Cash shall be budgeted in accordance with the authority underlying the creation of the individual fund and sound fiscal management.
 3. Enterprise Funds shall generally appropriate a Reserves for Cash that is a minimum of 2 months Personnel Services, Operating, and Transfers Out.
- F. Reserves for Contingencies: In accordance with Florida Statutes, the Reserves for Contingencies may not exceed any limitations established by the State, but otherwise may be established as deemed fiscally appropriate by the County Manager. As the emergency reserve, this appropriation can be utilized to fund one-time emergencies (including natural or man-made disasters), unanticipated expenditure requirements (one-time Capital Outlay), or offset unanticipated revenue fluctuations (if there are not Reserves for Stability) occurring within a Fiscal Year as approved by the Board. It should not be used to support ongoing Operating Expenditures/Expenses.
- G. Reserves for Debt: Reserves for Debt are established in compliance with the Debt Covenants and/or for future debt service payments. Therefore, the identified amount must be appropriated and adhere to these requirements. Use is restricted for this purpose and thus should be accounted for through Restricted Fund Balance. Generally, Reserves for future debt service payments should be appropriated in the amount of the first required payment of the next Fiscal Year.
- H. Reserves for Capital:
 1. Reserves for Capital may be Designated (specific project has been identified) or Undesignated.
 2. The goal will be to fund future capital projects.
 3. In the event of "Pay-As-You-Go" financing, the Reserves Capital-Designated may require multiple years of funding/saving in order to fully meet the expenditure requirements (also called a Sinking Fund).
 4. For projects to be funded through Reserves Capital-Designated for that project by Board action, it will require Board action to change the designation.
 5. Generally, Capital Projects Funds will have Reserves for Capital, instead of Reserves for Cash or Reserves for Contingencies.

- I. Reserves for Claims: Within the County’s Internal Service Funds, an amount should be available to ensure that adequate funds are reserved for claims incurred, but not paid, including run-off. Actuarial reports and any other requirements as a result of self-insurance must be fulfilled to ensure the proper amount is reserved.
- J. Reserves Assigned: Funds that are intended for a specific purpose. Intent can be identified by the Board or by the County Manager.
- K. Reserves Restricted: Funds that are intended for a specific purpose as stipulated by an external source or enabling legislation.
- L. Reserve for Stability: Funds with revenue sources vulnerable to economic downturns and/or dramatic declines in revenues, may establish a Reserve for Stability to assist with a transition period. After such declines, steps will be necessary to reduce expenditures. However, there will still be a period of transition (giving notice on agreements/contracts) and even create some initial one-time expenses (severance payments due to layoffs). The amount appropriated per Fund shall be in compliance with this Budget Policy and as deemed fiscally appropriate by the County Manager.

4.5 BUDGET ADOPTION

- A. Upon receipt of the County Departments’ proposed budgets, County Administration will review and prepare the County Manager’s recommended budget.
- B. The County Manager’s recommended budget will be submitted to the Board in a timely manner to ensure enough time to incorporate direction and adjustments into the tentative budget. Typically, it will be presented to the Board in a Board meeting during the month of July.
- C. In accordance with Florida Statutes, but generally in July, the County will establish the upcoming year’s proposed millage rates, current year rolled-back millage rates, and the date, time and place for the tentative budget hearing. Although there are exceptions, Non-Ad Valorem Assessments which are collected on the tax bill will also be established during this meeting.
- D. Public hearings will be held within the relevant statutory timelines and requirements to adopt Special Assessment Rates, Millage Rates, and the Budget.
- E. Upon adoption, the budget team will finalize all certifications, reports, and posting requirements to ensure compliance with Florida Statutes.

4.6 BUDGET EXECUTION

4.6-1 GENERAL PROVISIONS

- A. Overall accountability and oversight for the budget rests with the County Manager/County Budget Officer and the budget team. However, as designated by the County Manager, Departments' Administrators/Directors have the responsibility to manage their budgets which includes budgetary control and accountability at their department/office level.
- B. As the financial plan, the Budget represents the County's legal authority to spend; however, an expense is further limited by the actual cash on hand. Adequate cash should also be available prior to proceeding with an expenditure or contractual obligation.
- C. Category Budgeting: As noted in this Code, the County's Budget is legally controlled at the Fund level, but additional management controls are available through Category Budgeting in accordance with State Statutes and the UAS. The County Manager shall ensure that implementing Procedures in support of this Policy provide appropriate management and oversight of the Budget to establish and maintain the financial integrity of the Budget.
- D. Internal Service Funds are intended to break even with the exception of required Reserves. The income or loss of an Internal Service Fund shall be managed by crediting (in the current or next fiscal year) or charging the billed departments in accordance with their actual usage.

4.6-2 MONITORING

- A. The County will maintain a budget and financial system which will provide for adequate reporting to compare actual revenues received versus expenditures. Said reports will be available to all Departments assigned the responsibility for monitoring their specific Budget as designated by the County Manager.
- B. The County Manager shall ensure that actuals are monitored and projected in comparison to annual appropriation amounts so that any issues are quickly recognized and reconciled.

4.7 BUDGET AMENDMENTS

4.7-1 GENERAL PROVISIONS

The County's Operating Budget is a dynamic document. The need for corrections, additions and deletions is anticipated. Per Florida Statutes, the Board may amend the Adopted Budget any time within the Fiscal Year and up to 60 days after the end of the prior Fiscal Year. The mechanisms for adjustments to the Budget are provided for in Florida Statutes in Chapter 129, as amended.

4.7-2 BUDGET TRANSFERS

- A. In accordance with Florida Statutes, the Board designated Budget Officer may authorize an amendment provided that the total appropriations of the Fund is not changed, merely a “shifting” of funds within the same Fund.
- B. For the purposes of clarification, the County will refer to this type of amendment as a Budget Transfer.
- C. The Budget Officer may approve Transfers between any account within a Fund unless otherwise prohibited by law or Policy.

4.7-3 BUDGET SUPPLEMENTS

- A. In accordance with Florida Statutes, the Board may authorize an amendment by adoption of a Resolution.
- B. For the purposes of clarification, the County will refer to this type of amendment as a Budget Supplement and will require Board approval as required by Florida Statutes.
- C. By approved Resolution and motion recorded in the minutes, the Budget may be amended by the Board without public hearing/advertisement for the following reasons:
 - 1. Transfers from the Reserve for Contingencies to increase or create an appropriation for any lawful purpose within the same fund;
 - 2. Appropriations from reserve for future construction/improvements for the purposes for which the reserve was made;
 - 3. Appropriate receipts from a source not anticipated in the budget that are received for a specific purpose including, but not limited to, grants, donations, gifts or reimbursement for damages, and the corresponding expenditure for the particular purpose; and
 - 4. Appropriate increased revenues for an Enterprise/Proprietary Fund received for a particular purpose and the corresponding expenditure for that purpose.

4.7-4 BUDGET AMENDMENTS

- A. All other changes to the Budget for all other purposes are required to be approved by a Resolution of the Board as a part of a properly advertised public hearing.
- B. The advertisement must meet all requirements of Florida Statutes.

- C. For the purposes of clarification, this type of amendment will be referred to as a Budget Amendment.
- D. When the timing of the Budget Amendment conflicts with the County's operating requirements (such as with carry forwards, grants, bond proceeds, etc.), a temporary budgetary override may be authorized as long as actual funds are available, verified in accordance with approved procedure, and approved by the County Manager.

4.7-5 ACCOUNTING ADJUSTMENTS

- A. Accounting adjustments are adjusting Journal Entries in accordance with GASB, GAAP and the Finance Code.
- B. Such adjusting transactions that are requested will be reviewed by the appropriate County staff as designated by the County Manager, and, if approved, submitted to the entity responsible for entry.
- C. Accounting adjustments may also be identified as a part of the annual independent audit.
- D. If the adjusting entry creates a need for a Budget Amendment, and the Budget can still be amended, the budget team will review/assist.

4.7-6 CAPITAL ADJUSTMENTS

- A. Requests for Capital are submitted and approved through the Budget and/or Capital Improvement Program.
- B. It is recognized that the approved Capital Outlay/CIP budget is based on cost estimates projected prior to commencement and thus the estimates may be inaccurate.
 - 1. If the Adopted Budget is underestimated by an amount within the County Manager's Procurement Threshold Authority, and there are funds available within the County Department's approved budget in the same Fund, the Capital Project/purchase may proceed with a Budget Transfer approved by the County Manager or Designee.
 - 2. If the Budget included a certain number of Capital Outlay items, but the actual purchase price is low enough to accommodate the purchase of additional quantities and the Procurement Code's requirements can be satisfied, the County Manager may approve the purchase of additional quantities of the same item within the Budget.

3. If the Budget for a Capital item is overestimated, the excess funding will be re-appropriated by the budget team as directed by the County Manager and approved by the Board.
- C. Capital Substitutions: The Board recognizes that there will be times when an emergency, change in need or direction necessitates a different Capital Project or Capital Outlay becomes a priority over what was approved. As such, the County Manager is directed to develop a Procedure for requests that may be approved by the County Manager when the replacement Capital Project or Capital Outlay can be fulfilled within the approved Budget of the original item and is eligible for the funding source. In all other instances, the request must be approved by the Board.

4.8 CAPITAL IMPROVEMENT PLAN (CIP)

4.8-1 GENERAL PROVISIONS

- A. It is in the County's best interest to prepare and maintain a Capital Improvement Plan (CIP), a five-year program for the County's major Capital Projects to be reviewed/ revised annually.
- B. The CIP will operate on the same fiscal year schedule as the County's Budget and the first year of the CIP shall be incorporated as a part of the Adopted Budget.
- C. The adoption schedule must also provide adequate time so that components may be included into the Comprehensive Plan update when appropriate.
- D. The CIP shall represent a framework for planning the replacement of existing capital equipment and facilities and for major investments in acquiring and building new public facilities.
- E. In addition to assisting with planning, the CIP is a helpful tool when requesting funding assistance from state and federal agencies.

4.8-2 CIP STRUCTURE

- A. The County will include all Capital Assets that qualify in the CIP.
- B. The determination as to whether or not capital expenditures should be included in the CIP versus non-CIP Capital Outlay versus Operating Expenditures/Expenses will be determined in accordance with the Finance Code, GASB and GAAP.
- C. The CIP lists each proposed Capital Project, the anticipated timeframe, the amount expected to be expended in each year of the program and, if available, the proposed method of financing (cash on hand, bonds, lease/purchase agreement, etc.).

D. Capital Improvement Element (CIE) and the Comprehensive Plan:

1. Within the CIP, there are projects also considered Capital Improvement Element (CIE) projects, which are needed to ensure that Level of Service (LOS) standards, as adopted in the County's Comprehensive Plan, or applicable Florida Statutes, are achieved and maintained for concurrency-related facilities located within Osceola County.
2. This may include Level of Service standards that reduce and/or correct existing deficiencies or that increase capacity of public facilities to meet future growth needs in Osceola County.
3. Designating a CIP project as CIE must be financially feasible and may have a budgetary impact.

4.8-3 CIP FUNDING

- A. Whenever appropriate, it is the County's policy to maximize its resources by securing debt to pay for capital improvements.
- B. Existing funds, annual appropriations, and Reserves can be used to pay for the capital as permitted by law, also referred to as Pay-As-You-Go Financing. As noted earlier, it may take more than one Fiscal Year to establish adequate funds. As such, Reserves for Capital can be utilized to plan for and/or fund the items and projects.
- C. Certain projects are recommended for Debt Financing including, but not limited to, the issuance of bonds, bank loans, capital leases, etc. The appropriate debt mechanism to utilize will be determined by many factors. The type and life expectancy of the asset and any stipulations associated with the proposed revenue source(s) are just a few. The decision to utilize debt must be in accordance with the Finance Code and accepted rating standards to maintain the credit rating of the County or existing bonds.
- D. If the decision is made to finance a project with bond proceeds, the County Manager will assign the individuals, including any outside entities necessary per the Finance Code, to ensure that all requirements and the many steps that are required to secure the debt are met.
- E. CIP Amendment: As a five-year program that is generally approved annually, there will be times the CIP will require amending. When amending the CIP, the Board will approve via a Resolution through a process similar to a Budget Supplement, except as otherwise provided by Florida Statutes (for example, as in the case of amendments to the Comprehensive Plan). Frequently, the CIP Amendment will be submitted in conjunction with a Budget Supplement or Amendment.

APPENDIX A. - DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings set forth below whenever they appear in Chapter 4 of the Administrative Code and/or correlating County Manager Procedures:

“Accrual Basis Accounting” means a method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

“Administrative Code/Code” means the compilation of the Board’s Policy/rules for its operations.

“Adopted Budget” means the Budget that is approved annually by the Board as a part of the budget approval process pursuant to Sections 129.03 and 200.065, Florida Statutes with an effective date of October 1st of each Fiscal Year.

“Ad Valorem” means property taxes computed as a percentage of the Just Value of locally assessed real estate, and tangible personal property less any exclusions, differentials, exemptions and credits and is expressed in mills. Ad Valorem taxes are considered general revenue for general-purpose local governments and determined by multiplying the taxable value (assessed value less any exemptions) by the millage rate and dividing by 1,000.

“Amended/Revised Budget” means the County’s budget after any changes and/or amendments are made to the Adopted Budget.

“Assigned Fund Balance” means the portion of the net position of a Governmental Fund that represents resources set aside (“earmarked”) by the government for a particular purpose.

“Bank Loans” means loans for a term of not more than 20 years to provide an alternative option to smaller financing needs that require a longer amortization than interim financing options.

“Benefits” means employee benefits, excluding wages and salaries, including employer contributions to a retirement system, social security, insurance and similar direct benefits as well as other costs such as Other Post-Employment Benefits (OPEB) expense accrual, Worker’s Compensation and Unemployment Compensation Insurance.

“Board” means the Osceola County Board of County Commissioners that is the duly elected legislative branch responsible for setting policies, adopting ordinances, appropriating funds, etc.

“Bond Counsel” means an attorney or law firm retained by the County to give the traditional Bond Counsel opinion and may prepare or review and advise regarding the County’s authorizing resolutions, bond contracts, official statements, validation proceedings and litigation.

“Budget” means the annual Adopted Budget, as amended or revised, that serves as the County’s financial plan that includes estimated revenues equaling estimated expenditures for a period of one year.

“Budget Amendment” means the mechanism used to revise the Budget to reflect changes for all other purposes other than those provided for through a Budget Transfer or Budget Supplement, through a properly advertised public hearing in accordance with Florida Statutes.

“Budget Assumption Document” means guidance for Departments, Constitutional Officers and other outside entities to aid in the preparation of the new Fiscal Year’s Budget requests developed by the budget team in accordance with the County Manager’s direction.

“Budget Supplements” means the mechanism used to revise the Budget to reflect changes not provided for through a Budget Transfer or Budget Amendment by means of a Board-approved Resolution in accordance with Florida Statutes.

“Budget Transfers” means the mechanism used to revise the Budget by the Budget Officer provided that the total appropriations of a Fund does not change in accordance with Florida Statutes.

“Capital Adjustments” means the mechanism to change an approved Capital Project/item.

“Capital Substitution” means the mechanism to change an approved Capital request with a different Capital need.

“Capital Assets” means tangible or intangible assets held and used in County operations, which have a service life of more than one year and meet the County’s capitalization policy. Capital Assets of the county include land, infrastructure, and improvements to land, buildings, leasehold improvements, vehicles, furnishings, equipment, collections, and all other tangible and intangible assets that are used in County operations as provided for in the Finance Code.

“Capital Leases” means a lease considered to have the economic characteristics of asset ownership.

“Capital Outlay” means expenditures for property as currently, or hereafter amended, defined in Florida Administrative Code 69I-72.007, as all tangible personal property owned by a governmental unit and of a non-consumable nature; acquisition of or addition to fixed assets.

“Capital Improvement Element (CIE)” means a component of the Comprehensive Plan designed to consider the need for and the location of public facilities in order to encourage the efficient use of such facilities, as well as a component for correcting existing public facility deficiencies, which are necessary to implement the Comprehensive Plan. The components shall include estimated costs, projected revenue sources, standards to meet established levels of service, transportation improvements included in the applicable metropolitan planning organizations program, and a schedule for at least a 5-year period.

“Capital Improvement Plan (CIP)” means a five-year framework for planning for the replacement of existing capital equipment/facilities and for major investments in acquiring and building new public facilities that links the County’s Comprehensive Plan and fiscal Budget to physical development.

“Capital Project” means any project funded by public monies, or proposed to be funded by public monies, to build, restore, retain, or purchase any equipment, property, facilities, programs or other items, including buildings, park facilities, infrastructure, information technology systems, or other equipment, that is funded on a necessarily non-repeating, or non-indefinite, basis and that is to be used as a public asset or for the public benefit. Any and all funds used for a Capital Project shall be used in accordance with the rules and regulation of the fund source with parameters and thresholds established in the County’s Finance Code.

“Category Budgeting” means utilizing the State of Florida’s Uniform Accounting System Manual (UAS) method for Categories to provide management budgetary control at the Department/Category level. This management tool does not change the legal level of control which is at the Fund level.

“Categories” means the division of expenditure classifications within the Budget in accordance with the Uniform Accounting Systems Manual as follows:

1. **“Personnel Services”** includes expenses for salaries, wages and related employee benefits provided for all persons employed by the reporting entity whether on full-time, part-time, temporary, or seasonal basis.
2. **“Operating Expenditures/Expenses”** includes expenditures for goods and services, which primarily benefit the current period, and are not defined as Personnel Services or Capital Outlays.
3. **“Capital Outlay”** includes outlays for the acquisition of or addition to fixed assets.
4. **“Debt Service”** includes outlays for debt service purposes.
5. **“Grants and Aids”** includes all grants, subsidies, and contributions to other government entities/reporting units and private organizations.
6. **“Other Uses”** includes Transfers and Reserves.

“Chart of Accounts” means a created list of the accounts used to organize the budget and finances of the County and to segregate revenues, expenditures, assets and liabilities in accordance with the UAS and the County Manager’s Organizational Chart.

“Commercial Paper” means unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

“Committed Fund Balance” means Fund Balance amounts that can be used only for the specific purposes determined by a formal action of the Board that may be changed or lifted only by taking the same formal action that imposed the constraint originally.

“Comprehensive Annual Financial Report (Annual Report)” means a thorough and detailed presentation of the County's financial condition, providing transparency and a detailed accounting of all expenditures by including dozens of basic and more intricate financial reports along with notes, narratives and supporting data for each fiscal year.

“Comprehensive Plan” means a statutorily required plan that shall provide the principles, guidelines, standards, and strategies for the orderly and balanced future economic, social, physical, environmental, and fiscal development of the area that reflects community commitments to implement the plan and its elements. These principles and strategies shall guide future decisions in a consistent manner and shall contain programs and activities to ensure comprehensive plans are implemented.

“Constitutional Officers” means the five Officers who are independently elected Countywide on a partisan ballot with no term limits including: the Clerk of Courts, Property Appraiser, Tax Collector, Supervisor of Elections and Sheriff.

“Construction in Progress” means amounts expended in one fiscal year on new construction, land or building improvement, or other tangible capital construction projects that will be finished in a future year.

“Consumer Price Index” means a measure of the average change overtime in the prices paid by All Urban Consumers (CPI-U) in the South Region as published by the United States Department of Labor, Bureau of Labor Statistics for a market basket of consumer goods and services.

“Cost Allocation” means distribution of non-General Fund support/administrative costs to the Funds that benefit from those costs.

“County” means Osceola County, Florida, a charter county and political subdivision of the State.

“County Administration” means the County Manager, Chief Operating Officer, Deputy County Manager(s) and/or Assistant County Manager(s) when acting in the capacity of the County Manager in accordance with approved, written delegation of authority, and determined necessary by the County Manager to assist with overseeing the day-to-day operations of the County.

“County Budget Officer” means the County Manager as designated by the Board in Chapter One of Osceola County’s Administrative Code to carry out the duties set forth in Chapter 129 F.S.

“County Departments” means a division/area of the County Manager’s Organizational Chart with a particular area of responsibility.

“County Manager” means the chief executive officer of the County appointed pursuant to Section 2:3 A. of the Osceola County Home Rule Charter, or such person's designee.

“County Manager Procedure/Procedures” means an established process in alignment with the Administrative Code (Board Policy) developed by the relevant staff, reviewed by the County Attorney’s Office and approved by the County Manager, in order to provide direction to staff in carrying out the day-to-day administration of the County.

“County Manager’s Recommended Budget” means an annual operating budget, capital budget and capital program submitted to the Board for consideration.

“CIP Amendment” means an adjustment to the approved Capital Improvement Plan including changing priorities, projects, estimates, funding sources, etc.

“Credit Ratings” means the measurement of the probability of the timely repayment of principal and interest and is assigned by independent rating agencies (e.g. Fitch, Moody’s, Standard & Poors).

“Debt” means money owed by one party to a second party and is subject to contractual terms regarding the amount and timing of repayments of principal and interest.

“Debt Covenants” means contractual obligations set forth in a bond contract (resolution, indenture, loan agreement, capital lease or other document) and may include covenants to charge fees sufficient to provide required pledged revenues; to complete, maintain and operate the project; not to sell or encumber the project; not to take actions that would cause tax-exempt interest on the bonds to become taxable or otherwise become arbitrage bonds, etc.

“Debt Service Coverage” means a benchmark used in the measurement of an entity’s ability to produce enough cash to cover its debt payments.

“Departments’ Administrators/Directors/Department Head” means executive-level managers assigned to oversee a specific division/area of responsibility in accordance with the County Manager’s Organizational Chart.

“Disbursements” means the payment of money from a fund or account.

“Disclosure Counsel” means an attorney or law firm retained by the issuer to provide advice on issuer disclosure obligations and to prepare the official statement and/or continuing disclosure agreement.

“Expenditures” means decreases in fund net assets - for current operations, capital outlay or debt service - except those arising from operating and residual equity transfers to other funds.

“Fee Resolution” means the County’s consolidated list of services and costs to provide the services that is approved by the Board.

“Finance Code” means the Chapter of the County’s Administrative Code that defines the Board’s Policy for financial management.

“Financial Reporting” means documents prepared by government agencies at the end of an accounting period, containing a summary of accounting data for that period that includes background notes, forms and other information.

“Financial Statements” means documents prepared by the County to display the financial position of the County as a part of the Annual Comprehensive Financial Report (ACFR).

“Fiscal Year” means the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law as the fiscal year for the County.

“Fixed Assets” means assets which are purchased for long-term use and are not likely to be converted quickly into cash, such as land, buildings, and equipment.

“Florida Administrative Code (FAC)” means the official compilation of the rules and regulations of Florida regulatory agencies.

“Fund” means a separate accounting entity that is self-balancing and segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

“Fund Balance” means the resources available to be carried over from one Fiscal Year into the next.

“Fund Groups/Types” means a classification of funds required to be used per the Uniform Accounting System Manual. Osceola County utilizes four Governmental Funds and two Proprietary Funds in its Budget:

1. **“General Fund” (001):** To account for all financial resources not accounted for and reported in another fund.

2. **“Special Revenue Funds”** (101 - 199): To account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.
3. **“Debt Service Funds”** (201 - 299): To account for financial resources that are restricted, committed, or assigned to expenditure for principal and interest.
4. **“Capital Projects Funds”** (301 – 399): To account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays.
5. **“Enterprise Funds”** (401 – 499): To account for operations (a) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.
6. **“Internal Service Funds”** (501 – 599): To account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

“Full-Time Equivalent (FTE)” means 2,080 hours of work that may be comprised of one employee or two/multiple part-time employees.

“Generally Accepted Accounting Principles (GAAP)” means conventions, rules, and procedures that serve as the norm for the fair presentation of Financial Statements.

“Governmental Accounting Standards Board (GASB)” means the standard-setting body, associated with the Financial Accounting Foundation that establishes standard of financial accounting and reporting practices for state and local governmental units.

“Governmental Funds” means Funds that account for most typical governmental functions focusing on the acquisition, use and balances of an organization’s expendable financial resources and the related current liabilities, uses the Modified-Accrual Basis of Accounting and includes General, Special Revenue, Debt Service, and Capital Projects Funds.

“Grant” means financial assistance pursuant to written agreements/contracts to carry out a specific purpose.

“Intangible Assets” means a class of Capital Assets that has no physical substance, but has value for longer than one year such as purchased software, an easement, etc.

“Interfund Loans” means money advanced from one Fund to another Fund when insufficient money is available to meet obligations of the Fund receiving the advancement, or are necessary for capital expenditures of the Fund receiving the advancement, but only if the

advancement does not 1) conflict with other local, state, or federal laws; or 2) restrict, impede or limit implementation or fulfillment of the original purposes for which the money was received in the Fund providing the advancement.

“Internal Control” means an integrated set of policies and procedures designed to assist management to achieve its goals and objectives.

“Journal Entries” means types of accounting entries that debit one account and credit the corresponding account.

“Just Value” means the value of real and tangible personal property established by the Property Appraiser for ad valorem tax purposes as required by Article VII, Section 4 of the Florida Constitution and Chapter 193, Florida Statutes, as amended; generally, the price at which a property, if offered for sale in the open market, with a reasonable time for the seller to find a purchaser, would transfer for cash or its equivalent, under prevailing market conditions between parties who have knowledge of the uses to which the property may be put, both seeking to maximize their gains and neither being in a position to take advantage of the exigencies of the other.

“Lease/Lease Agreement” means a legal document outlining the terms under which the lessee (the renter) is provided use of an asset and guarantees the lessor (the property owner) regular payments from the lessee for a specified number of months or years.

“Level of Service (LOS)” means the County’s approved service levels that are currently being provided and/or the desired or expected levels of service the County wants to achieve to provide satisfactory service.

“Modified-Accrual Basis of Accounting” means basis of accounting that modifies the accrual basis of accounting in two important ways: revenues are not recognized until they are measurable and available and expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier).

“Municipal Serving Benefit Units (MSBUs)” means a service unit which receives a specific benefit for which a special assessment is imposed to cover the cost of providing the service or improvement established by the Board through an adopted ordinance or resolution that outlines the boundaries of the district and the services or improvements to be provided.

“Municipal Serving Taxing Units (MSTUs)” means a service unit for which an ad valorem tax levy is imposed to cover the cost of providing a service or improvement, based upon taxable value established by the Board through an adopted ordinance or resolution that outlines the boundaries of the district and the services or improvements to be provided.

“Non-spendable Fund Balance” means Fund Balance amounts that are not in a spendable form or are required to be maintained intact such as inventory or permanent funds.

“Operating Budget” means the components of the budget utilized for overall operation of the County to include Personnel Services and Operating Categories.

“Operating Reserves” means Reserves for Cash and Contingency.

“Ordinances” means the most authoritative form of action taken by the Board, and once adopted, becomes an established law that generally governs matters not already covered by state or federal laws.

“Organizational Chart” means the County Manager’s structure for delineating the functions and responsibilities of the staff and various Departments under his/her direction that is presented to the Board for approval.

“Pay-As-You-Go Financing” means funding new projects with funds the County has on hand from previous appropriations.

“Procurement Code” means the Chapter in the Administrative Code that establishes the Board’s Policy for buying, purchasing, renting, leasing, or otherwise acquiring any goods and/or services for public purposes.

“Procurement Threshold Authority/Signing Authority” means the County Manager’s authority to award and execute purchases, Contracts and/or Amendments that do not exceed the authorized threshold as established in the Procurement Code.

“Proprietary Funds” means Funds that focus on the determination of the operating income, changes in net position (or cost recovery) financial position and cash flows. There are two types of Proprietary Funds: Enterprise Funds and Internal Service Funds.

“Reimbursement Resolution” means declaring the official intent of the Board to reimburse certain eligible expenditures from the proceeds of tax-exempt financing issued by the Board.

“Repair and Maintenance (R&M)” means expenditure costs incurred to maintain the operating condition of the asset and its original use.

“Reserves” means monies set aside in the County’s Budget for future use in accordance with Florida Statutes, Board Policy, and the requirements of other entities such as grantors and Debt Covenants.

1. **“Reserves Assigned”** means Reserves intended to be used by the government for specific purposes as established by the Board or County Manager.

2. **“Reserves for Cash”** means Reserves established to ensure adequate resources for operating purposes at the beginning of the fiscal year as well as to protect the County in the event it must respond to a natural or man-made disaster.
3. **“Reserves for Capital”** means Reserves established to fund future infrastructure/items and/or projects listed within the CIP. These Reserves may be **“Designated”** towards a specific project/item or **“Undesignated”** and thus just specified towards Capital.
4. **“Reserves for Contingencies”** means the County’s emergency reserve to fund one-time emergencies and unanticipated expenditure requirements.
5. **“Reserves for Claims”** means amounts reserved in the County’s Internal Service Funds for insurance claims incurred but not paid and/or in accordance with actuarial studies.
6. **“Reserves for Debt”** means Reserves required to be appropriated in compliance with the Debt Covenants and/or for future debt service payments.
7. **“Reserves Restricted”** means Reserve amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation.
8. **“Reserves for Stability”** means Reserve amounts to offset unanticipated revenue declines occurring within a fiscal year.

“Resolutions” means a Board policy presented for the Board's consideration which only has to be considered by the Board once.

“Restricted Fund Balance” means Fund Balance amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include Grants and impact fees.

“Revenues” means all increases in fund net assets except those arising from inter-fund reimbursements, inter-fund operating and residual equity transfers or long-term debt issues.

“Sinking Fund” means a fund formed by periodically setting aside money for the gradual repayment of a debt or replacement of an asset.

“Small Vehicles” means automobiles designed for transport (car, van, sport utility vehicle or a truck with a manufacturer’s capacity of 1 ton or less) and have a cost of less than \$100,000.

“Special (Non-Ad Valorem) Assessments” means revenue collections resulting from compulsory levies against certain properties to defray part or all of the cost of specific capital improvements or services presumed to be of general benefit to the public and special benefit to the assessed properties that may be imposed when 1) the property assessed will derive a special benefit from the improvement or service provided; and 2) the assessment is fairly and reasonably apportioned among the properties that receive the special benefit.

“State” means the State of Florida.

“State of Florida Uniform Accounting System (UAS) Manual” means rules and regulations mandated by Section 218.33, Florida Statutes to be used as the standard for recording and reporting of financial information to the State of Florida including the UAS Chart of Accounts as a basis for the Budget and accounting systems so that preparation of financial reports will be consistent with other local reporting entities.

“Strategic Plan” means a Board adopted document that establishes the priorities and direction of the County through approved goals and action items.

“Strategic Plan Action Items” means specific deliverables that are developed by staff and approved by the Board as part of the Strategic Plan to support the accomplishment of the Board’s priorities.

“Transfer” means the movement of funds from one Fund to another without the intent of reimbursement.

“Transfers In” means revenues transferred between Funds for reimbursement for goods provided or services performed.

“Transfers Out” means transfers from one Fund group of the reporting entity to another, which are not repayable and do not constitute payment or reimbursement for goods provided or services performed, including payment to Constitutional Officers.

“Truth in Millage (TRIM)” means the State of Florida’s law that is designed to inform taxpayers which governmental entity is responsible for the taxes levied and the amount of tax liability taxpayers owe to each taxing authority.

“Unassigned Fund Balance” means Fund Balance amounts that are the residual classification of the General Fund only and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

“Vehicles” means automobiles designed for transport (car, van, sport utility vehicle or a truck with a manufacturer’s capacity of 1 ton or less) and have a cost of greater than \$100,000.

“Year-End” means the end of the fiscal year.

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