



Board of County  
Commissioners  
Work Session – Budget 101

# Work Session Agenda

- Budget Development
- Budget Management
- Budget by Organization
- Fund Types
- Tax Revenues
- General Fund Revenues and Expenses

# Budget Development Process

Jan 26

Board Strategic Planning Workshop

Feb 4

Board Budget Kick-Off/Direction to Departments in Preparing Their Budgets

Feb 27

Departments Submit Tentative Budgets/Requests to Finance

March 18

Finance Compiles Tentative Budget/Works with Departments and County Manager

Mar 23/24

Board Tentative Budget Workshops

April 15

Tentative Budget Compiled by Finance and Submitted to State (in their format)

May 4/5

Board Budget Hearings

May 18

Board Budget Adoption

June 1

Adopted Budget Filed with State



# Budget Management

# Budget Management

- The Budget is managed in accordance with *State of Nevada Local Government Budget Act* NRS 354.470-626 & NAC 354.400-600
- *Budget* is a plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them
- *Budget Functions* are the mandatory categories of:
  - General Govt., Judicial, Public Safety, Public Works, Sanitation, Health, Welfare, Culture & Recreation, Community Support, Debt Service and Intergovernmental

# Budget Management

- *Department Directors and Elected Officials are Responsible for Managing their Budgets in Compliance with NRS 354.626:*
  - No governing body or member thereof, officer, office, department or agency within the County may, during any fiscal year, expend any money or incur any liability, or enter into any contract which by its terms involves the expenditure of money, *in excess of the amounts appropriated* in the budget for that function, with the exception of bond repayments, medium-term obligation repayments and any other long-term contracts expressly authorized by law.



# Budget Management - Augmentation

- ***Budget Augmentation*** is a procedure for increasing appropriations of a fund with the express intent of employing *previously unbudgeted resources* to carry out the increased appropriations:
  - If resources actually available during a budget period *exceed those estimated*, the budget may be augmented.
  - Budget augmentations to increase the appropriations of a fund when actual resources exceed those budgeted previously *must be approved by a resolution of the governing body* at a regularly scheduled meeting, and become effective upon filing the resolution with the State Dept. of Taxation.

# Budget Management - Augmentation

- *Budget augmentations for Grants-in-Aid, Gifts or Bequests* previously approved by the Governing Body may be approved by Department Directors or Elected Officials designated to administer the budget of that function.
- *Budget Amendments Due to Legislative Action* must be filed with the Dept. of Taxation within 30 days of the adjournment of the legislative session.
- Finance Division presents budget augmentations to the governing body for approval three times annually (capital projects & purchase orders carried forward, adjusted opening fund balance, year end adjustments ), or as necessary.



# Budget Management - Transfers

- *Budget Transfer* is a procedure for transferring budgeted resources within a functions, or between functions, funds or contingency accounts.
- *Budget Transfers Within a Function* may be approved by the Department Director or Elected Official designated to administer the budget of that function upon consultation with the Finance Division.
- *Budget Transfers Between Functions, Funds or Contingency Accounts* must be approved by the Governing Body via resolution, at a regularly scheduled meeting and recorded in the official minutes of the meeting.

# Fund Types

# Fund Types

- A “*Fund*” is a self-balancing set of accounts segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations.
- The County currently accounts for its financial resources in over 100 separate funds, in accordance with Generally Accepted Accounting Principles (GAAP) and the Governmental Accounting Standards Board (GASB).
- Each fund is made up of revenue, expenditure and fund balance accounts, i.e. a separate budget for each fund.



# General Fund

*General Fund* – is the chief operating fund of the County and is used to account for all resources that do not have to be reported in another fund. There can be only one general fund. Budgeted services supported by the

# Special Revenue Funds

**Special Revenue Funds** - are used to account for revenues that are legally restricted or committed to expenditure for a specific purpose.

# Capital Project Funds

**Capital Project Funds** - are used to account for the construction or acquisition of fixed assets, such as buildings, equipment and infrastructure.



# Proprietary Funds

**Enterprise Funds** – are used to account for services provided to the public on a user charge basis, similar to operation of a commercial enterprise.

**Internal Service Funds** – are used to account for internal operations that serve other funds or departments on a cost reimbursement basis.

# Debt Service Funds

**Debt Service Funds** are used to account for resources that are restricted, committed, or assigned to expenditures for the payment of principal and interest on long term debt .

# Fiduciary Funds

**Fiduciary Funds** are used to account for assets held in trust by a government for the benefit of other entities.

Examples:

**Agency Funds:** Are non-budgeted funds, used to account for property tax revenues collected by the County on behalf of other local government taxing entities, and passed through to those entities, including general improvement districts, school district, and other special districts.

**Trust Funds:** Inmates Trust, and Sheriff's Evidence and Forfeiture Trusts.



# Tax Revenues

# Tax Revenue by Type

- Taxes:
  - Property Tax
  - Room Tax
  - Transient Lodging License Tax
  - State Consolidated Taxes
  - Gas Taxes
  - Sales Tax (PALS Tax)
  - Construction Tax