



## FINANCE COMMITTEE

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TO: Sauk County Board of Supervisors  
Department Heads

FROM: Finance Committee

DATE: October 18, 2011

SUBJECT: 2012 Budget – Supervisory Amendments to the Budget

As part of the 2012 Budget development process, individual Supervisors may submit proposed amendments to the Proposed Budget recommended by the Finance Committee. This process enables Supervisors to clearly explain, in writing, what their proposed amendment is and what their intended tax levy impact (increase or decrease) is on the 2012 Budget. Each proposed amendment should be submitted by only one supervisor. Care needs to be taken by each supervisor not to violate the Open Meetings Law through walking quorums, or otherwise.

Attached, for your use, is a copy of the 2012 Budget Supervisor Amendment form. Feel free to make copies of this form if you wish to submit more than one amendment. Please include only one amendment on each form. This form will also be e-mailed to Supervisors and found on Sauk County's web site in Microsoft Word and pdf formats so that you can make your own copies. <http://www.co.sauk.wi.us/accountingpage/2012-budget-process>

The following is a schedule of when and how these Amendment forms will be processed and reviewed:

October 18, 2011	Supervisors receive Amendment forms and instructions.
October 18 to 27, 2011	Supervisors prepare any proposed Amendments to the Recommended Budget and submit them to the Accounting Office no later than noon on October 27, 2011.
<b>October 27, 2011</b>	<b>Amendments are due to the Accounting Office on this date.</b>
October 27 to November 7, 2011	County Administrative Coordinator, Controller and Department Heads review the proposed amendment forms and calculate the fiscal and operational impact of each proposed amendment. Supervisors who submit a proposed amendment may be contacted if further explanation is needed.
November 8, 2011	Finance Committee meets to review the proposed amendments and takes action on a recommendation to the County Board, for each proposed amendment. Finance Committee actions are distributed to all County Board members.
November 15, 2011	County Board meets to consider action on any proposed amendments and then adopts the 2012 Budget.

Why has this form been developed?

The County intends to utilize a formal Supervisory Amendment process in order to allow for a structured and understandable process. In addition, it gives staff and the Finance Committee the opportunity to analyze any proposed amendments so that the County Board can make informed decisions when they meet to adopt the budget. In order to provide the Committee and staff with sufficient time to review proposed amendments, Supervisors are asked to submit their amendments as soon as possible after October 18, but no later than October 27.

Supervisors are reminded that the purpose of this process and the use of the form are to propose financial changes to the budget. They are not intended to be used as a forum for raising policy or procedural issues in the budget. Therefore, non-financial issues should be addressed at the appropriate Committee level and then forwarded to the full County Board for consideration if appropriate.

What are appropriate and inappropriate amendments?

Sauk County's budget proposal was developed using a complex mixture of prioritization; mandate and legal requirement review; and discussion between department managers, oversight committees and the Finance Committee. Further, Wis. Stat. § 65.90 provides for a certain amount of specificity in establishing the budget. Amendments that will be ruled out of order include the following:

1. "I move to amend the budget to provide a levy rate of no more than x."
2. "I move to cut x amount of dollars from the levy."
3. "I move that the budget shall provide for an x percent increase / decrease from last year."

Sauk County Financial Policy 5-94, Fund Balance/Retained Earnings and Contingent Funds Policy, also states that "Sauk County shall not use any fund balances or retained earnings to fund operations. Funding operations with fund balance erodes the County's ability to maintain these operations into the future, as well as diminishes reserves available for emergencies or future planning."

Fund balances or retained earnings may be budgeted to fund the following items:

- a. Nonrecurring or rarely recurring capital outlays to reduce reliance on borrowed funds and future debt service costs.
- b. Nonrecurring startup costs of projects or programs that are expected to provide savings or increase efficiencies in the future.
- c. Prepayment of outstanding debt to generate greater rates of return than refinancing and result in the immediate improvement of many important credit ratios.
- d. Termination costs of ineffective or inefficient programs.
- e. All or part of the contingency fund as described below.
- f. Vacancy and turnover factor. Departmental budgets are developed as if all staff positions will be filled for the entirety of the year. Recognizing that there is always vacancy and turnover, the County will analyze previous years' turnover, outside funding and any other pertinent information. The property tax levy may be reduced by using fund balance to fund this vacancy factor centrally (as opposed to in departments' budget).
- g. Continuing appropriations / carryforward funds as described in Financial Policy 3-96.
- h. Other nonrecurring expenditures which are expected to yield a positive financial return in the future.

Feel free to contact either the Administrative Coordinator or Controller if you have any questions regarding this process.

# Sauk County 2012 Budget Proposed Supervisor Amendment

By Supervisor: \_\_\_\_\_

Amendment #: \_\_\_\_\_  
(Amendment # assigned by staff)

To amend the 2012 Proposed Budget, as recommended by the Finance Committee,  
I Hereby Propose:

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Anticipated service changes (additions and/or reductions):

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I estimate that this proposed amendment would increase / decrease (circle one) the tax levy  
by \$\_\_\_\_\_

Department	Program Area Description	Expenditure Increase or (Decrease)	Revenue Increase or (Decrease)	Other Sources Increase or (Decrease)	Net Tax Levy Increase or (Decrease)
<b>Total for Amendment</b>					