

RESOLUTION
OF
THE BOARD OF OURAY COUNTY COMMISSIONERS

Re: Ouray County Budget Policy

Whereas, the Board of County Commissioners of Ouray County, Colorado, have determined that consistent budget procedures should be followed by all Ouray County elected officials, department heads, and staff during the annual budget process; and

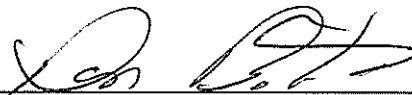
Whereas, the Board seeks to assure itself and the public of maximum efficiencies through responsible financial management; and

Whereas, the Board believes that the Ouray County Budget Policy will set forth procedures that will improve the budget process and ensure financial accountability for the future.

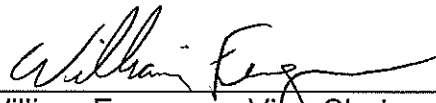
Now, Therefore, Be It Resolved, by the Board of County Commissioners of Ouray County, Colorado that the Ouray County Budget Policy is hereby amended and shall be followed by all county elected officials, department heads, and staff except as may be otherwise provided by statute or determined by the Board through formal action.

Adopted this 7th day of July, 2003.

BOARD OF COUNTY COMMISSIONERS
OF OURAY COUNTY, COLORADO





Don Batchelder, Chairman



William Ferguson, Vice-Chairman

ATTEST:


Michelle Olin,
Clerk and Recorder

By: 
Shelli Banks,
Deputy Clerk of the Board


Tom Hollenbeck, Commissioner Member

Ouray County Budget Policy

Ouray County adheres to the provisions of the Local Government Budget Law as set forth in Colorado Revised Statutes 29-1-101 et seq. Such law requires all local governments to prepare, adopt and file an annual budget in accordance with statutory deadlines (*as outlined in the Budget Schedule prepared annually*).

The adopted budget shall include:

- **Written budget message:** The budget message describes the important features of the proposed budget
- **Balanced budget:** Expenditures cannot exceed total available revenues, and the amount of beginning fund balances specifically authorized by the Board of County Commissioners be considered as available revenue in the years after beginning fund balance is quantified
- **Budget information for three years:**
- **Detailed breakdown of revenues and expenditures:**
- **Beginning and ending fund balances:**

A Citizens Budget Advisory Committee is appointed by the Board of County Commissioners to provide input regarding the budget and its related processes. The Ouray County budget is created annually based upon statutory requirements, and short and long term goals established by the Board of County Commissioners and Staff with review and input from the Citizens Budget Advisory Committee.

Annual Budget Procedure

The Annual budget process begins in July or early August with the distribution of budget packets to Elected Officials and Department Heads. The budget packets include:

- Budget guidelines for the upcoming budget to be determined by anticipated revenues and Board of County Commissioner policy,
- Previous year's actual expenditures and revenues,
- Capital budget/employee request and justification forms, and
- Requests for departmental goals and prior year accomplishments.

Departmental budgets are returned to the County Administrator within a three to four week time frame.

The County Administrator/Budget Officer prepares the proposed budget for presentation to the Board of County Commissioners and Citizen's Budget Advisory Committee on or before October 15. Initial budget presentation is followed by meetings with the Board of County Commissioners and individual departments.

Late in November or the early part of December, the County Administrator/Budget Officer finalizes a balanced budget pursuant to Board direction. Early in December, prior to certification of mill levies, the budget is adopted, and funding is appropriated by formal resolutions of the Board.

The County Administrator/Budget Officer prepares the published budget document by January 31st of the budget year. A copy of the bound budget must be submitted to the Department of Local Government by January 31st of each year. The budget document comprehensively covers the financial plan for the year and serves as an operational tool. The budget document provides fiscal information for the past three years, as well as a description of each department's goals and prior year's accomplishments. It contains summaries and detailed fund budgets including a capital budget section.

Budget supplements that will increase a fund's adopted budget, such as to expend unanticipated revenues or to transfer appropriated monies to another fund require Board approval by resolution at a noticed public meeting. Informal budget amendments are generally submitted for Board approval at the end of each quarter with an annual Supplemental Budget Appropriations Resolution considered at year-end at a noticed public meeting. All annual appropriations lapse at the end of each fiscal year.

Financial/Budget Management

Ouray County's Budget Policy is designed to:

- Promote sound financial Management
- Provide services while minimizing the cost of government
- Comply with State Law
- Provide accurate and timely financial reports
- Promote healthy reserves

Ouray County's Budget Policy consists of the following components:

- **Operating Budget:** Each department within a specific fund (General Fund, Road and Bridge Fund, and Social Services Fund) has an operating budget, which is prepared and adopted for a one year period.
 - Operating budgets will be consistent with departmental and commissioner goals.



- Tangible items having a value between \$500 and \$4,999 must be included in the individual departmental operating budgets. An Operating Budget Request Form is required and must be completed and submitted along with the departmental budget justifying the request.
 - The County will make every effort to compensate employees at levels comparable to public and appropriate private sector entities in similar communities.
 - One-time revenues included beginning fund balance will not be used to finance operational budgets unless otherwise approved by the Board of County Commissioners.
 - Reserves will be subtracted from ending fund balance prior to these funds being considered as beginning fund balance.
- **Capital Budget:**
 - Capital budget items are equipment/projects which cost \$5,000 or more and have a life expectancy of at least five years. Capital items having a value of \$5,000 or more shall be inventoried pursuant to the authority set forth in C.R.S. 29-1-506. This policy has been established in order to meet the GASB 34 guidelines, which may make tracking of capital items at a lower level too costly.
 - Capital budget items with a value of \$5,000 or more may be considered for inclusion in the various Capital Budget sections (i.e. 195, 295, 395, 495, 595, and 895). A Capital Budget Request Form is required and must be completed and submitted along with the departmental budget justifying the request.
 - The County will carefully maintain and replace County-owned assets in order to preserve their value and functionality.
 - One-time revenues may be utilized to support capital expenditures as approved by the Board of County Commissioners.
 - **Reserves:** Reserves are established as required by law. Additional reserves are established as deemed appropriate by the Board of County Commissioners. Ending fund balance from each fund becomes beginning fund balance for the next budget year. Such balances may be allocated towards reserves as determined by the Board of County Commissioners.



- **TABOR Emergency Reserves:** The County maintains emergency reserves of no less than 3% of fiscal year spending pursuant to Article X, Section 20 of the Colorado Constitution.
- **General Fund Reserves:** Allocated reserves have been established for General Fund as follows:
 - **Emergency Reserves:** Designated reserves have been allocated for General Fund emergencies in an amount equal to four months operating.
 - **Dedicated Funds/Reserves:** Includes dollars for the following funds: Conservation Trust, Fairgrounds Fundraising, and Special Grant Administration
 - **Capital Reserves:** Dollars have been allocated for items such as Building Acquisition, Construction and Renovation; Building Repair; Disasters, General Liability, Miscellaneous, Office Equipment, Office Furnishings, Records Retention and Storage, and Vehicles
- **Road and Bridge Reserves:** Allocated reserves have been established for Road and Bridge as follows:
 - **Emergency Reserves:** Designated reserves have been allocated for the Road and Bridge Fund emergencies in an amount equal to three months operating.
 - **Dedicated Funds/Reserves:** Includes dollars for the following funds: Road and Bridge Trust, Road and Bridge paving Maintenance Reserve, and Road and Bridge Impact Fees
 - **Capital Reserves:** Allocated dollars will be determined for Road and Bridge Capital Reserves through the Road Committee Process and upon final approval by the Board of County Commissioners.

**Ouray County
Capital Budget Request Form
(\$5,000 or more)**

Department: _____

Budget Year: 2004

Request: _____

Description/Justification: _____

Proposed Source of Funding to offset expense:

General Fund

Other

_____ Explain

Road and Bridge Fund

Additional Comments: _____

Elected Official/Department Head Signature

Date