
Frequently Asked Questions About Budgeting

*Reference: Wisconsin Statutes Chapters 59, 65, 66 and 67, and Chapter 30,
Walworth County Code of Ordinances*

Last Update: May 17, 2006

How is the budget prepared?

Pursuant to State Law, the County Administrator is required to submit an annual budget to the County Board. Sec. 59.18(5) Wis. Stats. This normally occurs in early September of the year preceding the applicable budget year. The budget process, however, actually begins long before that time. In February or March, the finance committee normally establishes budget guidance to be followed by the County Administrator in preparing the first draft of the budget, known as the “administrator’s budget.” The purpose of this guidance is to ensure that the administrator’s budget achieves the financial goals of the County Board. Over the next five months or so, the departments put together their spending requests for the upcoming year. In August, the County Administrator meets with each department head to discuss these requests in detail. The administrator then forwards his budget to the full board. If board members disagree with any portion of the budget, they bring their appeals to the attention of the public works, human resources or finance committee, depending upon the nature of the spending request. The human resources and public works committees make their recommendations to the finance committee, which then approves a “preliminary budget.” A public hearing is held on the preliminary budget, which usually occurs in late October. Then, in early November, the County Board considers any amendments to the preliminary budget and adopts the Board’s annual budget.

Why are super-majority votes sometimes needed to pass certain budget actions?

State statutes and, in some cases, our own ordinances occasionally require a super-majority vote in order to authorize certain budgetary actions. A majority vote of the County Board is needed to pass the annual budget. A two-thirds vote of the entire membership of the County Board is required to transfer money out of the County’s contingency fund. 30-35(b) Walworth County Code. A three-quarters vote of the members-elect of the Board is required to issue bonds or promissory notes. Sec. 67.045 Wis. Stats.

Who is responsible for ensuring that the budget is followed?

First, and foremost, department heads are responsible to ensure that spending does not exceed levels authorized by the County Board, as adopted in the annual budget. While a number of checks have been built into the system in recent years, there is no substitute for careful budget monitoring at the department level. A department may exceed its authorized budget

appropriation through no fault of its own. In many instances, the County is mandated to provide certain services, and we have no control over how many individuals may require those services in any year. What is important, however, is that department heads identify potential budget shortfalls as early as possible so the Board can determine how to resolve the situation. In some cases, the county may choose to transfer funds from the contingency fund to cover the shortfall. The Board may choose to reduce spending in some other area of the budget. For this reason, it is stressed to department heads to identify and bring budget issues to the attention of the County Board as soon as they are known.

How is the budget amended?

From time to time, it may be necessary to amend an adopted budget. This can be caused by a variety of factors, including expenses or revenues that were greater or less than expected. County ordinances and state laws determine the level of authority needed to authorize a budget transfer. In general, as the amount of money being transferred increases, a higher level of approving authority is required. The following is a summary of budget transfer authority:

<i>Level</i>	<i>Description</i>	<i>Authority</i>
1	\$2,000 or less for any single purpose between line item accounts within a county department; excluding wage, benefit and capital accounts	Department Head
2	Greater than \$2,000, and not exceeding \$25,000, within a county department, for any single purpose, and/or any transfer to/from wage, benefit and capital accounts	Department Head and Administrator
3	Greater than \$25,000 between line item accounts within a county department; any amount between county departments	Department Head, Administrator and Finance Committee
4	Exceeding 10% in the aggregate of funds originally provided for such office or department; exceeding the amount included in the Contingency Fund; coming from the Contingency Fund; coming from the undesignated General Fund balance	Department Head, Administrator, Finance Committee and County Board