REBUDGET PROCESS

Purpose of Rebudgeted Dollars

Since local governments operate with a continual flow of service provision and capital construction, many approved and budgeted projects/items cross over the startup and ending dates of fiscal years. How to handle this budget anomaly is a source of difficulty for all local governments, especially when large capital improvement programs are involved. Seminole County, over the past five years, has changed the rebudget process twice in an attempt to provide the best information possible to the Board and to citizens. Following is a description of the processes.

Request Process

Fiscal Services coordinates the rebudget process. A department may request to rebudget dollars for:

- An ongoing capital improvement project which has BCC approval and is not complete by year-end.
- Capital equipment that has been ordered by mid-August but is not likely to be received by year-end.
- Operating dollars that have been encumbered by mid-August through a specific purchase order, work order, or contract for a purchase that is "one-time" in nature. The goods or services are not anticipated to be delivered or complete by year-end.
- Any Requests for Proposals (RFPs) in progress.

Fiscal Services reviews each rebudget request to ensure that the request meets one of the above criteria.

Historical Process

- Through FY 95/96, rebudgeted dollars were added to the annual budget at the second public hearing.
- The rebudget amendment was not publicly advertised since the annual budget was not yet approved.
- Budget development compared newly requested annual dollars to prior year annual plus rebudgeted dollars, which distorted percentage changes.
- Rebudgeted amounts were estimates.

In FY 96/97, the rebudget process was changed to take place the first quarter of the new fiscal year.

- The rebudget amendment was publicly advertised.
- Rebudget amounts were actual, since year-end figures were known.
- Budget for rebudgeted projects may not have been adequate prior to the rebudget amendment, which made bill payment problematic for County Finance. County Finance requested that we readdress the timing of the rebudget process.

In FY 2000/01, the process was again adjusted. We now hold a public hearing for the rebudget amendment in October.

- The budget is in place early enough to facilitate bill payment.
- The rebudget amendment is publicly advertised.
- The rebudget amounts are estimates and are reconciled in the second quarter of the new fiscal year, based on year-end results.