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UAN BUDGET

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Agenda



- Budget Training Resources
- Preview Budget Module
- Budgeting Process
- Q & A



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Resources

- Review Budget training materials online:
 - Go to uanlink.ohioauditor.gov
 - Click Training
 - Click Training Materials



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Resources

- View online recordings of Budget training:
 - Go to uanlink.ohioauditor.gov
 - Click Training
 - Click On Line Training Recordings
 - Click Budget

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Budget Highlights

- Revenues, Expenditures, and Other transactions are separated by tabs (1-3)
- Account code level detail is included without double-clicking
- Display – By Program (groups by program)
- Display – By Object Group (groups by object)
- All report types include options to list account code detail, % change columns, & footnotes

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Budget Highlights (CONTINUED)

- The following key year end balances are always viewable on the worksheet form:
 - Unencumbered Undesignated 12/31
 - Fund Balance 12/31
- Accounting budget changes will be detected in Budget software when editing previously recorded financial worksheets
 - Budget software prompts you with option to import all, selected, or none of the listed changes

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Budgeting Process

- Someone has to figure out what it will cost to operate next year
- **NO ESCAPE!**



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Budget Deadlines

- File with the County Auditor
- Meeting dates to review/work on budget
- Date of budget hearing
- Publication of the notice of budget hearing
 - Must be 10 days prior to the budget hearing

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Timeline Official and Amended Certificate



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Funds

Project beginning next year requiring a new fund!

Finalizing project this year – won't require budget next year!

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Resources Available

Current Year	Budget Year
+ Adjusted fund balance	+ Estimated prior year end fund balance
+ <u>Estimated revenue</u>	+ <u>Estimated revenue</u>
= Resources available	= Resources available

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Estimated Year End Balance

12/31 Adjusted Fund balance

+ Revenue Budgets

- Appropriations

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Revenue Estimates

- Accurate revenue estimates in the current and budget year are crucial
- Look back on three years of revenue reports
- Consider economy then and now
- Consider charge or rate changes
- If current year revenue estimates are wrong they should be corrected first

Correcting Current Year Revenue Estimates

- Request an Amended Certificate **and**
- Enter Supplemental Revenue Budgets in UAN
 - May need to reduce appropriations (legislated) before reducing revenue budgets
- Budget software prompts to import Accounting budget changes by all, selected, or none

Enter Revenue Estimates

- Enter the estimated revenue into your UAN budget program at the revenue account code level in the budget year column
- You will only have access to **active** accounting revenue accounts
 - Inactive accounts cannot be edited

Current Year Appropriations

- If 100% of resources are appropriated this year, the estimated year end fund balance will be zero
- Is there a large amount of current year appropriations that won't be spent?
- Be careful! Appropriations may be spent!

Appropriation Accounts

- You should activate accounts for spending in detail:
 - Salary & Benefits
 - Contracted Service – Services provided
 - Operating Supplies – Supplies needed
 - Debt – Principal and interest
 - Capital Outlay – New Items or Projects

Fixed Costs

- Gross wages
- Employer share Retirement & Medicare
- Health & other insurance benefits
- Contractual services – Services/Utilities
- Operating supplies – fuel, gravel, paper
- Debt – principal and interest

Payroll

- Employee changes?
- Pay scale?
- No pay scale – provide figures to determine if raises are affordable
- Budget estimated overtime based on past years/policies

Benefits

- Review insurance benefits
 - Contract renewal date?
 - Rate increases?
- Budget costs based on rate projection estimates



Contractual

- Utilities
- Cemetery – Grave Digging
- Fire – Inspections
- Water – Sample Testing
- Vehicle Maintenance & Repair
- Training Costs

Operating Supplies

- Gasoline for vehicles & mowing
- Salt for roads
- Gravel
- Chlorine and other chemicals
- Office supplies
- Cleaning supplies

Debt Payments

- Debt should be budgeted with the Principal and Interest account codes
- More than one debt can be paid from the same account codes in a fund
- Use amortization schedules to budget annual payments

Transfers Between Funds

- When legislated for ongoing purposes such as a source of revenue for debt payments
- Transfer Out: budgeted in sending fund
- Transfer In: budgeted in receiving fund
- **Budgeting doesn't supersede the need for legislation authorizing the transfer**

Advances

- Advances aren't current year budgeted items, but you can **plan** them in the budget
 - **Budgeting doesn't supersede the need for legislation authorizing the advance**
- Advances should be repaid in the same calendar year, therefore:
 - Advance Out: budget both funds
 - Advance In: budget both funds

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Enter Fixed Costs

- Enter fixed costs figures into the Budget software
- Review the estimated ending fund balance
- Continue budgeting if a balance is available



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Fluctuating Costs

- There will always be unforeseen expenses in the contracted service and supply categories
- Add your best guess estimates to these accounts

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Capital Outlay

- If you still have an available balance the Board can plan Capital Outlay:
 - Replace equipment
 - Repair buildings
 - Upgrade parks
 - Matching moneys for grants

Not Enough Money!

- Entered fixed costs and you have a negative ending fund balance, consider:
 - A. Appropriated 100% of resources available but will only spend 75%.
 - Will carryover more money than the budget indicates

Excessive C/Y Appropriations

Contact your county auditor to determine which method the budget commission would like you to use on your budget:

1. Footnote where any additional carryover balance will be appropriated, but only budget up to resources available, **or** . . .

Excessive C/Y Appropriations

- 2. Board legislated reductions in current year appropriations, increasing the estimated year end fund balance
 - This will ensure the money isn't spent this year and will carryover to the new year
- 3. Budget the full amount needed even if it leaves a negative fund balance

Not Enough Money!

- Entered fixed costs and you have a negative ending fund balance, consider:
 - B. Revenue decreased, costs increased and barely have enough money to operate in the current year and will have even less to operate in the budget year

Not Enough Money!

Spending needs to be reduced
(current year and budget year)
and
Revenue needs to be increased!

Reduce Fixed Costs

- Review fixed costs: Eliminate unnecessary services and supplies
- Negotiate better prices for services or supplies
- Purchase items at the best price

Increase Actual Revenue

- Review sources of revenue such as park/room rental and cemetery fees
- Compare to other entities charging for like services – are your prices too low?
- Review your Water and Sewer rates – are rates sufficient to support operation and maintenance

Schedules A & B

- Schedule A: Property Tax
- Schedule B: Levies outside 10 Mill limitation, exclusive of debt levies

Statement Of Permanent Improvements

- List all capital projects by name, paying fund and amount.



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Statement Of Amounts Required For Payment Of Final Judgments

- List all amounts budgeted that are required for payment of Final Judgments.
- These amounts would be the result of a lawsuit or settlement of a claim against your entity.



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Statement Of Debt

- Date Issued, Due Date, Rate of Interest
- Outstanding amount Jan 1st
- Principal and Interest to be paid in budget year
- Amount of revenue to pay the debt that is not from taxes
- Amount of revenue to pay debt from taxes



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Certificate Of The County Budget Commission

- Official Certificate of Estimated Resources, usually completed by the budget commission and returned to you
- Temporary and Permanent appropriations in the new year are limited by this document until the first Amended Official Certificate is issued

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County Auditor's Estimate

- Complete top for County, Budget of "Your Entity Name"
- County Auditor's office generally completes this form to certify the tax valuation and the levy information

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