

FY23 County Extension Budget Procedures

Introduction

The annual process for preparing a county budget requires attention to detail to create a planning document for the next fiscal year. Many individuals in each county have a role in successfully completing the process. The county extension staff, regional director, program specialists and the county extension council are key players in developing the budget. In depth and timely communications are needed to ensure an efficient and effective financial plan is developed.

Deadline and Legal Definition

March 15 is the established deadline by Iowa law when final budget forms must be filed with the county auditor. These procedures will help councils and extension staff through the entire budgeting process in conjunction with [Iowa Department of Management \(IDOM\) instructions](#).

Extension Districts are legally defined as subdivisions of state government and are under the budgetary management of IDOM. IDOM provides a centralized database and website application that directs counties to prepare and certify budgets and submit other financial reports online. The goal is to make state, county and local budgets and annual financial reports information easily available to all citizens in a timely manner.

- Iowa Department of Management website: www.dom.state.ia.us
- Ag Extension Districts: found under Other Authorities.

Budget Development Process Staff

- Regional directors
- County extension staff
- Program specialists
- County extension councils
- County Services accountants

Potential Property Valuation Changes, January or February

Occasionally, property valuations change in the middle of the budgeting process in January and February. Those with IDOM access will receive an automatic message, and sometimes the county auditor's office will also notify the office. When valuation change happens, follow the IDOM instructions and contact the County Services accountants if you have questions.

Getting Ready Checklist

_____ **Begin your process by reading these entire procedures.** Use these procedures as a check list and mark the blank line before the action item to indicate completed.

Regional directors: Please make these procedures available to all staff and interested council members. You may wish to circulate this in county offices and file it in official FY23 permanent financial book for anyone to access throughout the year.

_____ **GP Budget Planner – FY23 Management Reporter.** Your regional director and bookkeeper will create the GP budget planner worksheet from the R: Drive and work through the process. These worksheets should be pulled by November 30.

There are couple items to mention:

1. The budget sheet now has three years of actual data to help long-term planning.
2. There is a feature that gives a unique accounting number identifier for each employee. This will allow for line item budgeting and tracking on reports.

_____ The majority of your budget detail planning will take place on the Budget Planning Worksheet so you can compare next year's planned income and expenses with the actuals of the past years. Look closely at each line of expenditures and income on the monthly Detailed Revenue & Expense report and alter next year's budget accordingly.

_____ Your regional director has access to the online IDOM database for your county. Ask your regional director:

1. Who in your county extension office has been given access to the IDOM instructions?
2. Who will be responsible for inputting data into the official forms?

_____ **Read the IDOM instructions**

NOTE: the OFFICIAL instructions are only kept on the IDOM secure website, and accessible only to approved staff who are required to log in to view.

_____ Contact program specialists, county extension educators/associate extension educators, and 4-H staff or any staff who may have significant impact on county budgets. This is an important conversation. Some handle programs that generate significant amounts of fee revenue with offsetting expenses. Others are very involved in developing and administering grants and contracts.

NOW is a great time to contact them about how their program efforts might affect the FY23 county budgets.

Iowa Department of Management Budget Instructions

The FY23 official county extension budgets are on Iowa Department of Management (IDOM).

This is used for all three potential funds:

- County Agricultural Extension Education Fund
- Unemployment Compensation Fund
- Tort Liability Fund

After logging into the IDOM website, follow their instructions to the entry process for the Extension District Budget. Please follow the instructions below to assist in navigating the new platform and system.

1. Select the county you are entering for the working budget.
2. Select the Revenue tab to enter all the revenue for the Extension District.
3. **REVENUES:** Repeat for **Actual FY21, Re-estimated FY22, Budget FY23.**
 - **Property Taxes Levied (line 1):** This will equal the total in category “Current Tax”.
 - Other Taxes:
 - **Utility Tax Replacement Excise Tax (line 2):** Tax from the actual line amounts and the information from your tax levy calculations.
 - **Other Taxes (line 3):** Total of the other taxes listed under the Property Tax Section.

Property Tax & Other Taxes:	
4001-0-0-000-000-1	Current Tax
4002-0-0-000-000-1	Ag Land Credit
4003-0-0-000-000-1	Disabled Veterans Homestead Credit
4004-0-0-000-000-1	Elderly & Disabled Credit
4005-0-0-000-000-1	Family Farm Credit
4006-0-0-000-000-1	Homestead Credit
4008-0-0-000-000-1	Business & Property Tax Credit
4051-0-0-000-000-1	Delinquent Taxes
4052-0-0-000-000-1	Grain Handled Taxes
4053-0-0-000-000-1	Military Service Mobile Home Replacement
4054-0-0-000-000-1	Mobile Home Taxes
4055-0-0-000-000-1	Utility Replacement Excise Taxes
4056-0-0-000-000-1	Mobile Home Elderly Replacement
4057-0-0-000-000-1	Commercial & Industrial Replacement
	Total Property Tax & Other Taxes

- Other Non-Tax Revenues:
 - Interest/Rental/Lease Income (line 5): This is a total from each line item combined.
- Program Fees (line 6): This is taken from the totals in the summary section towards the end of the budget worksheet.

Summary by Carryover Funds						
Tax Income	226,865.32	232,062.71	247,605.43	254,210.00	.	.
Tax Expense	233,028.78	236,540.02	236,988.10	265,368.00	.	.
Net Tax Cash Income or (Loss)	(6,163.46)	(4,477.31)	10,617.33	(11,158.00)	.	.
Program Fee Income	94,949.28	88,297.51	89,051.68	128,341.00	.	.
Program Fee Expense	89,625.02	81,837.87	77,809.54	113,809.00	.	.
Net Program Fee Cash Income or (Loss)	5,324.26	6,459.64	11,242.14	14,532.00	.	.
Grant Income	2,382.00	3,525.00	5,220.41	10,800.00	.	.
Grant Expense	2,188.41	4,434.91	4,116.88	10,400.00	.	.
Net Grant Cash Income or (Loss)	193.59	(909.91)	1,103.53	400.00	.	.

- Resale Materials/Goods (line 7): Resale of Materials & Goods total.
- Contracts and Grants (line 8): Taken from summary total at back of page.

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- Contributions (line 9): Additional contributions as listed on the budget planning worksheet.
- Other Non-Tax Revenue and Replacements (line 10): This is the same as the total on this section.
- Beginning Fund Balance (line 13): Enter the 2020 actual beginning balance. The rest will automatically calculate for the following years. Double check the balances match the budget planning spreadsheet. If they do not, you probably have an error in your entry in the IDOM entry.

4. EXPENDITURES: Repeat for **Actual FY21, Re-estimated FY22, Budget FY23**

- Program Expenditures (lines 1-4): There are three categories of expenditures to be broken out by program area and then combined. The three categories are:
 1. Program Fee Expenditures
 2. Grants & Contracts Expenditures
 3. Non-Fee Program Expenditures (this is out of the tax sub-fund)

Find the totals for these lines at the back of the budget planning spreadsheet titled "Total Program Expenditures." **Agriculture and Natural Resources**, **Community and Economic Development**, and **Human Sciences** should all be the amount in the line. Youth Development will be a combination of **Youth & 4-H Programs**, **Youth Development and 4-H Club** all three categories listed above.

TOTAL PROGRAM EXPENDITURES (Non-Fee Project Activity, Program Fee, and Grant/Contract)						
Subtotal: Agricultural & Natural Resources Programs	42,409.12	34,895.51	35,612.21	53,355.00	.	.
Subtotal: Community Economic Development Programs	3,300.39	2,447.08	701.96	450.00	.	.
Subtotal: Human Sciences Programs	1.40	380.93	2,073.94	450.00	.	.
Subtotal: Youth & 4-H Programs	50,882.40	50,984.27	39,894.24	47,804.00	.	.
Subtotal: Youth Development Programs	2,638.30	2,318.52	783.18	650.00	.	.
Subtotal: 4-H Clubs	0.00	0.00	4,013.96	22,500.00	.	.

- General Expenditures (from the budget planning worksheet):
 - Personnel (line 5): This is the combined total for Salary & Wages and Professional Contracted Services, should be one amount.
 - Benefits (line 6): This is the benefits total.
 - Travel reimbursements (line 7): This is the travel total.
 - Professional Development (line 8): This is the Professional Development total (staff and councils).
 - Facility Rent/Mortgage/Utility/Repairs (line 9): This is the facility category total.
 - Office Operations/Communications (line 10): This is the total of all other categories listed below.

Telecommunications	Meeting Expenses
Postage	Equipment
Supplies	Bank Charges/Fees & Interest
Printing/Duplication	Membership Dues & Subscriptions
Marketing	

- Legal Insurance/Background Screening (line 11): This is the combined total of the following categories:

- Employment Advertising/Legal Notices
- **Background Screening
- **Insurance/Bonds

*****If you are using Tort Liability to offset the Liability Insurances and Background Screening, do not include these expenses. They will be included in the Tort Budgeted Expenditures.***

- Shared Support Services (line 12): The total for Shared Support Services Fees is 2.7% of max tax ask. Regional Director Cost Share Fee for Models 1 and 3 is 1% of the maximum tax asking. Regional Director Cost Share Fee for Model 2 counties is 80% of regional director salary, benefits and travel.
- Resale Materials & Goods Purchased (line 13): This is the total of the Resale Materials & Goods Purchased category.
- Other General Expenditures (line 14): This is the total of "Other" expenditures.

Council Approval Process Timeline and Steps Checklist

_____ The council secretary completes the necessary information on the notice form. Staff may prepare this form ahead of time if there is reasonable expectation of budget approval. No signature is required on this form to be published in the newspaper.

_____ At the council meeting, the council approves the **budget estimate** and **directs the publication of the budget hearing notice** by motion. The following motion(s) can be used and recorded in the minutes:

“ _____ moved that the FY23 Extension Education Operating Budget estimate be approved for \$ _____ in expenditures with a total tax request of \$ _____, with \$ _____ from property tax and \$ _____ from utility excise tax, and that the council secretary or designee be directed to officially publish the FY23 Budget Public Hearing for (date), at (time) at (place), in (address, city, zip). Motion seconded by _____. Motion carried by a vote of ___ to ____.”

If unanimous, write “motion passed unanimously.” However, if there are any “no” votes or “abstains”, list the names of council members voting yes, the names of those voting no, and the names of those abstaining.

NOTE: The amount for expenditures comes from IDOM Form **Adopted Budget and Certification Taxes**, Column C by Row 1. The amount for total tax request comes from Column AW by Row 1, with property tax in Column EW and utility excise tax in Column FW.

NOTE: If your county levies and/or plans to expend funds for either the Unemployment Compensation Fund and/or the Tort Liability fund, additional motions will be needed. The information comes from Rows 2 and 3 respectively on form **Adopted Budget and Certification Taxes** using the same detail procedure as above.

NOTE: All three funds are covered by publishing one IDOM Form.

_____ **Notice of Public Hearing** – Go into IDOM and click “Propose/Publish” budget. This action will provide you with the public notice meeting information, Notice of Public Hearing.

_____ Following the council meeting, file the original **Notice of Public Hearing** with the FY23 fiscal book or FY23 budget/fiscal files, depending upon office filing procedures.

_____ Send one copy **Notice of Public Hearing and Adopted Budget Summary** to your regional director for review **prior to sending it to an *official newspaper for publication.**

*Official newspapers are approved by the council each January during the organizational meeting.

_____ **Newspaper Publication Checklist:**

___ **The Notice of Public Hearing** is to be published in **ONE** newspaper of general circulation in your county **not less than 10 nor more than 20 calendar days before the date set for the hearing**. Do not include the day of the hearing in your calculation. (A good practice is to think not less than 12 nor more than 18 days. Carefully follow IDOM instructions on this step.)

___ Call the newspaper to find out publication deadlines **one month in advance** and allow extra days for contingency. Note the deadline here: _____

___ Send email to the newspaper:

- Attached Notice of Public hearing form.
- State the specific publication date need.
- **Request two copies of the newspaper publication with affidavits of publication signed by the publisher** and what date you need to have these copies back to you.
 - File one copy with the county auditor along with Adopted Budget and Certification Taxes
 - File the other with the FY23 budget book/file in your office.

___ Call the newspaper two days before their publishing deadline to ensure they have the form, and what specific date it will be published. **Do not leave this step to chance without firm receipt and acknowledgement.**

_____ Conduct the **public hearing** at an **extension council meeting**; ideally in **February** and absolutely **before March 15**.

- The hearing needs to begin at the time stated in the Notice of Public Hearing.
- The required quorum is a majority of the council (five members or more).
- The hearing may be conducted as a part of the regular monthly meeting rather than as a separate meeting. Regular council business may be conducted before and/or after the hearing. Technically, the regular meeting should be recessed, the budget hearing opened, the budget hearing closed, and the regular meeting resumed. You may also begin the meeting with the public hearing at the appointed time. The proposed meeting minutes below reflect this series of actions.
- The purpose of the hearing is to provide an opportunity for citizens to comment on the budget. Details become important. Any citizen who attends the meeting and comments must share their name and address. Their comments need to be accurately recorded in the minutes. Do not start a public hearing before the posted time.
- Any budget figure may be changed following the hearing; however, neither the amount of the total expenditures nor the amount of the tax request can exceed the amounts published in the hearing notice. These figures can only be reduced.

Proposed Agenda and Script Public Hearing portion of Council Meeting

- A. Open council meeting. (Or you may start with D, and open council meeting afterwards). Do NOT start a public hearing before the published time.
- B. Business as usual conducted.
- C. Motion to recess regular council meeting at or after the time designated in published hearing notice.
- D. Suggested public hearing script:

Chair: "This is the time and place set for a public hearing on the Iowa State University Extension and Outreach in _____ County, Extension Education Operating budget (plus Tort and/or Unemployment budget)."

Chair: "The notice of the public hearing did appear in the newspaper on _____ as required by law."

Chair: "Are there any objections or comments concerning the budget?"

1. If comments have been received by the extension office, staff and/or council members ahead of this hearing, it is appropriate to share these now. Likewise, if no comments have been received, note that in the minutes.
2. If comments are received, they need to be accurately recorded in the minutes with the person's name and address.
3. If no one asks to speak, the chair instructs the secretary to note that fact in the minutes.

Chair requests a motion to close the public hearing. "I move to close this public hearing." Motion seconded, and the vote completely recorded.

- E. Chair reopens recessed meeting ---or ---- opens the regular meeting.

Make sure "budget approval" is on the regular agenda. Chair requests a motion to approve budget request(s).

" _____ move that the FY 2023 Extension Education Operating Budget be approved for \$ _____ in expenditures with a total tax request of \$ _____, with \$ _____ from property tax and \$ _____ from utility excise tax. Motion seconded by _____. Motion carried by a vote of ___ to ____." With this motion, it is a good practice to list individually all council members' votes, whether yes, no, or abstain.

Separate motions may be made and approved using same format as above if your county levies for Unemployment Compensation and/or Tort Liability – OR – they may be made as part of the overall motion with details listed for each fund.

- F. **Proceed with other items on the agenda.**

- _____ **Check adopted box on IDOM - Adopted Budget and Certification Taxes.**
Following the hearing, the secretary needs to see that the necessary information is included on the IDOM - Adopted Budget and Certification, which included checking the box that the budget has been approved. **Do not do this ahead of the public meeting approval in the database, as any changes may cause you to start the process over.**

- _____ Obtain council secretary signature on the adopted budget.

Distribution of Completed IDOM Forms:

- _____ Two copies of IDOM - Adopted Budget and Certification; and one copy each of Notice of Public Hearing and Affidavit of Publication delivered to the county auditor **on or prior to March 15.** *(Note: The Affidavit for Publication may not be received until after March 15. Please file other documents on or before March 15 and file the affidavit as soon as it is received from the newspaper.)*

- _____ One copy of IDOM - Adopted Budget and Certification, Notice of Public Hearing, and documentation of the Education Fund Revenue/Expense entries to your regional director.

- _____ Original IDOM - Adopted Budget and Certification, Notice of Public Hearing, printed copies of the Education Fund Revenue/Expense entries, Affidavit of Publication filed with the FY23 budget book/file.

Addendum

Best Practices and Ideas

Beyond the budget procedures, there are several best practices and tools to help counties in budget preparations.

1. Begin your budgeting in November. Some counties may begin budget decisions earlier so they can incorporate new innovative and regional programming ideas.
2. Consider specific program budgeting that will help your staff, your bookkeeper, and your council monitor specific programming through the year.
3. Please allow plenty of time to allow for publishing, holding public hearings, and contingency for poor weather. Most counties will approve a work budget and direct official publishing in their January meeting for a February public hearing.
4. A best practice is to have the budget published 12 – 18 days before the hearing. Why? If the newspaper does not get the notice published, you will catch when the newspaper comes out. Then you'll have time to get it in the paper without calling a special council meeting to set the hearing date again, which would back up the whole process.
5. The right column of the budget worksheet is used for notes and showing calculations. The notes can easily be inserted in the lines adjacent to the figures and copied and pasted into future year's budget worksheet. Information such as lease terms, lease maturity, copier summary costs, staff data, and so forth can be summarized here.
6. Remember that expenditure budgets can be amended as described in the IDOM instructions. However, the maximum tax asking for a year cannot be changed once the budget has been published and approved.
7. Check and double check all your figures. It is a good practice to have more than one person review forms thoroughly, i.e., look back on last year's official budget to correct beginning balances, etc. **Always** show your calculations.