



Adopted Operating and Capital Budget FY 2010

Budget Amendment Process and Budget
Calendar

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ADOPTED CAPITAL AND OPERATING BUDGET FY 2010
AMENDMENT PROCEDURES

AMENDMENT PROCEDURES

The Adopted Budget of the City of Fredericksburg provides a sound financial plan for the fiscal year, which for the City constitutes the period July 1, 2009 to June 30, 2010. However, because conditions change frequently the City often finds itself in the position of having to amend the budget to account for unanticipated revenues, grant awards, carryovers, or unanticipated expenditures.

The City Manager is authorized to make line-item changes within budget program totals, and report such changes to the City Council.

New appropriations, amendments between program totals, amendments between funds, and the use of fund contingencies require an appropriation resolution by the City Council. These appropriation resolutions are prepared for City Council consideration in the City Manager's Office, with the assistance of the relevant department and the Department of Fiscal Affairs. If the proposed appropriation resolution exceeds one percent of the total expenditures, then the City must provide notice and hold a public hearing, in accordance with the Code of Virginia 15.2-2507 (A). City Council regularly meets on the second and fourth Tuesdays of the month, and the amendment approval process usually takes between six and eight weeks from start to finish for most items.

In the past, the City's charter required that all budget amendments in excess of \$1,000 be first and second read – in effect, voted on twice by the City Council. The Virginia General Assembly agreed during their most recent session to amend the charter to allow for one-read only approval for budget amendments of \$100,000 or less. This new rule took effect beginning July 1, 2010 for the FY 2010 budget.

ADOPTED CAPITAL AND OPERATING BUDGET FY 2010
FY 2011 BUDGET CALENDAR

The following is the tentative budget preparation and adoption calendar for Fiscal Year 2011.

October 16, 2009	Operating Budget Manual, Capital Improvements Plan (CIP) & Capital Budget Manual Submitted to Departments
November 13-14, 2009	City Council retreat – discuss City budget and finances
December 4, 2009	Operating Budget and Capital Budget Information Returned to City Manager’s Office
December – February	City Manager’s Office Preparation of Operating and Capital Budget and Capital Improvements Plan
March 9, 2010	Recommended Operating and Capital Budget released to City Council; Capital Improvements Plan referred to Planning Commission
March & April 2010	City Council Worksessions
April 20, 2010	Budget Public Hearing
April 27, 2010	Budget First Reading
May 11, 2010	Budget Second Reading & Adoption
May 15, 2010	Deadline to Adopt Budget for Schools
June 30, 2010	Deadline to Adopt Budget & Tax Rate

PROCESS DESCRIPTION

The City of Fredericksburg City Manager’s Office is responsible for the overall effort of preparing three major, and interrelated, budget documents for the City.

- a) The Operating Budget, which provides for the City operations and maintenance, plus transfers for the City Schools, debt service, capital, and other funds. The Operating Budget includes all major operating funds, including the General Fund and four major Enterprise Funds – Water, Sewer, Transit, and Parking.
- b) The five-year Capital Improvements Plan
- c) The Capital Budget, which also constitutes the first year of the Capital Improvements Plan.

The City Manager’s Office prepares these documents on a recommended basis for City Council review. Input is received from the Fredericksburg City Schools, Social Services, the Rappahannock Regional Jail, and other regional agencies. All Departments and Constitutional Officers also prepare expenditure requests in the autumn. The City Manager’s Office, with assistance from the Commissioner of the Revenue, the Treasurer, the Department of Fiscal Affairs, and others, prepare the revenue estimates on which the budgets are based. The Recommended Budget is prepared for review for the first Council meeting in March.

Once the budgets are released, the Planning Commission of the City reviews the Recommended Capital Improvements Plan for additional input and ensuring that the CIP

is coordinated with the City's Comprehensive Plan. The Planning Commission holds public hearings and worksessions as necessary to gather public input and review the document.

The City Council reviews all three documents, and holds worksessions and public hearings for public input on the budget. If increases in taxes or fees are recommended, then public hearings are also held on these items. The City Council will usually set the real estate tax rate for the upcoming year at the same time as the budget is adopted. The City assesses real estate on a fiscal year basis, so the tax rate adopted in the spring is used for the entire upcoming fiscal year. The City Council must adopt the School Budget by May 15, and the budget and tax rate for the rest of the City by June 30.

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