

# Budget Development

Development of the annual City Budget is an ongoing process. However, the actual formulation of the budget is a year-long process that ends in December with the final review and formal adoption of the Budget.

## Major Phases

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March - April

### Planning



1. Budget Team develops the 2017 Budget Manual
2. Budget Team meets weekly to resolve issues and prepare budget outlook.
3. Budget Office presents financial outlook and key fiscal issues for upcoming year.

May - June

### Department & Division Budget Requests



1. In conjunction with the Budget Office, departments and divisions prepare budget proposals.
2. Budget Office and departments together prepare summaries and recommendations for the Mayoral Budget Review Committee sessions with departments.
3. A budget-focused citizen survey input is developed and survey results are compiled and presented to City Council

July - September

### Formulation of the Mayor's Budget



1. The Mayoral Budget Review Committee conducts budget review sessions to review budget submittals of the departments and divisions.
2. Final adjustments in revenue and expenditure estimates prepared
3. Mayor balances budget.
4. Budget Office prepares Budget document.

October - November

### Review, Public Input and Budget Markup



1. City Council reviews recommended Budget.
2. City Council holds budget work sessions.
3. Public Hearing/E-Town Hall held on Budget.
4. City Council makes allocation and policy decisions at final budget markup session.

November - December

### Final Review and Adoption

1. First reading of appropriation ordinances held adopting Budget and setting the annual tax levy.
2. City Council sets mill levy.
3. Second reading of appropriation ordinances held adopting Budget and setting the annual tax levy.
4. Budget Office produces final Budget document.

# 2017 Budget Calendar

2017 BUDGET CALENDAR	
DATE	DESCRIPTION
<b>MARCH</b>	
March 1-31	Budget Office—Coordinate with IT for setup of SharePoint site for 2017 Budget Entries, Operating Grant Entries, and Unfunded Budget Needs
March 29, 9:00-10:30am	2017 Budget Kickoff Meeting
<b>APRIL</b>	
April 18-30	Budget Office—2017 Budget meetings with departments re 2017 Budget Process, SharePoint Training, Strategic Plan Initiatives/Performance Measures, CIP/Grant Process using Cartegraph
<b>MAY</b>	
May 1-30	Budget Office—Working with departments on Budget input to SharePoint & CIP/Grants
May 31	Departments finalize Stratetic Plan Initiatives and associated Performance Measures
<b>JUNE</b>	
June 20-July 15	Budget Office—Prepare 2017 CIP requests and 5-Year CIP Plan
<b>JULY</b>	
July 1-15	Departments finalize all budget input to SharePoint -- including Operating grants and Unfunded Budget Needs
July 27	Mayoral Budget Review (f/k/a BRC) meetings with Appropriating Departments
<b>AUGUST</b>	
August 15 - September 15	Budget Office—prepare budget narratives for department review
August 31	Budget Office—Notify departments of authorized budget
<b>SEPTEMBER</b>	
September 1-30	Budget Office—preparation of preliminary 2017 Budget
September 1-30	Budget Office—preparation of Work Session presentations
September 9	SIMD budgets submitted by Parks, Rec & Cultural Svcs
<b>OCTOBER</b>	
October 3   9:00-5:00pm	Mayor distributes 2017 Budget
October 4-14	Finalize Work Session presentations
October 17   9am-5pm	City Council Budget Work Session
October 18   1pm-5pm	City Council Budget Work Session
October 20   5:00-7:30pm	Formal Public Hearing/E-Town Hall on 2017 Budget
October 24	Council Work Session – Introduction of Ordinance Making 2016 Mill Levy
October 24	Council Work Session – Introduction of Ordinance Adopting 2017 Salary Structure for Civilian and Sworn Municipal Employees
October 28   9:00-5:00pm	City Council Budget Markup Session
<b>NOVEMBER</b>	
November 7	Council Work Session – Introduction of 2017 Budget Appropriation Ordinance
November 8	Council Regular Meeting – Ordinance Making City's 2016 Mill Levy (1st Reading)
November 8	Council Regular Meeting – 2017 Budget Appropriation Ordinance (1st Reading)
November 22	Council Regular Meeting – Ordinance for Making City's 2016 Mill Levy (2nd Reading)
November 22	Council Regular Meeting – 2016 Budget Appropriation Ordinance (2nd Reading); 2016 City Budget officially adopted
November 22	Council Regular Meeting – Resolutions for 2016 Mill Levy Certifications on SIMDs
November 24	Deadline to provide Budget Ordinance to Mayor (within 48 hours of 2nd Reading)
5 calendar days after receipt or November 29	City Charter deadline for Mayor's veto (within 5 calendar days of Mayor's receipt)
<b>DECEMBER</b>	
December 6	Council vote to determine override of Mayor veto; 2017 City Budget finalized
December 8	Deadline for Mayor to receive Budget
December 15	Deadline for certifying mill levy to County (CRS §39-5-128) and adopting budget (CRS §29-1-108)
December 31	Deadline for appropriating budget (CRS §29-1-108 and City Charter 7-50)

## GFOA Distinguished Budget Award Program Requirements

Budget Best Practices		
GFOA Item	GFOA Requirements	City
<b>Table of Contents</b>	The document shall include a table of contents that makes it easier to locate information in the document.	<ul style="list-style-type: none"> <li>* City provides a table of contents</li> <li>* All pages in the document are numbered</li> <li>* The page number references in the budget table of contents agree with the related page numbers in the budget submission</li> </ul>
<b>Strategic Goals and Strategies</b>	The document should include a coherent statement of organization-wide, strategic goals and strategies that address long-term concerns and issues.	<ul style="list-style-type: none"> <li>* Non-financial policies/goals are included (Mayor's Letter, Strategic Plan, and General Fund Forecast)</li> <li>* These policies/goals are included with the Budget Message</li> <li>* Other planning processes discussed are in the Capital Improvement Program (CIP) section</li> </ul>
<b>Short-term organization factors</b>	The document should describe the entity's short-term factors that influence the decisions made in the development of the budget for the upcoming year.	<ul style="list-style-type: none"> <li>* Short-term factors are addressed (Overview)</li> <li>* The document discusses how short-term factors guided the development of the annual budget (Overview)</li> <li>* A summary of service level changes is presented (Overview)</li> </ul>
<b>Priorities and Issues</b>	The document shall include a budget message that articulates priorities and issues for the upcoming year. The message should describe significant changes in priorities from the current year and explain the factors that led to those changes. The message may take one of several forms (e.g., transmittal letter, budget summary section)	<ul style="list-style-type: none"> <li>* The message highlights the principal issues facing the governing body in developing the budget (e.g., policy issues, economic factors, regulatory, and legislative challenges) (Overview)</li> <li>* The message describes the action to be taken to address the issues</li> <li>* The message explains how the priorities for the budget year differ from the priorities of the current year</li> <li>* The message is comprehensive enough to address the entire entity</li> </ul>
<b>Budget Overview</b>	The document should provide an overview of significant budgetary items and trends. An overview should be presented within the budget document either in a separate section (e.g., executive summary) or integrated within the transmittal letter or as a separate budget-in-brief document.	<ul style="list-style-type: none"> <li>* An overview is contained in the budget message/transmittal letter, executive summary, and will be included in the annual Budget in Brief document (Overview &amp; All Funds Summary)</li> <li>* Summary information on significant budgetary items and budgetary trends are conveyed in an easy to read format</li> </ul>
<b>Organization Chart</b>	The document shall include an organization chart for the entire entity.	<ul style="list-style-type: none"> <li>* An organization chart is supplied for the entire entity</li> </ul>
<b>Fund Descriptions and Fund Structure</b>	The document should include and describe all funds that are subject to appropriation.	<ul style="list-style-type: none"> <li>* A narrative or graphic overview of the entity's budgetary fund structures included in the document</li> <li>* The document indicates which funds are appropriated</li> <li>* The document includes a description of each individual major fund included within the document</li> </ul>

<b>Budget Best Practices</b>		
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<b>Department/ Fund Relationship</b>	The document should provide narrative, tables, schedules, or matrices to show the relationship between functional units, major funds, and non-major funds in the aggregate.	* The relationship between the entity's functional unit, major funds, and non-major funds is explained or illustrated in several sections and in the departmental narratives
<b>Basis of Budgeting</b>	The document shall explain the basis of budgeting for all funds, whether cash, modified accrual, or some other statutory basis.	* The basis of budgeting is defined in the Appendix * The basis of budgeting is the same as the basis of accounting and is clearly stated in the All Funds Summary
<b>Financial Policies</b>	The document should include a coherent statement of entity-wide long-term financial policies.	* There is a summary of financial policies and goals stated in the Appendix * The financial policies include the City's definition of balanced budget and are all presented in one place
<b>Budget Process</b>	The document shall describe the process for preparing, reviewing, and adopting the budget for the coming fiscal year. It also should describe the procedures for amending the budget after adoption.	* A description of the process used to develop, review, and adopt the budget is included in the Appendix * A budget calendar provided to supplement (not replace) the narrative information on the budget process is provided in the Appendix * A discussion of how the budget is amended provided in the budget document available to the public (Appendix)
<b>Consolidated Financial Schedule</b>	The document shall present a summary of major revenues and expenditures, as well as other financing sources and uses, to provide an overview of the total resources budgeted by the organization.	* The document includes an overview of revenues and other financing sources and expenditures and other financing uses of all appropriated funds * Revenues and other financing sources and expenditures and other financing uses presented together in separate but adjacent/sequential schedules * Revenues are presented by major type in this schedule * Expenditures presented by function, organizational unit is presented in this schedule
<b>Three/(four) Year Consolidated and Fund Financial Schedules</b>	The document must include summaries of revenue and other financing sources, and of expenditures and other financing uses for the prior year actual, the current year budget and/or estimated current year actual, and the proposed budget year.	* For the annual budget, the revenue and other financing sources and expenditures and other uses for the prior year, the current year, and the budget year are presented together on schedules presented on adjacent pages (Overview) * The information is presented for the appropriate funds in total (All Funds Summary and Appendix) This information is also presented for each major fund and for other funds in the aggregate (All Funds Summary)

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<b>Fund Balance</b>	The document shall include projected changes in fund balances, as defined by the entity in the document, for appropriated governmental funds included in the budget presentation.	<ul style="list-style-type: none"> <li>* The document includes the entity's definition of "fund balance" (Appendix)</li> <li>* The fund balance information presented for the budget year (All Funds Summary)</li> <li>* There is a schedule showing (1) beginning fund balances, (2) increases and decreases in total fund balances (reported separately), and (3) ending fund balances for appropriated funds (All Funds Summary)</li> <li>* This information is presented at a minimum for each major fund and for non-major funds in the aggregate (All Funds Summary)</li> <li>* Fund balances of any major or non-major funds in the aggregate that are anticipated to increase or decline by more than 10% is shown (All Funds Summary)</li> </ul>
<b>Revenues</b>	The document shall describe major revenue sources, explain the underlying assumptions for the revenue estimates, and discuss significant revenue trends.	<ul style="list-style-type: none"> <li>* Individual revenue sources are described (Overview and All Funds Summary)</li> <li>* The revenue sources used to estimate revenue for the budget year described represents at least 75% of total revenue of appropriated funds</li> <li>* The methods used to estimate revenues for the budget year described are shown in Overview section</li> <li>* Revenues are projected based on trend information, and both those trends and the underlying assumptions are adequately described</li> </ul>
<b>Long-Range Financial Plans</b>	The document should explain long-range financial plans and its affect upon the budget and the budget process.	<ul style="list-style-type: none"> <li>* Long-range financial outlook is included</li> </ul>
<b>Capital Expenditures</b>	The document should include budgeted capital expenditures, whether authorized in the operating budget or in a separate capital budget.	<ul style="list-style-type: none"> <li>* The document defines "capital expenditures" (CIP Section)</li> <li>*The document indicates the total dollar amount of capital expenditures for the budget year (CIP Section)</li> <li>* Significant nonrecurring capital expenditures are described along with dollar amounts (CIP Section)</li> </ul>
<b>Impact of Capital Investments on Operating Budget</b>	The document should describe if and to what extent significant nonrecurring capital investments will affect the entity's current and future operating budget and the services that the entity provides.	<ul style="list-style-type: none"> <li>* The anticipated operating costs associated with significant nonrecurring capital investments described and quantified</li> <li>* Anticipated savings or revenues expected to result from significant nonrecurring capital investments described and quantified</li> </ul>
<b>Debt</b>	The document shall include financial data on current debt obligations, describe the relationship between current debt levels and legal debt limits, and explain the effects of existing debt levels on current operations.	<ul style="list-style-type: none"> <li>* Debt limits are described and the amounts of those debt limits are expressed in terms of total dollars, millage rates or percentage of assessed value (All Funds Summary)</li> <li>* The City clearly states the type of debt (All Funds Summary)</li> <li>* The amount of principal and interest payments for the budget year are shown for each debt issuance (All Funds Summary)</li> </ul>

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<b>Position Summary Schedule</b>	A schedule or summary table of personnel or position counts for prior, current and budgeted years shall be provided.	<ul style="list-style-type: none"> <li>* A summary table or position counts is provided for the entire City (Personnel Summary)</li> <li>* The table includes prior year, the current year, and budget year position counts</li> <li>* Changes in staffing levels for the budget year are explained in the narratives</li> </ul>
<b>Department Descriptions</b>	The document shall describe activities, services or functions carried out by organizational units.	* The document clearly presents the organizational units and provides a description of each unit (Narratives)
<b>Unit Goals and Objectives</b>	The document should include clearly stated goals and objectives or organizational units.	<ul style="list-style-type: none"> <li>* Unit goals and objectives are identified and goals are clearly linked to overall goals of the City (Breakthrough Strategies - Narratives)</li> <li>The goals and objectives are quantifiable and timeframes are shown</li> </ul>
<b>Performance Measures</b>	The document should provide objective measures of the progress toward accomplishing the government's mission as well as goals and objectives for specific units and programs.	<ul style="list-style-type: none"> <li>* Performance data directly related to the stated goals and objectives of the unit (Breakthrough Strategies - Narratives)</li> <li>* Performance measures focus on results and accomplishments rather than inputs (Appendix)</li> </ul>
<b>Statistical/ Supplemental Section</b>	The document should include statistical and supplemental data that describe the organization, its community, and population. It should furnish other pertinent background information related to the services provided.	<ul style="list-style-type: none"> <li>* Performance data for individual departments is included in the final document (Appendix)</li> <li>* The statistical information that defines the community is included in the document</li> <li>* Supplemental information on the local economy is included in the document</li> <li>* Other pertinent information on the community is also provided</li> </ul>
<b>Glossary</b>	A glossary should be included for any terminology that is not readily understandable to a reasonably informed lay reader.	<ul style="list-style-type: none"> <li>* A glossary that defines technical terms related to finance and accounting, as well as non-financial terms related to the entity, is included in the document</li> <li>* Any acronyms or abbreviations used in the document are defined in the glossary</li> <li>* The glossary is written in a non-technical language</li> </ul>
<b>Charts and Graphs</b>	Charts and graphs should be used to highlight financial and statistical information. Narrative interpretation should be provided when the messages conveyed by the graphs are not self-evident.	<ul style="list-style-type: none"> <li>* Graphs and charts are used throughout the document to convey essential information</li> <li>* The graphics supplement the information contained in the narratives</li> </ul>
<b>Understandability and Usability</b>	The document should be produced and formatted in such a way as to enhance its understanding by the average reader. It should be attractive, consistent, and oriented to the reader's needs.	<ul style="list-style-type: none"> <li>* Page formatting is consistent, main sections are easily identifiable, and the level of detail is appropriate</li> <li>* The text, tables, and graphs are legible and the budget numbers in the document are accurate and consistent throughout the document</li> </ul>