

**FINANCE**

**Budget**

**Purpose.**

The intent of this ordinance is to provide minimum budget and finance requirements so as to provide taxpayers with an opportunity to gain information concerning the purposes for which revenues are proposed to be spent and are actually spent and to assist the city council in generally improving financial management practices. It is also the intent of this ordinance to provide a mechanism through which information may be collected to assist the city council in carrying out their lawful responsibilities.

**Definitions.**

As used in this article, the term:

- (1) "Budget" means a proposed plan for raising and spending money for specified programs, functions, and activities during a fiscal year. The budget shall be prepared and organized so as clearly to reflect activities, programs, and functions by fund or funds.
- (2) "Budget Officer" means the city council or their designee charged with budget preparation, administration, and fiscal control for the government.
- (3) "Budget Ordinance" or "Resolution" means that action of the city council which appropriates revenues for specified purposes, functions, or activities for a budget or fiscal year. The budget ordinance or resolution shall appropriate revenues by fund.
- (4) "Fiscal Year" or "Budget Year" shall mean that period which begins on the first day of July and ends on the last day of the next succeeding June.
- (5) "Fund" means a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.
- (6) "Governing Authority" means the city council responsible for governance of the City of Dasher.
- (7) "Government" means the City of Dasher, State of Georgia and includes any city council member or city employee who is paid in whole or in part on a salary basis and over whom the governing authority exercises budgetary authority.

**Fiscal Year.**

The City shall operate on a fiscal year which shall begin on the first day of July and end on the last day of June.

## **Adoption of Budget.**

The City budget shall be prepared, introduced, approved, adopted and amended by ordinance or resolution passed by not less than a majority of the full membership of the City Council.

### **(1) Preparation; Introduction; Approval:**

- a) Not less than sixty days prior to the date specified for the submission of the budget to the City Council, the Mayor and such other persons(s), including department heads, designated by the City Council, shall submit to the city council the budget. The budget request shall be prepared by object classifications (line items for expenditures) and shall include such additional information and supplementary schedules as may be required or requested by the City Council.
- b) The Mayor shall submit the proposed budget to the City Council prior to the 1<sup>st</sup> day of May during the fiscal year preceding the year for which the budget is being adopted. The proposed budget shall be in writing and contain sufficient detail to be incorporated into the City's budgetary, financial accounting system.
- c) On the day the budget is submitted to the city council, a copy of the budget shall be placed in a public location which is convenient to the residents of the city. A statement advising the residents of the city of the availability of the budget shall be published in a newspaper of general circulation in the city. The statement advising of the availability of the budget may also give notice of the time and place of the budget hearing required by the provisions of this ordinance.

If the statement advising of the availability of the budget does not give notice of the time and place of the budget hearing, the statement shall advise the residents of the city that the budget hearing shall be held at a future date and notice shall be given prior to the budget hearing. This notice shall be published at least seven (7) days before the date of the budget hearing.

- d) At least one week prior to adoption of the budget ordinance or resolution, the city council shall conduct a public hearing, at which time any persons wishing to be heard on the budget may appear.
- e) The budget ordinance or resolution shall be adopted at a public meeting which shall be advertised in accordance with the procedures set forth in section 1(c) at least one week prior to the meeting.

### **(2) Public advertisement.**

The city's proposed budget shall be advertised before approval. The advertisement shall set forth the date, the time and the place of the public hearing. It shall be published at least seven (7) days prior to the date fixed therefore in one (1) or more newspapers of general circulation within the city.

### **(3) Public hearing.**

The city's budget shall not be adopted until a public hearing has been held thereon and taxpayers and all persons having an interest therein shall have been given an opportunity to express their opinions, including objections.

Such hearing shall be held not less than fifteen (15) days after submission of the budget to the city council at the time and place specified in the advertisement thereof, and may be adjourned from time to time until the hearing is closed. The budget, as advertised, shall be read at the public hearing in full, or it may be read only by its title if at least one (1) week prior to the date of the hearing a complete copy of the budget shall have been posted in the city hall and shall have been made available to each person requesting the same during the previous week and during the public hearing.

(4) Adoption.

The city's budget shall be adopted not later than the 1<sup>st</sup> day of June. Upon adoption, the budget shall constitute an appropriation for the purposes stated therein and an authorization of the amount to be raised by taxation for the purpose of the city.

**Amendments.**

Nothing contained herein shall preclude the city from amending its budget to adapt to changing governmental needs. Unless otherwise provided, amendments may be made as follows:

1. Any increase in appropriation in any fund for a designated area, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations, shall require approval of the city council; and
2. Transfers of appropriations in any fund among the various accounts shall require only the approval of the mayor, except transfers of appropriations which increases any salary appropriation shall require approval of the city council.

The City Council may amend the budget during or after the public hearing. However, no proposed amendment shall be effective without a public hearing if it shall:

1. Add a new item of appropriation in an amount in excess of three (3) percent of the total amount of appropriations as stated in the initially approved budget for the individual fund or fiscal and accounting entity to which the new item of appropriation will be applicable;
2. Increase or decrease any line item of appropriation by more than twenty (20) percent; or
3. Increase the amount needed to be raised by taxes by more than five (5) percent.

Notice of time and place for the public hearing on any budget amendment shall be advertised in one or more newspapers of general circulation within the city at least seven (7) days before the date set therefore. The notice shall contain sufficient information and detail to advise the citizens of the nature and purpose of the public hearing. A copy of the proposed budget amendment shall be placed in a public location convenient to the residents of the city. Any such amendment must be read in full at the hearing and before adoption.

## **Budget message.**

When introduced to the City Council for approval, the budget shall be accompanied by a budget message which shall explain the budget both in fiscal, financial terms as well as of the programs. The budget message shall outline the proposed financial policies of the city for the ensuing fiscal year; describe the important features of the budget; indicate any major changes from the current year in financial policies, expenditures and revenues, together with the reasons for each change; summarize the City's debt position; and include such other material as will provide a complete synopsis of the financial condition of the City.

## **Form; content.**

(a) The city budget shall be prefaced by a clear general summary of its contents and shall show in detail all estimated income, indicating the proposed property tax levy, and all proposed expenditures for the ensuing fiscal year. It shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year. Separate items shall be included for at least the following:

- (1) Administration, operation and maintenance expenses of each area or office of the city, including a breakdown for salaries and wages for each unit;
- (2) Interest and debt redemption charges;
- (3) Proposed capital expenditures, detailed by departments and offices;
- (4) Cash deficits of the preceding year;
- (5) Such reserves as may be deemed advisable by the city council.

(b) The total of proposed expenditures shall not exceed the total of anticipated revenue.

## **Capital program.**

A five-year capital program may be submitted to the city council at the same time that the budget and budget message are introduced for approval. Such capital program shall include:

- (1) A clear general summary of its contents;
- (2) A list of all capital improvements which are proposed to be undertaken for the five (5) fiscal years next ensuing, with appropriate supporting information as to the necessity for such improvements;
- (3) Cost estimates, method of financing and recommended time schedules for each such improvement; and
- (4) The estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

## **Transfer of appropriations.**

Except for salaries, the Mayor may at any time during the fiscal year transfer part or all of any unencumbered appropriation balance among programs within an area or office. The City Council may, by ordinance, transfer part or all of any unencumbered



appropriation balance from one (1) department or office to another, except that no appropriation for debt service or capital improvements may be reduced or transferred during any fiscal year. Under no circumstances may total appropriations exceed the total of the budgeted revenues and appropriated surplus.

### **Emergency appropriations.**

Notwithstanding any other provision of this division, the City Council may make emergency appropriations after the adoption of a budget, for a purpose which was not foreseen at the time of the adoption thereof, or for which adequate provision was not made therein. Such an appropriation shall be made only to meet a public emergency affecting life, health, safety, property or the public peace, and shall be made only out of actual unappropriated revenues or surplus. If there is no surplus, then temporary borrowing in notes may be made, provided that any such borrowed amounts are included as an appropriation in the next succeeding year's budget.

### **Lapse of appropriations.**

Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the next succeeding year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned. The purpose of any such appropriation shall be deemed abandoned if three (3) years pass without any disbursement from or encumbrance of the appropriation.

### **Reserves.**

Whenever the city council determines that because of unusual conditions it is impractical to expend funds raised by taxation for the purposes for which the taxes were levied and that it is in the best interest of the city and its citizens for public work to be postponed, the city council may order as much of the funds as it deems proper to be transferred to a fund to be known as the "reserve fund" of the city. The city council may transfer from time to time to these reserve funds any accumulated overages from its general fund.

Upon determination that it is practical and advantageous to undertake public work, the city council may order funds transferred from the reserve fund to any of the several funds or to the general fund of the city. However, before any transfer from the reserve fund is made, the City Council shall give notice of its intention to make the transfer and the purpose for which the transferred fund is to be expended by publication in one or more newspapers of general circulation within the city not less than ten days prior to the meeting of the city council at which the transfer is to be made.

Adopted the 7<sup>TH</sup> Day of OCTOBER, 2002.

  
City Clerk — MAYOR