

City of New Berlin General Financial Policy	TITLE: Budget Process Policy
AUTHORIZATION DATE: 3/11/08	LAST UPDATE: 10/13/15, 1/8/19
POLICY SOURCE: Finance Committee	SCOPE: City-Wide
Reviewed by City Attorney n/a	Board/Commission Approval: Finance Committee 07/15/15, 11/8/18 Common Council 10/13/15, 1/8/19

General

State law requires all municipalities to prepare a budget annually. The budget is a projected financial plan or "fiscal blueprint" that outlines how municipal funds will be raised and spent.

Policy

- A. It is the responsibility of the **COMMON COUNCIL** to:
 - 1. Set annual budget targets
 - 2. Review and adopt the annual budget

- B. It is the responsibility of the **MAYOR** to:
 - 1. Set budget guidelines in accordance with the budget target set by the Common Council
 - 2. Review operating budget, incorporate the approved capital projects budget and present a recommended budget document to the Common Council

- C. It is the responsibility of the **FINANCE DIRECTOR** to:
 - 1. Develop the budget format within the financial system. Plan for and determine information needs for policy makers to assist in the annual operating budget review process.
 - 2. Distribute all budget information, including instruction guidelines, and budget forms to the departments prior to June 14th of the current year.
 - 3. Review and analyze budget request for accuracy and compliance with established guidelines.
 - 4. Meet with department administrators and/or their fiscal staff to discuss questions about and change to the department's budget request

5. Inform the department head and fiscal staff when the Committee of the Whole will be meeting to review their budget. The department head should be present at the Committee meeting to answer any question the Committee may have of them concerning their budget request.
6. Present the Executive approved budget requests to the Committee of the Whole for review and action.
7. Update and prepare the budget forms with Common Council action for presentation in the annual Common Council Adopted Budget.

D. It is the responsibility of the **DEPARTMENT HEAD** to:

1. Review budget guidelines and procedures manual as they pertain to their department.
2. Develop budget requests and complete all forms according to the coding instructions included.
3. Forward the completed forms to the Finance Office according to the timetable. Forward supporting documentation for the budget requests to the Finance Director's office by the specified due date.
4. Schedule a meeting with the Mayor according to the timetable to review and discuss the Department Recommended Budget.

Policy

- The City will comply with all Federal State or local legal requirements pertaining to the operating budget, including the adoption of a balanced budget. A balanced budget is achieved when the amounts available from taxation and other sources, including amounts carried over from prior fiscal years, equals the total appropriations for expenditures and reserves.
- The City will employ a structured budget preparation and formulation process that will be used by all entities receiving funding from the City. The process employed will ensure adequate citizen input and participation.
- The City will employ a structured expenditure and revenue forecasting system to allow for effective financial planning.
- Essential services will receive first priority for funding. The City will attempt to maintain current service levels for all essential services.
- The Finance Director will prepare regular reports comparing actual revenues and expenditures to budgeted amounts.

BUDGET PROCESS TIMELINE

As prescribed by Wisconsin State Law, the City Mayor submits a proposed budget for the Common Council review and adoption.

In May, the Council is to set goals and give directives to City Departments. In June, the Finance Department is to distribute budget packets including forms and instruction guidelines. The last Friday in August, the Mayor will release his Executive Budget and CIP Budget to the Alderman. The Aldermen then have work sessions to discuss the proposed budgets in the months of September and October. Upon completion of the work sessions, the Proposed Budget is published, and notice of the Public Hearing is decided upon. The tax bills are to be mailed on the second week of December.

MONTH	
MAY	Common Council Sets Goals and Directives
JUNE	Finance Dept distributes information to departments including: instruction guidelines and budget forms
JULY 31 ST	Department budget documents to Mayor & Finance
AUGUST (3rd Friday)	Release Executive Budget/CIP Budget to Aldermen
SEPTEMBER/OCTOBER	Budget Work Sessions scheduled (1 st meeting by 3 rd Tues in Sept)
OCTOBER/NOVEMBER	Publish Public Notice of Proposed Budgets and Hold Public Hearing
NOVEMBER 30 TH	Adopt budget no later than this date
DECEMBER	Mail Tax Statements by second week of December

This policy was reviewed and approved by the Finance Committee and Common Council and signed by Mayor David Ament on the 15th day of Jan., 2019, as evidenced by his signature hereon. Three signed originals of this policy have been generated. One original is maintained in the City Clerk's office, the second original is maintained in the Finance Department, and the third original is maintained in the Mayor's Office. This policy may only be modified by the Finance Committee with Common Council approval.


 David A. Ament, Mayor