

Drafting and Adopting a Budget

Local Government Information Tutorial



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DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

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Introduction: Topics Covered

Good Morning

What is a Budget?

Revenues & Expenses

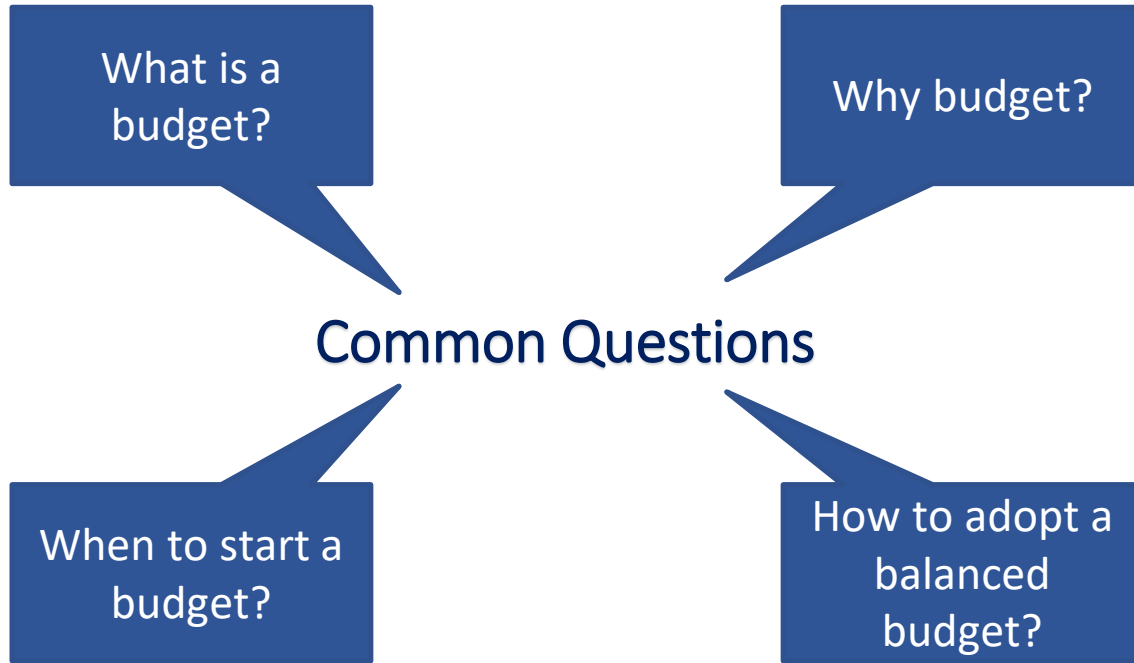
Adopting a Budget



Drafting and Adopting a Budget

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Budget



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Budget

What is a Budget ?

- Financial Plan
- Appropriations
- Non-code Ordinance
- Revenues & Expenditures
- Fiscal Years
 - State
 - Federal
 - Calendar



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Budget

Why Budget ?

- AS 29.35.100 requires municipalities in Alaska to have an annual budget.
- It gives a realistic look at annual needs and how those needs will be met.
- It allows you to plan, and make changes as needed.

Draft Budget

	GENERAL FUND	SAINT MARY	WENDELL	CSA	PERPETUAL CARE
Estimated Revenues					
Operating Revenues	2520	2520	2520	2520	
Fee Revenues	4,394,119	1,067,312		169,916	49,900
License & Fee	3,383,718				
Intergovernmental Revenues	69,686				
Fines & Forfeits	27,706				
Other	463,089			162,000	
Miscellaneous Revenues	393,379				444
Inter-Municipal Revenue		1,094,640	178	1,200	444
TOTAL REVENUES	6,086,247	2,162,660	2,698,218	162,216	5,790
Appropriations:					
General Government	1,900,207				
Police	1,845,668				
Fire	162,000				
Public Services	862,018				
Community Services	242,541				
Municipal Utilities		2,278,827			
Healthcare			913,205		
Library				58,800	
Municipal Administration					198,164
Municipal Cemetery					
Other Services	281,472	1,642,266			
Capital Outlay	272,672	566,260			
TOTAL	6,264,729	4,487,271	913,205	168,800	198,164
APPROPRIATIONS	6,264,729	4,487,271	913,205	168,800	198,164
EXCESS REVENUES					
Over/Under	153,518	675,389	175,013	193,416	47,626
Reserves	26,700				
TOTAL	153,800	675,389	175,013	193,416	47,626
TRANSFERS IN					
TRANSFERS OUT					
BALANCE	104	29,679	4,267	116	(16,293)

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Budget

What to consider:

- All revenues & expenses must be included
 - Look at past budgets
 - Get input from staff
 - Plan for repair & replacement
- Make sure the budget is balanced
- Make sure the budget is realistic

Draft Budget					
	GENERAL FUND	UTILITY FUND	SANIT FUND	MAINT. FUND	PERMANENT FUND
	ESSE	FUNDS	ESSE	ESSE	ESSE
Estimated Revenues:					
Operating Revenues	142,372	4,706,119	1,847,322	100,000	49,000
Lotteries & Fees	1,243,378				
Investment Revenues	87,400				
Fines & Penalties	27,700				
Grants & Donations					
Other	601,000			162,000	
Miscellaneous Revenue	291,175	1,099,146	170	1,200	8,700
Non-Operating Revenue	8,298,247	5,898,849	1,847,322	162,200	210,544
TOTAL REVENUES					
Appropriations:					
General Government	1,406,370				
Police	1,649,244				
Fire	1,022,267				
Public Services	801,418				
Community Services	262,245				
Miscellaneous Services					
Sanitation			2,538,827	913,200	
Management Improvement					
Managerial Expenses					28,000
Other Services	281,372	1,543,200			188,164
Capital Outlay	272,972	936,300			
RESERVE					
APPROPRIATIONS					
EXCESS RESOURCES					
Operating (Total)	131,504	978,388	174,267	164,100	43,280
Investment	936,200				
TRANSFERS OUT	115,400	314,400	170,000	104,000	70,000
CHANGE IN FUNDS					
BALANCE	194	29,479	4,267	101	(64,270)
					5,000



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Budget

What is the difference?

Balanced

Realistic

VS

VS

Unbalanced

Unrealistic



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Budget

When to prepare a budget?



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Budget

Budget Schedule



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Budget

Estimating Revenues

Sources

- Local Revenue Sources
- Non-Local Revenue
- Capital Fund Revenue

Amounts

- Fixed amounts
- Estimates

Carryover Cash

Restricted Funds



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Budget

Estimating Expenses



Departments

Accounts

Wages and taxes

Every position

FICA/Med/ESC



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Budget

Estimating Expenses

Other expenses

Communications
Electricity
Heating
Insurance
Supplies

Repair/Replacement

10 years

Cost ÷ life expectancy

More than 10 years

Cost ÷ life expectancy x.10



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Budget

Budget work:

- Adopted via non-code ordinance.
- Staff involvement.
- Public input.
- Transparency.

	GENERAL	UTILITY	SANIT	MIN	CEM	PERMANENT
	FUNDS	FUNDS	FUNDS	TRUST	FUNDS	CARE
Estimated Revenues						
Operating Revenues						
Tax Revenues	542,272					
License & Fee	3,242,724					
Intergovernmental Revenues	69,498					
Financial Revenues	21,298					
Other Revenues						
IN	801,498				162,500	
Manufacturers Revenue	262,175	1,095,545	110	1,200	444	6,700
TOTAL REVENUES	4,398,247	1,095,648	1,095,647	1,200	162,944	6,700
Appropriations						
General Government	1,200,737					
Police	1,248,648					
Fire	162,207					
Public Services	862,418					
Community Services	241,225					
Management Offices						
Reserve						
Economic Development						
Management & Development					50,000	
Other Community	281,672	1,042,200				188,554
Debt Service	272,927	100,000				
TOTAL APPROPRIATIONS	4,268,179	1,142,200	110,200	50,000	188,554	-
EXCESS RESOURCES						
Operating	130,068	953,448	1,005,447	161,114	41,390	13,700
RESERVE	426,269					
TRANSFERRED OUT	133,400	114,000	130,000	104,000	30,000	6,700
CHANGE IN FUNDS	696	214,797	4,207	116	(8,270)	5,000



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Budget

- Do you have an adopted budget which has all of the following components:
 - Are all revenues and expenses included?
 - Is it balanced?
 - Is it realistic?
 - Was it appropriately adopted?



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Budget

Meeting Minutes and Budget examples

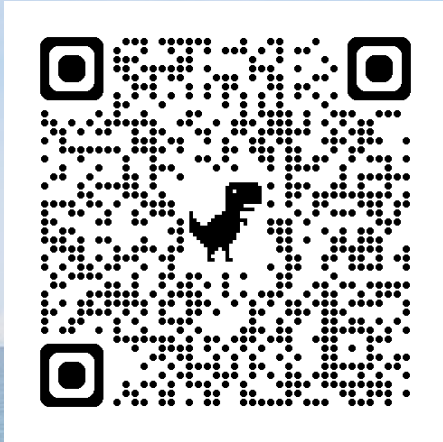
- Delta Junction
- Elim
- Golovin
- McGrath
- Larsen Bay
- Koyuk
- Eek

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Resources Available



DCRA Home Page – Budgeting

<https://www.commerce.alaska.gov/web/dcra/LocalGovernmentResourceDesk/FinancialManagement/Budgeting>

