

SUBJECT: Calendar For Fiscal Year 2002 Budget Development.

PREPARED BY: Finance

DATE: December 8, 2000

FOR AGENDA OF: December 11, 2000

SUMMARY:

Attached is the Calendar for developing and implementing the Fiscal Year 2002 budget. Also, attached is a description of how the budget process will be implemented.

FISCAL IMPACT: No Yes, amount requested:

Presented to Council
Date: 12/11/2000
verified by: [Signature]

RECOMMENDED ACTION: None



Reviewed by: SARAH PALIN, Mayor

Attachments: Budget Calendar and Description of Budget Process.

BUDGET CALENDAR

CITY OF WASILLA
FISCAL YEAR 2002

The following schedule outlines the City of Wasilla's plan for the formation of the Fiscal Year 2002 budget (July 1, 2001 through June 30, 2002).

Date	Facilitator	Action
December 2000	Finance Director	Finance Director prepares preliminary revenue projections.
December 15, 2000	Finance Director	Distribution of budget worksheets to aid departments in submitting their budget request.
January 2001	Clerk/ Council	Works session between Clerk and council to complete Council's budget.
January 2001	Mayor	Work sessions with department heads to set FY 2002 goals and objectives.
January 15, 2001	Department Heads	Department Heads submit staffing needs to the Mayor.
February 01, 2001	Finance Director	Finance Department submits estimated staffing cost to Department Heads.
February 15, 2001	Department Heads	Final day for Department Heads to submit budget request to the Finance Department.
February 15, 2001	Clerk	Final day for Clerk to submit the proposed budget for Council function.
March 05, 2001	Finance Director	Proposed budget submitted to the Mayor.
March 2001	Mayor	Work sessions with the Department Heads to resolve or justify differences of department budgets.
April 01, 2001	Mayor	Mayor submits approved proposed department budgets to the Finance Director with the Mayor's Budget Message.
April 23, 2001	Finance Director	Introduction of Budget Ordinance.
April 23 through May 14	Council	Special work session between Administration and Council to review proposed budget.
May 14, 2001	Council	Public hearing on the Budget Ordinance
May 14, 2001	Council	Adoption of the Fiscal Year 2002 Operating and CIP Budgets.

BUDGET CALENDAR

CITY OF WASILLA
FISCAL YEAR 2002

Date	Facilitator	Action
June 11, 2001	Council	Reserved date, absolute deadline for setting Fiscal Year 2002 mill rate.
June 25, 2001	Council	Reserved date, absolute deadline for Fiscal 2002 Budget adoption.
July 01, 2001	All Concerned	Budget implementation and monitoring.

THE BUDGET PROCESS

The mission of the budget process is to help decision makers make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process. Several essential features characterize the City of Wasilla's budget process:

- Incorporates a long-term perspective.
- Establishes linkage to broad organizational goals.
- Focuses budget decisions on results and outcomes.
- Involves and promotes effective communication with stakeholders.

The development of the City of Wasilla's FY 2002 budget is an open process designed to reflect the needs and desires of the community as seen in the exhibit on the following page. Throughout the year, the Mayor, Council Members and City Staff have obtained input from the citizens in regards of what services are needed. The citizens' needs are incorporated into the goals and objectives for the FY 2002 and are reflected in the FY 2002 Budget that is submitted to Council for adoption.

The budget process for the City of Wasilla begins in December of each year. At this time, the Finance Department's staff prepares a financial forecast for the following year including revenue projections and inflation projections. Also in December, worksheets are distributed to the various departments to aid them in preparing their budget requests.

During January, the Mayor will meet with the Department Heads to finish setting the goals and objectives for each department for Fiscal Year 2002. The Mayor and Department Heads will agree on which measurements will be used to assess whether or not the FY 2002 goals have been met. The Department Heads will submit to the Mayor an estimate of the number of needed personnel to meet the goals and the objectives of the City of Wasilla in the upcoming Fiscal Year. This approved list of personnel needs is then forwarded to the Finance Department to calculate the labor cost.

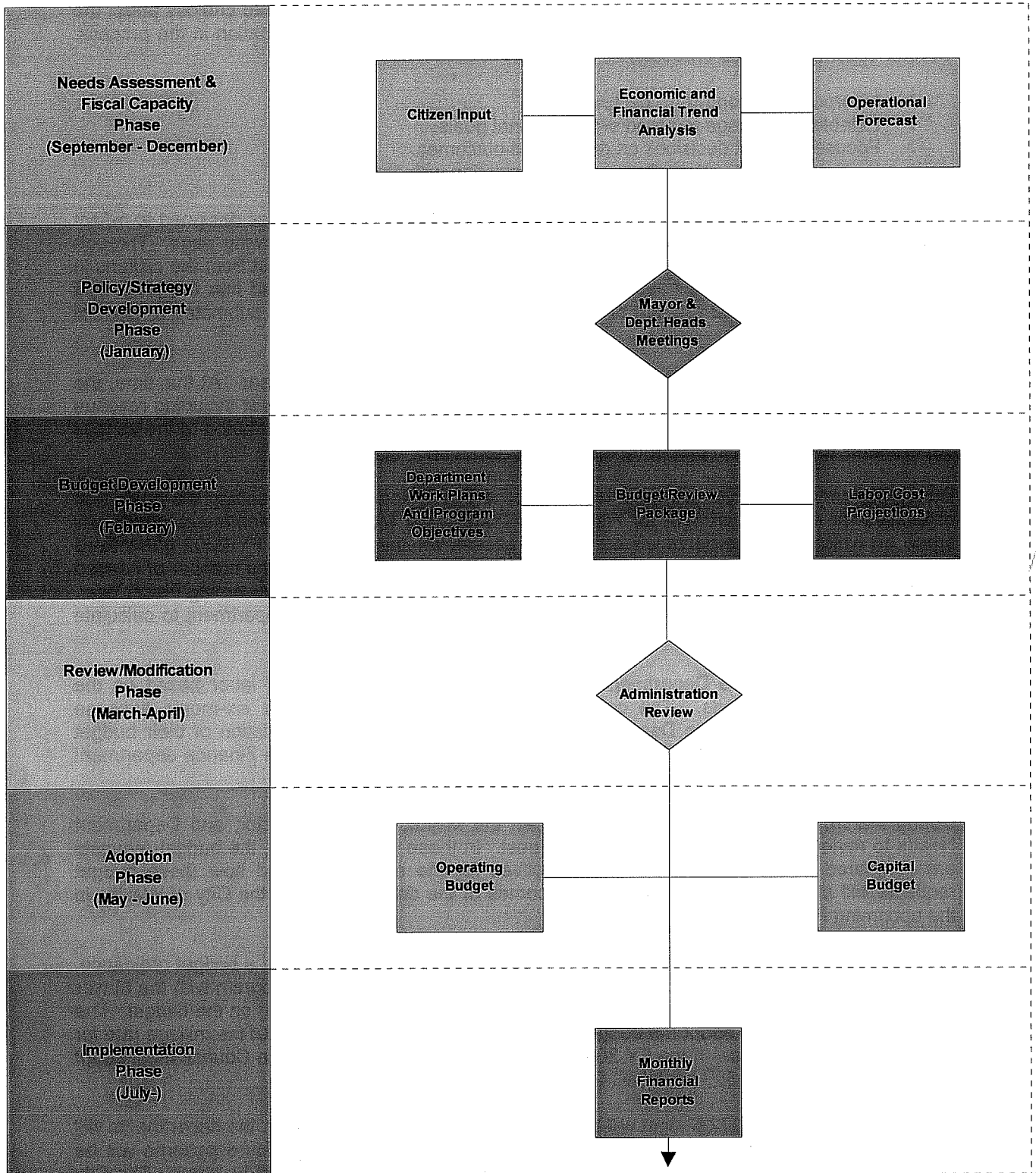
In February, the Finance Department will calculate the projected cost of labor based on the approved personnel needs. The cost of labor projections along with a six-month expense summary is forwarded to the Department Heads to be used in the formulation of their budget request. During February, the Department Heads with assistance from the Finance department complete their budget requests.

During March, work sessions are held between the Mayor, Finance Director, and Department Heads to review the department's budget request. In these work sessions, the budget requests are compared to the City's goals and objectives for the department and how these budget requests will affect the performance and outcomes of the department and the City of Wasilla in the upcoming Fiscal Year.

In April, the proposed operating budget and capital program is introduced in a budget ordinance. During the month of May, the Council will review the budget and capital program with the Mayor and Department Heads. During May, there will be at least one public hearing on the budget. The goal of the Council is to adopt the budget ordinance by May 14, 2000 and set the millage rate for the upcoming Fiscal Year. If the FY 2002 Budget is not adopted in May, the Council must adopt the Budget before June 30th per WMC 6.02.020 (C).

On July 1st, the Fiscal 2002 budget will be implemented. During Fiscal 2002, the departments will be accountable for budgetary control throughout the fiscal year. Expenditure patterns will be examined, compared to budget plans, and corrective action, if necessary will be taken. The City Council throughout the year will be given financial reports disclosing the City's actual performance as compared to the budget plan.

BUDGET PROCESS FLOWCHART



AMENDING THE BUDGET

Amendments to the budget can occur anytime during the fiscal year through the Council or administrative action. Generally, the following actions are required at the level of the particular change:

1. All new appropriations are authorized by an appropriation ordinance that amends the annual budget ordinance.
2. A resolution of the Council is required to move (appropriate) amounts of over \$5,000 between departments and projects. Amounts under \$5,000 can be moved through administrative action by approval of the Mayor.