

RESOLUTION NO. 2016-03-01

A RESOLUTION OF THE CITY OF WESTON, TEXAS, COLLIN COUNTY, TEXAS, ADOPTING A WRITTEN BUDGET POLICY AND PROCESS AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Weston, Texas is a Type-A general-law municipality located in Collin County, created in accordance with the provisions of Chapter 6 of the Local Government Code and operating pursuant to the enabling legislation of the State of Texas;

WHEREAS, the City Council has elected to participate in the Local Government Management Assessment (LGMA) program from the Texas Comptroller's Office; and

WHEREAS, the LGMA has recommended that the City adopt a written budget policy and process; and

WHEREAS, the City Council wishes to adopt a written budget policy as important to financial transparency, a critical element of the City's stewardship of public funds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WESTON, TEXAS:

**SECTION 1
EXHIBIT A**

**SECTION 2
EFFECTIVE DATE**

This Resolution shall be in full force and effect from and after its passage and publication as provided by law, and it is so resolved.

ADOPTED by Council this, the 8th day of March, 2016.

APPROVE

Patti Harrington
Patti Harrington, Mayor

ATTEST

Susan Coffey
Susan Coffey, City Secretary

EXHIBIT A

BUDGET POLICY AND PROCESS

SECTION 1 UNDERSTANDING THE BUDGET

The City of Weston's adopted budget is produced in conformance with guidelines developed for use by local governments and is intended to ensure proficiency in three major categories as follows:

1. *Policy Document* – The budget should serve as a policy document for elected officials and management to convey how the City will operate and what process will be used to adopt and amend the annual budget.
2. *Financial Plan* – The budget should serve as a financial plan describing all sources of funding, including summaries of revenues and expenditures for the fiscal year, and changes in fund balances.
3. *Communications Device* – The budget should serve as a communications device to convey essential information to the diverse groups who use the budget information, such as elected officials, the public, bond rating agencies and investors.

SECTION 2 FINANCIAL SUMMARY

This describes the City's budget information for each appropriated fund with summaries of revenues, expenditures and other financing sources. The financial summary shows actual historical results from the prior fiscal year, the current budget year adopted and amended budgets.

SECTION 3 BUDGET PROCESS

The City of Weston's annual budget is a *Target Based Budget* developed in accordance with State law, input from the public, and all stakeholders within the framework of best practices identified by the National Advisory Council on State and Local Budgeting (NACSLB).

The Mayor shall have prepared on or before the 15th day of August in each year a budget to cover all proposed expenditures of the City for the succeeding fiscal year, which begins on October 1st and ends on September 30th. The budget shall be prepared in conformity with the state laws of Texas. Much work takes place before and after this deadline and the following overview summarizes the entire budget process.

SECTION 4 BUDGET PREPARATION

Based on revenue and expenditure projections, a budget *target* amount is determined for each line item. On May 15th the Chief Appraiser for Collin County sends preliminary notices of appraised values to taxing entities. The amount of property tax revenue that may be generated from the Preliminary Appraisal and current tax rate is reviewed. The management review process is usually completed by mid-July. In July and August, the City Council may conduct public hearings to gather citizen input on the budget. During these public hearings citizens are encouraged to offer their suggestions and ideas of what programs they would like included in the upcoming budget or what levels of service they desire. These public hearings are not required by law, but are viewed as an important part of the budget process. A State law mandated public hearing is later held after the Proposed Budget is filed with the City Secretary's Office and made available to the public.

SECTION 5 CITY COUNCIL REVIEW

While citizen input is gathered at public hearings, a draft budget is submitted to the City Council for their review, usually before the first Council meeting in July. Throughout the month of July the City Council may hold budget workshops to review and adapt the draft budget. These budget workshops are also open to the public and are used to encourage further citizen input on the budget as details are discussed. On July 25th, the Chief Appraiser for Collin County releases the certified tax roll for each taxing entity, and the budget is modified to reflect any changes in anticipated property tax revenue.

**SECTION 6
BUDGET ADOPTION**

Upon conclusion of the budget workshops, but before August 15th, the Mayor submits a Proposed Budget to the City Council for consideration and adoption. Statutory legal notices are published in the City's designated newspaper in accordance with State Law. A copy is also filed with the City Secretary's Office and posted on the City's website for public review in accordance with State law. Prior to the City Council setting the tax rate, a final, State law mandated public hearing is held on the Proposed Budget. At this September public hearing, all interested persons are given a final opportunity to be heard regarding any item on the Proposed Budget. The City Council then has the option of approving the budget at this meeting or postponing the vote to the next Council meeting. Once approved, the City Council adopts the budget by ordinance, which becomes effective on October 1st.

**SECTION 7
BUDGET AMENDMENTS**

The adopted budget authorizes the amount of spending, also known as appropriations, that is allowed during the fiscal year. Appropriation changes, or revisions, are allowed to account for situations that were not anticipated prior to the beginning of the year. All revisions must be approved by City Council.