



Office of the Town Manager

Frank Cassidy

STAFF REPORT

Warrenton Town Council

Carter Nevill, Mayor

Heather Sutphin, Ward 1

William Semple, Ward 2

Brett Hamby, Ward 3

James Hartman, Ward 4 Vice Mayor

Jay Heroux, Ward 5

Paul Mooney, At Large

David McGuire, At Large

Council Meeting Date:	February 13, 2024
Agenda Title:	FY25 Budget Calendar
Requested Action:	Receive an overview from the Finance Department on the budget development process for fiscal year 2025.
Department / Agency Lead:	Finance Department
Staff Lead:	Brooke Campbell, Budget Manager

EXECUTIVE SUMMARY

The Town Manager and staff are developing the Fiscal Year 2024-2025 Proposed Budget and the 2025-2030 Capital Improvement Program based on identified needs and the Council's goals. By law, local government budgets must be balanced, i.e., expenditures may not exceed revenues.

The Code of Virginia prescribes deadlines related to the timing of the delivery of the proposed budget, public hearings, and budget adoption. Staff will provide a presentation to review key dates and receive feedback from the Council.

BACKGROUND

As required by the Code of Virginia, the Town Manager prepares a proposed annual budget and a draft Capital Improvement Program (CIP). The CIP provides a six-year plan, but only the first year of the program is funded in the annual budget.

- Budget preparation begins in October. Town departments assess their needs and formulate their budget requests based on guidance from the Town Manager. During this time, requests for budget submissions are also sent to Outside Agencies. All requests are due back to the Finance Department by December 31st.
- The Town Manager, Director of Finance, and Budget Manager work to develop revenue estimates based on current and projected economic indicators, current and proposed federal and state legislation, input from staff subject matter experts, and a review of historic trends.
- All requests and estimates are compiled by the Budget Manager and provided to the Town Manager in January. The Town Manager conducts meetings with departments to review their requests.
- If there are new CIP projects that have not been previously reviewed by the Planning Commission, they may elect to hold a work session and public hearing on the draft CIP to review those proposed projects for consistency with the Comprehensive Plan.
- NEW THIS YEAR:** The Town Manager will host a Town talk in March 2024 highlighting the budget process.
- NEW THIS YEAR:** The Finance Department will provide the funding requests received from Outside Agencies to Northern Piedmont Community Foundation (NPCF). The proposed budget will include a lump-sum allocation for outside agencies. NPCF will form a committee that will determine how to allocate the

funding, guided by the Town's Policy for Contributions to Outside Agencies and historic contributions. If the Council subsequently changes the amount allocated, then NPCF will update the proposed distribution of those funds accordingly. Following adoption of the budget, the Town will transfer the total allocation to NPCF, who will then disburse payment to the agencies in July.

6. By April 1st each year, the Town Manager submits to the Town Council a proposed operating and capital budget for the next fiscal year. The operating and capital budget provides proposed expenditures and the means of financing them. At the April Town Council work session, staff will provide an overview of the proposed budget.

7. During April and May, the Town Council reviews the proposed budget. Additional work sessions and special meetings may be scheduled as needed.

8. Each May, the Town Council holds a public hearing on the proposed budget during which citizens can engage and provide input. The timing of this public hearing is prescribed by the Code of Virginia.

9. Also at the May meeting, the Town Council will set the property tax rates for the year. ***The Town Code requires that they be set no later than May 14th each year.***

10. After careful deliberation, the proposed budget, as modified for additions and deletions, is adopted by the Town Council at the June meeting. The budget must be adopted no later than June 30th for the fiscal year beginning on July 1.

STAFF RECOMMENDATION

Service Level/Policy Impact

Information only

Fiscal Impact

Information only

Legal Impact

Information only

ATTACHMENTS

none