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## Session 9: The Budget

# What is the Budget?

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Our guidebook for spending money through the year based on our expected revenues to accomplish the goals set by the City Council.

# Budget as a Strategic Plan

- Should reflect community values
- Wants vs needs
- Cannot be all things to all people

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## OBJECTIVES BASED ON COUNCIL'S DIRECTION

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(2019)

- A)** Maintain consistent level of essential services provided to our residents and businesses with focus on fiscally responsible spending of resources
- B)** Resurfacing City owned streets
- C)** Support resilient and well prepared Police and Fire departments
- D)** Demolition of unsafe and dangerous structures
- E)** Development of property to encourage investment in the community
- F)** Renovation and improvement to public areas to provide attractive segues between business and residential thoroughfares
- G)** Water and sewer infrastructure
- H)** Electric system infrastructure

# Budget as a Policy Tool

- Financial Policies
  - Reserves—how much do we want to save?
  - Funds—how do we separate money? Ex: Enterprise Funds for business-like parts of the city? (Utilities, Stormwater, KCC/Waterpark)
  - Debt/Capital Reserves—how can we afford necessary big-ticket expenses?
- Service Policies
  - Outside necessary services, what other services and programs do citizens want?

# Basic Requirements

Must be:

- Adopted by July 1<sup>st</sup>
- Balanced
- Discussed in open meetings
- Passed by simple majority vote
- (Recommended) Maintain a minimum fund balance

# Budget Challenges

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Our population and economy are constantly changing

- Lots of stress on local revenue sources
  - Local governments have fewer options to gain revenue: mostly property and sales tax
  - Grants come with restrictions
- Less reliable support from the federal and state government

# Players in the budget process

1. City Council
2. City Manager
3. Finance Director
4. Financial and Budget Administrator
5. Other Department Heads
6. Citizens
7. News media

# Budget Timeline

December

Depts. Share  
Expected  
Costs

January

Budget  
Administrator  
Prepares  
Dept. Budget  
Request  
Worksheets

February-  
March

- Budget requests due from Depts.
- Budget Retreat

April

Revenue  
Projections  
Due

May:

City  
Council  
Review

June:

Public  
Hearing;  
Budget  
Adoption

July  
1:

New  
Fiscal  
Year  
Begins



# Kinston City Budget

- Where do I find it?
  - <http://kinstonnc.gov/DocumentCenter/View/2928/-FY-20-21-Adopted-Budget>
  - Kinston City Website → Government → Departments → Budget
  - City Clerk, 252-939-3115
- It's 485 pages...just give me the highlights
  - Manager's Message (page 3-8)
  - Budget Process and Structure (page 41-56)
  - Your Tax Dollar (page 65)
  - Department Narratives (beginning page 87)



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The End is Just the Beginning

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Thank you for watching, and consider joining  
us in-person for our next Kinston 101  
program!