

CHAPTER 3.06

BIENNIAL BUDGET

Sections:

3.06.010	Biennial Budget.
3.06.020	Formulation and Submittal of Biennial Budget.
3.06.030	Biennial Budget; Contents.
3.06.040	Biennial Budget; Adoption.
3.06.050	Appropriations.
3.06.060	Capital Improvements.
3.06.070	Property Tax Rate for Second Year of Biennial Period.

3.06.010 Biennial Budget.

The budget of the city government shall be for a biennial period. The biennial period shall consist of two fiscal and budget years commencing in even numbered years. Each fiscal year shall begin on the first day of September and end on the last day of August of the following year. (Ord. 19630 §1; October 10, 2011).

3.06.020 Formulation and Submittal of Biennial Budget.

The procedure and calendar for the formulation of the proposed biennial executive budget and for its submission to the council shall be as follows:

(a) On or before a date to be prescribed by the mayor, each city department and department head, mayor and city council shall compile and transmit to the finance director estimates for the ensuing biennial period of revenue and operating expenditures for the department concerned, along with such work program information and other supporting data as the mayor may require.

(b) The mayor, with the assistance of the finance director, shall review all estimates, including estimates for the capital improvements program for the biennial period, and shall formulate the proposed biennial budget, making such revisions of estimates as the mayor deems desirable.

(c) All labor contracts involving city employees should be negotiated prior to the start of the budget process to cover, at a minimum, a two-year period coinciding with a biennial budget.

(d) No later than forty days prior to the beginning of the biennial period, the mayor shall submit to the council for its consideration and action the mayor's proposed biennial budget. Upon submission, the proposed biennial budget shall become a public record and shall be open to inspection. Amendments to the proposed biennial budget provided by the mayor no later than forty days prior to the beginning of the biennial period shall be considered part of the mayor's proposed budget as if they were part of the original submission to the city council. (Ord. 19630 §2; October 10, 2011).

3.06.030 Biennial Budget, Contents.

The biennial budget shall be a complete financial plan for the biennial period and shall consist of an operating budget and a capital budget. The capital budget shall provide for the acquisition of real property; the acquisition, construction, reconstruction, improvement, extension,

equipping, or furnishing of any capital improvement, but not routine maintenance work thereon; and equipment with a probable useful life of fifteen or more years. The operating budget shall provide for all classes of expenditures not provided for in the capital budget.

The proposed budget submitted by the mayor to the council shall contain at least the following:

(a) A budget message in which the mayor shall discuss the city's financial condition and prospects, explain both in terms of money and work programs the important features of the operating biennial budget, and outline the financial policies the mayor proposes for the ensuing biennial period.

(b) Schedules of all estimated revenues itemized by sources for the biennial period and comparative data for the previous biennial period.

(c) Operating budget schedules showing by activity or program the proposed operating expenditures for the first and second fiscal year of the biennial period, and in a separate column or section entitled "Proposed Appropriations," the lump sum recommended for appropriation, which lump sums need not be itemized further than by departments, divisions, or major activities and programs. Comparative expenditures data for the previous biennial period and information on work programs and outcomes shall also be presented.

(d) A schedule or schedules showing principal and interest requirements for the biennial period and for at least four years thereafter on each outstanding note and bond issue comprising the city debt.

(e) Capital budget schedules showing the total amount proposed for expenditure on each capital improvement project during the biennial period and a complete analysis of the sources of funds by projects showing amounts to be appropriated, borrowed, or derived from other sources.

(f) A contingency fund of up to one percent of the General Fund Operating Budget. Funds in the contingency fund should only be used to finance an unanticipated revenue loss or unanticipated expenditures. Authorization to use contingency funds shall be by resolution that provides a statement of findings supporting the appropriation of contingency funds.

(g) The LES Board shall submit their budget to the council pursuant to Lincoln Municipal Code Chapter 4.24. (Ord. 19630 §3; October 10, 2011).

3.06.040 Biennial Budget, Adoption.

At the meeting of the council at which the mayor submits the proposed biennial budget, the council shall determine the time and place at which it will hold a public hearing on the proposed biennial budget. The date for a public hearing shall be scheduled for not later than ten days prior to the budget adoption date prescribed in this section, and the time and place of the hearing, together with a copy of a summary of the proposed biennial budget, shall, not less than five days before such hearing, be published in one issue of the official paper of the city, if there be one, and if there be no official paper, then in one newspaper published and of general circulation in the city.

The council shall have full power at any time prior to the adoption of the biennial budget to revise revenue estimates and to increase or decrease appropriations of departments or divisions or capital improvement program projects.

Not later than five days prior to the beginning of the biennial period, the council shall by a vote of at least four of its members adopt a biennial budget by resolution and thereby authorize appropriations for the ensuing biennial budget period. Should the council fail to adopt a biennial budget on or before the prescribed biennial budget adoption date, the biennial budget proposed by the mayor shall be deemed to have been adopted by the council and shall become the basis for

expenditure during the ensuing biennial budget period and for the property tax rates for the ensuing biennial period.

Not more than ninety percent of the total levy for any fiscal year in the biennial budget shall be included in the budget revenue estimates for each fiscal year, but each fiscal year in the biennial budget shall be balanced in that total estimated revenues, including applicable borrowing proceeds, shall be equal in amount to total appropriations.

Any legislation pertaining to the biennial budget shall be subject to the power provided in Article IV, Section 13 of the Charter.

After a biennial budget is adopted, neither the mayor nor the council shall adopt a new annual budget in the second year of the biennial period. (Ord. 19630 §4; October 10, 2011).

3.06.050 Appropriations.

The finance director shall not allow any commitments or expenditures to be made except as charges against appropriations authorized in the biennial budget or pursuant to Article VII, Section 7. If, at any time, during the biennial budget period the mayor determines that the available income of any specific fund will be less than the total appropriations authorized from such fund, the mayor shall have the power to reduce appropriations from such fund so as to prevent the incurring of a budget deficit for that fiscal year or biennial period.

The mayor may at any time authorize the transfer of an unencumbered appropriation balance or portion thereof between appropriations of the same department during the biennium, but he shall inform the council of all such transfers by filing an appropriate written statement with the city clerk within seven days. Appropriation transfers between departments may only be authorized by resolution of the council.

The council shall not make any appropriation in addition to those authorized in the biennial budget, except that it may revise the previously adopted biennial budget pursuant to Nebraska state law. The budget must remain balanced after revisions are authorized. The council may also authorize emergency appropriations in the event of an emergency threatening serious loss of life, health, or property in the community. If there are no unappropriated moneys available from which to make such appropriations, the council may by resolution authorize the issuance of emergency notes, provided that the emergency notes issued shall not exceed fifteen percent of the total appropriations made in the operating budget for the year concerned, and provided further that the first biennial budget adopted after the issuance of such emergency notes shall provide for their redemption in full. The affirmative vote of six members of the council or a unanimous vote, if fewer than six but at least four members are present, shall be required to pass resolutions authorizing emergency appropriations or the issuance of emergency notes.

Unencumbered balances of operating appropriations shall lapse at the end of the biennial period for which authorized. Unencumbered capital appropriations shall be continuing appropriations, but the council may by ordinance transfer at any time the unencumbered balances of such capital appropriations to other capital appropriations or to an appropriate fund. (Ord. 19630 §5; October 10, 2011).

3.06.060 Capital Improvements.

Each department biennially, on or before a date which the mayor shall establish, shall submit to the planning director a schedule of all capital improvements which it recommends to be undertaken in any of the six succeeding fiscal years.

The term “capital improvements” shall include the acquisition of real property; the acquisition, construction, reconstruction, improvement, extension, equipping, or furnishing of any physical improvement, but not routine maintenance work thereon; and equipment with a probable useful life of fifteen or more years.

The planning director shall examine each recommended project for conformity to the comprehensive plan and shall prepare a consolidated schedule of the projects recommended by the departments, which schedule shall describe the character and degree of conformity or non-conformity of each project as it relates to the comprehensive plan. This consolidated schedule shall be submitted to the city planning commission for its review and comment. Not later than seventy-five days prior to the biennial budget adoption date, the commission shall submit the consolidated schedule of projects and its comments thereon to a capital improvements advisory committee composed of the mayor as chairman, and such directors as designated by the mayor. The capital improvements advisory committee shall formulate and recommend a six-year improvement program showing exactly which projects should receive appropriations in each of the six succeeding fiscal years. As a part of the mayor’s proposed biennial budget, the mayor shall, after consideration of the recommended capital improvement program, submit to the council the mayor’s recommendations with respect to the capital budget for the biennial period. Amounts and funding sources shown for the first two years of the six-year capital improvements program shall be considered appropriated.

The council shall not appropriate any money in any biennial budget for any capital improvement project unless and until the conformity or non-conformity of that project has been reported on by the planning department by special report or in connection with the capital improvement programming process. (Ord. 19630 §6; October 10, 2011).

3.06.070 Property Tax Rate for Second Year of Biennial Period.

The council shall meet after August 20th in the first year of the biennial period to set the property tax rate for the second year by resolution and to reappropriate unencumbered appropriations if necessary. The resolution shall set a property tax rate sufficient to ensure the biennial budget is balanced for the second year. (Ord. 19630 §7; October 10, 2011).