

City of Bristol, Virginia

Budget Policy

The City will annually adopt and execute a budget for funds that may be required by law or by sound financial practices and generally accepted accounting principles. The budget process will follow the guidelines of Chapter 25, Title 15.2 of the Code of Virginia. The budget shall control the levy of taxes and the expenditure of money for all City purposes during the ensuing fiscal year. The City budget shall be balanced within all available operating revenues, including the fund balance, and adopted by the City Council.

Balanced Budget

The annual budget of the City will be considered balanced when all anticipated payments for operations, debt service, and the annual capital plan needs do not exceed budgeted revenues.

Current Revenues to Support Current Expenditures

Ongoing and stable revenues will be used to support ongoing operating costs.

One-time Revenues and One-time Expenditures

The use of one-time revenues and one-time expenditure savings will be used for non-recurring expenditures.

Revenue and Expenditure Projections

The City will prepare annually a financial forecast utilizing trend indicators and projections of annual operating revenues, expenditures, capital improvements and related debt service and operating costs, and fund balance levels.

Budget Performance Monitoring

All departments of the City will periodically examine and effect changes in program delivery responsibilities or management which would improve productivity, lower costs, enhance service, and further communication with the public. The City will maintain a budgetary control system to ensure adherence to the budget and will prepare monthly reports comparing actual revenues and expenditures to budgeted amounts.

Budget Adjustments

Pursuant to the annually adopted Budget Ordinance, the City Manager may authorize adjustments to the adopted budget as requested by staff between individual line items within the respective departments. Council approval is required to increase or decrease total budgeted expenditures.

Budgetary Basis

The Budget shall be prepared on the cash basis, which is in accordance with Governmental Accounting Standards, the guidance set forth in the Uniform Financial Reporting Manual issued by the Virginia Auditor of Public Accounts, and is consistent with the City Charter.

Approved January 12,2021