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2 **Resolution Relating to**
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RESOLUTION
Sponsor(s): Councilors Paul,
Shannon
Introduced: 04/11/11
Referred to: _____
Action: _____
Date: _____
Signed by Mayor: _____

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7 **ENHANCEMENTS TO THE FY 2012 BUDGET PROCESS**
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12 **CITY OF BURLINGTON**

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14 In the year Two Thousand Eleven.....
15 Resolved by the City Council of the City of Burlington, as follows:

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17 That WHEREAS, the City Council engaged George Cross to review and offer insight into the
18 Annual Budget for FY 2011; and

19 WHEREAS, after attending 14 budget hearing and various other meetings including
20 hours reviewing the budget, Mr. Cross has given this Council several specific recommendations
21 going forward to improve the budget process, the format of the budget and our IT challenges;
22 and

23 WHEREAS, there are also valid and important recommendations put forth by past
24 Budget Task Forces for FY 2007, FY 2008 and FY 2009, some of which have been acted upon
25 and others that have not; and

26 WHEREAS, the events of the past few years concerning Enterprise Funds (i.e. financial
27 oversight, credit ratings and internal controls, among others) as well as interest in the Annual
28 Single Audit Management Letter and the entire budget process have brought to light other
29 recommendations;

30 NOW, THEREFORE, BE IT RESOLVED that the City Council requests the following:

- 31 1. The reporting and fiscal management of enterprise funds should be similar to a for
32 profit entity and, as such, beginning with the FY 2012 budget, the Chief
33 Administrative Officer shall provide the Board of Finance and the City Council, at the
34 time of presentation of the Mayor's proposed budget, a report that provides the

36 **Resolution Relating to** ENHANCEMENTS TO THE FY 2012 BUDGET
37 PROCESS
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39 anticipated monthly budgets for all Enterprise Funds that are reviewed and approved
40 by the City Council.

41 2. All Enterprise Funds will be presented separately in the City Budget with both
42 expenses and revenues being reported within that separate presentation.

43 3. Beginning with the FY 2012 budget process, in an effort to provide the most clear and
44 understandable format, all departments will present their budget in the same format.

45 4. In order to provide a more accurate picture of the actual revenues and expenses
46 associated with City department operations, beginning with the FY 2013 budget
47 process, all departmental budgets will contain all fringe benefit costs attributable to
48 their operations including but not limited to, FICA, retirement fund contributions,
49 health and dental benefits, and workers' compensation costs. Where appropriate,
50 these costs may be reported as a premium equivalent.

51 5. In order to understand the City's categorical costs of operations, beginning with the
52 FY 2012 budget, the Chief Administrative Officer shall provide a report containing a
53 summary of expenses listed by expense object across all departments for all funds.