

FLUVANNA COUNTY BUDGET PROCESS AND CALENDAR

Fluvanna County's budget development begins each year in November with a kick-off meeting and concludes with the final budget adoption in April. The process is designed to allow county administration to work closely with departments in determining the proposed annual budgets. Each budget request is thoroughly reviewed to ensure funds are allocated appropriately.

In late January, the County Administrator submits the proposed operating budget for the fiscal year to the Board of Supervisors for consideration. In April, a public hearing is held to inform residents of the proposed budget and to obtain citizen input. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles applicable to governmental units. Budgeted amounts reflected in the financial statements are as originally adopted.

Appropriations for the General Fund, School Fund and Enterprise Funds conclude at the end of the fiscal year. Appropriations for Capital Projects Funds and Grant Funds are continued until the completion of the applicable project or grant, even when the project or grant extends beyond the end of the fiscal year.

The Board of Supervisors must approve supplemental appropriations or amendments that alter the total appropriation of any fund.

BUDGET PROCESS CALENDAR

November 3, 2005 – Budget request forms are distributed.

December 1 & 8, 2005 – Budget commencement is advertised.

December 8, 2005 – Departments submit estimates of operating revenue (as applicable) and expenditures to Budget Analyst.

December 19-30, 2005 – County Administrator holds budget meetings with department heads.

January 18, 2006 – Proposed budget is presented to Board of Supervisors

February 8, 2006 – Budget work session to discuss the expenditure budgets

February 22, 2006 – Budget work session to discuss the revenue budgets

March 1, 2006 – Budget work session to allow outside agencies to present requests

March 8, 2006 – Budget work session to review and reconcile budget

March 15, 2006 – Budget work session with School Board

March 22, 2006 – Budget work session to review and reconcile (if necessary)

March 30 & April 6 – Public Hearing advertised

April 12, 2006 – Public Hearing for operational budget and Capital Improvement Plan

April 19, 2006 – Budget Adopted

BASIS OF BUDGETING

Budgets are adopted on a basis consistent with generally accepted accounting principles (“GAAP”). Government and Fiduciary Funds utilize the modified accrual basis of accounting under which revenues and related assets are recorded when measurable and available to finance operations during the year. Proprietary Funds use the accrual basis of accounting which recognizes revenues when earned and expenses when incurred. Annual operating budgets are adopted for all Governmental Funds except for the Capital Projects Fund in which effective budgetary control is achieved on a project-by-project basis when funding sources become available. All appropriations conclude at year-end, except those for the Capital Projects Fund and Grant Funds. It is the intention of the Board of Supervisors that appropriations for capital and grant funded projects continue until completion of the project.

FUND STRUCTURE

The budget of the County is organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. The various funds are grouped as follows:

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the county are financed. These include Capital Projects, Comprehensive Services Act, Debt Service and E-911 and General Fund.

Capital Projects Fund

The Capital Projects Fund accounts for all general government and school system capital projects. The projects are financed through a combination of proceeds from general obligation bonds and operating transfers from the General Fund.

Comprehensive Services Act

The Comprehensive Services Act Fund accounts for all revenues and expenses related associated with assisting at-risk youth and families. A small portion of funding is received from grants and the State, the remainder of funding for this program is provided by the County.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of financial resources for the payment of interest and principal on all school related long-term debt except for accrued compensated absences and capital lease obligations which are paid by the fund incurring such expenditures. Debt Service Fund resources are derived from transfers from the General Fund.

E911

The E911 Fund accounts for all revenues and expenses associated with operating and maintaining the County’s emergency response system. Revenues are generated through E911 taxes.

General Fund

The General Fund accounts for all revenue and expenditures of the County which are not accounted for in the other funds. Revenues are primarily derived from real estate property taxes, personal property taxes, local sales taxes, license and permit fees and revenues received from the State. A significant part of General Fund revenues is used to maintain and operate the general government. A portion is also transferred to other funds primarily to fund debt service requirements and capital projects. Expenditures include those for general government, education, public safety, social services, culture and recreation and federal and state grant supplements.

FIDUCIARY/AGENCY FUND

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for resources obtained and used relating to welfare and the Drug Forfeiture.

PROPRIETARY FUNDS

Proprietary funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the County is that the cost of providing services to the general public be financed or recovered through charges to users of such services. These funds include Fork Union Sanitary District, Landfill and Recreation Program.

STRUCTURE OF COUNTY FUNDS

GOVERNMENTAL

PROPRIETARY

FIDUCIARY/

