

## **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 1, 2007 – Budget Kick-off meeting

November 29 & December 6, 2007 – Budget commencement is advertised.

November 28, 2007 – Departments submit estimates of operating revenue (as applicable) and expenditures to Budget Analyst.

December 17, 2006 – January 4, 2007 – County Administrator holds budget meetings with department heads.

February 6, 2008 – Proposed budget is presented to Board of Supervisors

February 13, 2008 – Budget work session to discuss the expenditure budgets

February 27, 2008 – Budget work session to discuss the revenue budgets

March 5, 2008 – Budget work session to allow outside agencies to present requests

March 12, 2008 – Budget work session to review and reconcile budget

March 19, 2008 – Budget work session with School Board

March 27 & April 3 – Public Hearing advertised

April 9, 2008 – Public Hearing for operational budget and Capital Improvement Plan

April 16, 2008 – 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 intent of the Board of Supervisors that appropriations for capital and grant funded projects carry forward 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. In previous years the Comprehensive Services Act and E911 have been accounted for in individual funds. At the instruction of the County’s contracted auditors we have integrated these two funds into the General Fund. 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, Debt Service 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.

##### **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.

##### **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, Comprehensive Services Act, E-911, education, public safety, social services, culture and recreation and federal and state grant supplements.

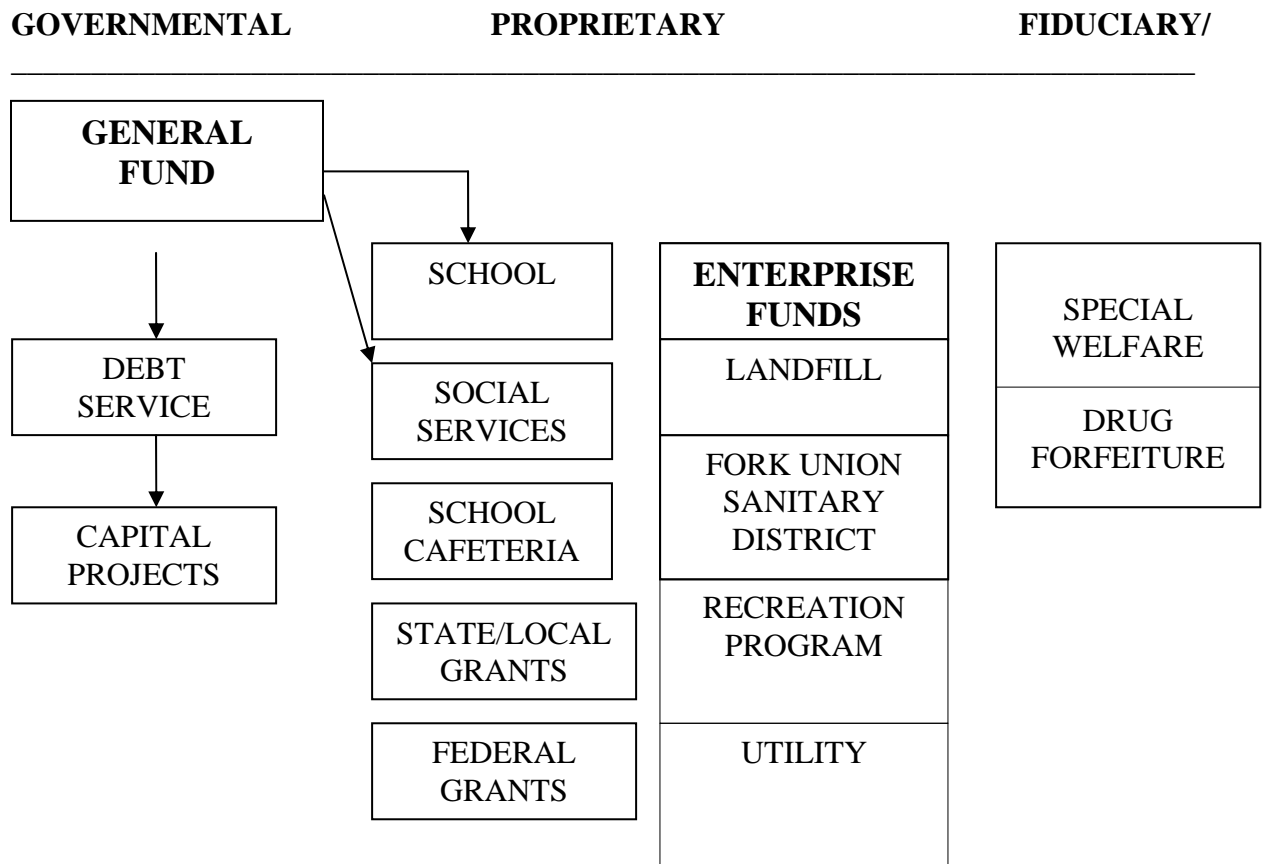
**FIDUCIARY/AGENCY FUND**

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.

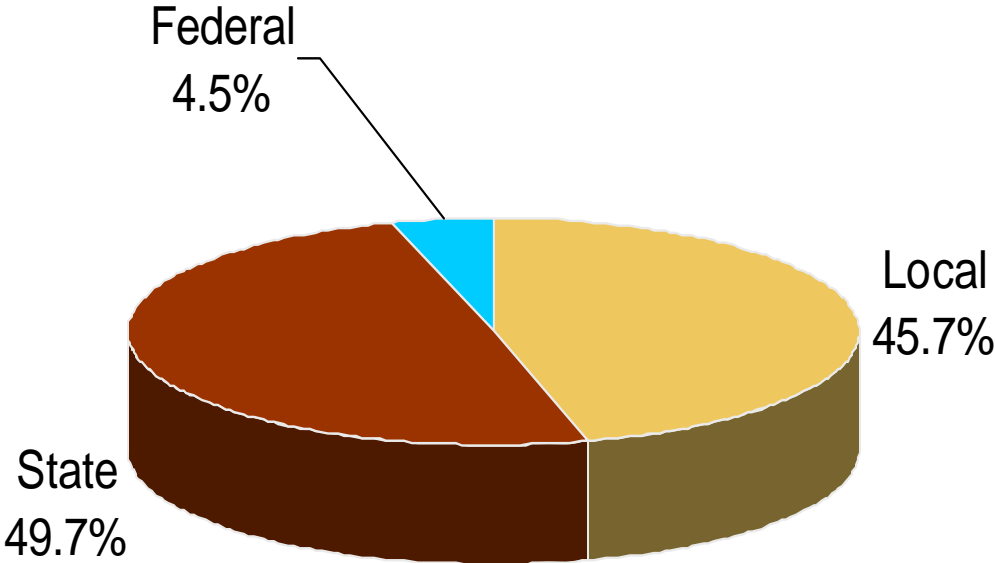
**PROPRIETARY FUNDS**

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, Recreation Program and Utility.

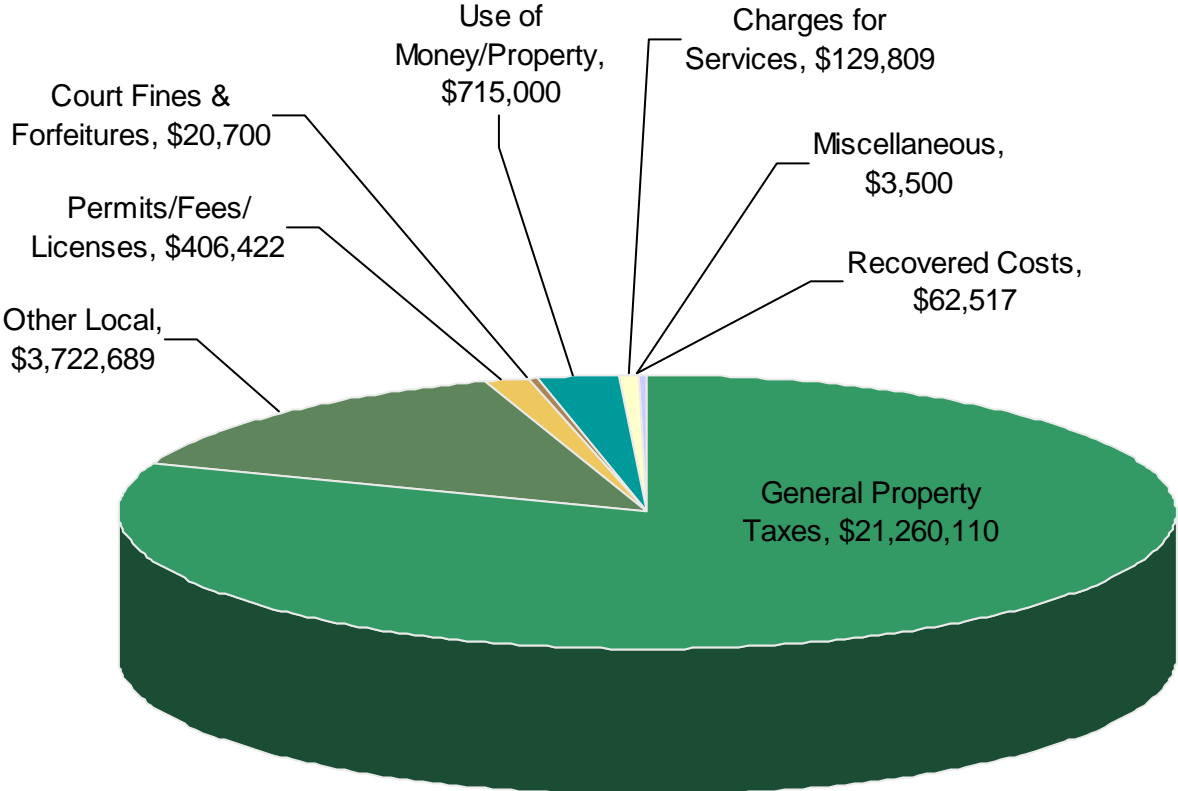
**STRUCTURE OF COUNTY FUNDS**



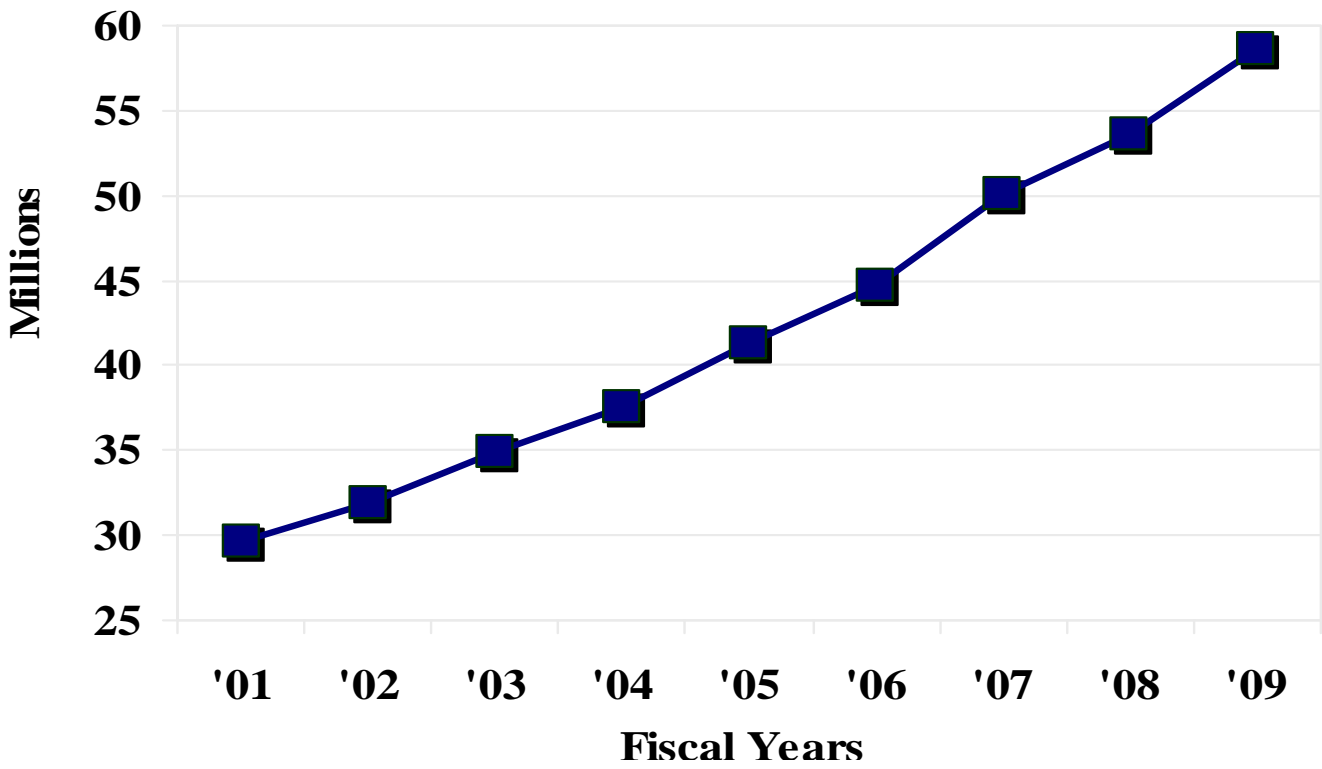
**GENERAL FUND REVENUES  
BY CATEGORY**



**GENERAL FUND LOCAL REVENUES SOURCES**



## GENERAL OPERATING EXPENDITURES GROWTH OVER THE YEARS



## OPERATING EXPENDITURES FOR FY 2009 BY DEPARTMENT

