

### **91A.030 Annual budget.**

- (1) Each city shall operate under an annual budget ordinance adopted and administered in accordance with the provisions of this section. Notwithstanding any other provision of law, no city shall expend any moneys from any governmental or proprietary fund, except in accordance with a budget ordinance adopted pursuant to this section.
- (2) Moneys held by a city as a trustee or agent for individuals, private organizations, or other governmental units need not be included in the budget ordinance.
- (3) If, in any fiscal year subsequent to a fiscal year in which a city has adopted a budget ordinance in accordance with this section, no budget ordinance is adopted, the budget ordinance of the previous fiscal year shall have full force and effect as if readopted.
- (4) The budget ordinance of a city shall cover one (1) fiscal year.
- (5) Preparation of the budget proposal shall be the responsibility of the executive authority of the city in cities operating pursuant to KRS Chapter 83, KRS 83A.130 or 83A.140 or the city manager in cities operating pursuant to KRS 83A.150.
- (6) The budget proposal shall be prepared in the form and detail as is prescribed by ordinance.
- (7) The budget proposal together with a budget message shall be submitted to the legislative body not later than thirty (30) days prior to the beginning of the fiscal year it covers. The budget message shall contain an explanation of the governmental goals fixed by the budget for the coming fiscal year; explain important features of the activities anticipated in the budget; set forth the reasons for stated changes from the previous year in program goals, programs, and appropriation levels; and explain any major changes in fiscal policy.
- (8)
  - (a) The legislative body shall adopt a budget ordinance making appropriations for the fiscal year in such sums as the legislative body finds sufficient and proper, whether greater or less than the sums recommended in the budget proposal. The budget ordinance may be in any form that the legislative body finds most efficient in enabling it to make the necessary fiscal policy decisions.
  - (b) No budget ordinance shall be adopted which provides for appropriations to exceed revenues in any one (1) fiscal year in violation of Section 157 of the Kentucky Constitution.
- (9) The full amount estimated to be required for debt service during the budget year shall be appropriated for all governmental fund types.
- (10) The city legislative body may amend the budget ordinance after the ordinance's adoption, if the amended ordinance continues to satisfy the requirements of this section.
- (11) Administration and implementation of an adopted budget ordinance shall be the responsibility of the executive authority of the city. That responsibility shall include the preparation and submission to the legislative body of operating statements which shall include budgetary comparisons of each governmental fund for which an annual budget has been adopted. These reports shall be submitted not less than once

every three (3) months in each fiscal year.

- (12) To the extent practical, the system utilized in the administration and implementation of the adopted budget ordinance shall be consistent in form with the accounting system called for in KRS 91A.020.
- (13) No city agency, or member, director, officer, or employee of a city agency, may bind the city in any way to any extent beyond the amount of money at that time appropriated for the purpose of the agency. All contracts, agreements, and obligations, express or implied, beyond existing appropriations are void; nor shall any city officer issue any bond, certificate, or warrant for the payment of money by the city in any way to any extent beyond the unexpended balance of any appropriation made for the purpose.

**Effective:** July 14, 1992

**History:** Amended 1992 Ky. Acts ch. 33, sec. 3; and ch. 435, sec. 10. -- Amended 1982 Ky. Acts ch. 434, sec. 8, effective July 15, 1982. -- Created 1980 Ky. Acts ch. 232, sec. 3, effective July 15, 1980.

**Legislative Research Commission Note (7/14/92).** This section was amended by two 1992 Acts which do not appear to be in conflict and have been compiled together.