ARTICLE VIII. THE BUDGET

Sec. 1. Fiscal year.

The fiscal year of the town government shall begin on the first day of July and shall end on the last day of June of each calendar year unless a uniform fiscal year for all cities and towns shall be established by state law. Such fiscal year shall also be the budget and accounting year. As used in this charter, the term “budget year” shall mean the fiscal year for which any particular budget is adopted and in which it is administered.

Sec. 2. Budget, general.

The budget shall provide a complete financial plan for the budget year. It shall contain four parts:

The budget message prepared by the town administrator, giving a general summary of the principal sources of anticipated revenue with amounts to be raised from each source, and of the principal objects of expenditure with amounts to be expended on each object, making clear how expenditures are to be kept within income, and comparing the general estimates for the coming year with the corresponding figures for the past year and the year in progress;

Detailed estimates of all anticipated revenues applicable to proposed expenditures together with supporting information such as, for example, a statement of the town’s bonded indebtedness, showing the amount of bonds outstanding and the amount authorized but unissued, the condition of the sinking funds, the total borrowing capacity of the town, and other relevant information on revenues and expenditures;

Drafted bills prepared by the town administrator, for appropriations, revenues and borrowing if necessary, putting the details of the budget plan into proper legal form ready for action by the legislating body;

A copy of the independent auditor’s opinion and auditor’s management recommendations shall be included in the budget report.

The total of such anticipated revenues shall at least equal the total of such proposed expenditures.
(Amend. of 11-3-87)

Sec. 3. Preparation of the budget.

The town administrator shall annually assemble the budget requests of all departments and agencies. He shall receive from the head of each department and agency, including any private corporation which receive all or a substantial portion of its funding from the town, an estimate of the amount necessary to carry on its work during the coming year. These estimates accompanied by a statement of recommendations from the town administrator shall be presented to the budget committee by the second Monday in March. The budget committee shall prepare its budget...
recommendations for submission to the town council pursuant to Article III of the town charter. In performing this duty, the budget committee shall exercise these powers: It shall elect a chairman, a vice-chairman, and secretary of the committee and shall adopt its own rules and order of business; it shall receive from the town administrator said statement of the budget requests for all departments and agencies; it shall investigate the recommendations of the various departmental budget requests, including the budget requests of the school committee, and may request the director of finance with the head of any of the departments and the head of any other board, office or agency supported wholly or in part by town funds to explain their estimates and recommendations. In preparing the budget, the budget committee may confer with the town council and may hold one or more public hearings in preparing the budget at which department heads and/or their designee and those requesting funds shall be in attendance. The budget committee shall present a budget message of explanation to accompany their budget recommendations to the town council pursuant to Article III of the town charter.

The Budget Committee may be assigned additional tasks by the Town Council such as: overseeing the development of pro-forma statements by department, monitoring department budgets during the fiscal year, reviewing fiscal impact statements, reviewing audit reports, offering recommendations which could result in savings, and investigating financial practices and policies of other communities which if implemented could benefit the Town.

(Amend. of 11-7-89, § 4; Amend. of 11-2-93; Amend. of 11-4-2014)

Sec. 4. Procedure for budget committee.

The budget committee shall hold its first meeting for the consideration of a recommended annual budget for the Town of North Smithfield for the fiscal year then next ensuing not later than the fifteenth day of January in each year unless such day should fall upon a Sunday or legal holiday; in which event, said first meeting shall be held not later than the first business day thereafter. The budget committee shall promulgate at its organizational meeting rules and regulations governing its operations and procedures, and said rules and regulations shall be approved by the town council. The budget committee shall complete its consideration of the budget, including all necessary conferences with the town council, the town administrator, department representatives, citizens and private corporations, not later than the Third Monday in May in each year and shall annually on said date publish its recommended budget and budget message by filing two copies thereof with the town clerk, one for posting and public inspection in the town clerk’s office and the other copy thereof for the use of the town officers. The town clerk shall cause sufficient copies of the budget and budget message to be prepared for distribution to interested persons.

The budget committee recommendations shall be considered final at this time. The published budget shall be available for distribution and released from Town Hall upon request five business days prior to the final hearing pursuant to section 8 of Article III of the home rule charter.

(Amend. of 11-3-87; Amend. of 11-7-89, § 4; Amend. of 11-2-93; Amend. of 11-4-2014)

Sec. 5. Budget format.

In parallel columns opposite the several items of anticipated revenues there shall be placed the
amount of each such item in the budget of the last three completed fiscal years, the amounts of such items actually received during such years, the amount of each such item in the budget of the current fiscal year, and the amount actually received to the time of preparing the budget plus receipts for the remainder of the current fiscal year estimated as accurately as may be.

In parallel columns opposite the several items of proposed expenditures, there shall be placed the amount of each such item in the budget of the last completed fiscal year, the amounts of such items actually expended during such year, the amount of each such item in the budget of the current fiscal year and the amount actually expended to the time of preparing the budget plus the expenditures for the remainder of the current fiscal year estimated as accurately as may be.

The estimates of receipts for all departments shall be detailed by source. The estimates of expenditures shall be detailed by departments and the principal subdivisions thereof, offices, boards, commissions and agencies of the town and shall show for each such unit the requested amount broken down by personal service, contractual service, materials and supplies, fixed charges and capital outlays.

(Amend. of 11-4-2014)

Sec. 6. Submission of budget.

The budget committee shall submit its printed report comprising the budget and budget message to the town council and shall make its recommendations for expenditures and for taxes or other revenues which will be necessary to pay such expenses.

(Amend. of 11-7-89, § 4)

Sec. 7. Certification of detailed budget.

Within one week after the approval of the budget by the town council, the tax assessor shall certify to the finance director, town administrator, president of the town council, and any required state officer or agency the detailed budget or work sheets upon which each item of appropriation passed was presumably based, showing allotments by quarterly periods of the budget year. Any head of a department, office or agency, may, if he so desires, shorten the work program and requested allotments of appropriations submitted by him to the town administrator by incorporating therein specific references to the particular items in said detailed budget applicable to his department, office or agency. Said detailed budget or work sheets shall not be considered as part of or in any way affecting the actual items of appropriation approved by the town council.

(Amend. of 11-7-89, § 4; Amend. of 11-2-2010)

Sec. 8. Budget control.

The town administrator shall authorize all expenditures for the departments, offices and agencies to be made from the appropriations on the basis of approved allotments, and not otherwise. An approved allotment may be revised however during the budget year. If at any time during the first three quarters of the budget year but ordinarily at the end of any quarterly period, the town administrator shall ascertain that the remaining, unexpended balance of appropriations
for the year will be insufficient to cover the proposed work programs, he shall reconsider the work programs and allotments of the several departments, offices and agencies and revise the allotments other than the allotments of the school department, so as to forestall the making of expenditures in excess of appropriations. Provided, however, that the revision is within departments, offices and agencies. The town council during the last quarter of the budget year may revise allotments between departments, offices and agencies other than the allotments of the school department. If at any time during the budget year, the town administrator shall ascertain that the remaining unexpended balance of appropriations of the school department for the year will be insufficient to cover proposed work programs for the school department, he shall advise the school department to reconsider their work programs, and allotments and to revise their allotments so as to forestall the making by them of expenditures in excess of appropriations.

Sec 9. **Budget Committee Review Required for all negotiated Union Contracts.**

After preliminary agreement between the Administration and any Union or the School Department and any Union and prior to the Contract going in front of the Town Council for a ratification vote, the Budget Committee will review all negotiated union contracts and verify the Administration’s or School Department’s calculations as to the increased costs and/or burdens (or the decreased costs and/or benefits, if applicable) and report their findings to the Town Council in written format at least one week in advance of a Public Hearing on the proposed union contract. (Amend. of 11-4-2014)