

1 SB391
2 149761-1
3 By Senators Coleman, Dunn, Waggoner, Smitherman and Blackwell
4 (N & P)
5 RFD: Local Legislation No. 2
6 First Read: 04-APR-13

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8 SYNOPSIS: This bill would authorize the governing body
9 of a Class 1 municipality to adopt an ordinance
10 that would permit the city to adopt a fiscal year
11 that begins on October 1 and ends on September 30
12 and provide specifications for transition to a new
13 fiscal year.

14 This bill would amend the deadlines for
15 submission of the budget proposal by the mayor and
16 adoption of the general fund budget by the council
17 if the council adopts a fiscal year that begins on
18 October 1 and ends on September 30.

19 This bill would specify that certain notices
20 relating to budget hearings may be published in a
21 newspaper that is not published daily and would
22 ratify the publication of certain prior notices
23 prohibited in conformance with this act in a Class
24 1 municipality.

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26 A BILL
27 TO BE ENTITLED

1 AN ACT

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3 Relating to any Class 1 municipality; to amend
4 Sections 5.01 and 5.02, as amended by Act 792, 1973 Regular
5 Session (Acts 1973, p. 1206), and Sections 5.08 and 5.10 of
6 Act 452 of the 1955 Regular Session (Acts 1955, p. 1004),
7 providing a mayor-council form of government for cities having
8 a certain population; to adopt an ordinance that would permit
9 the city to adopt a fiscal year that begins on October 1 and
10 ends on September 30 and provide specifications for the
11 transition to a new fiscal year; to amend the deadlines for
12 submission of the budget proposal by the mayor and adoption of
13 the general fund budget by the council if the council adopts a
14 fiscal year that begins on October 1 and ends on September 30;
15 to provide that notice of the place and time of a public
16 hearing on the proposed budget for the upcoming fiscal year be
17 published at least once in a newspaper published and of
18 general circulation in the city at least seven days prior to
19 the hearing; and to confirm and ratify actions taken by any
20 Class 1 municipality in publishing the notices in a newspaper
21 that is not published daily prior to the effective date of
22 this act.

23 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

24 Section 1. This act shall apply in any Class 1
25 municipality.

26 Section 2. Sections 5.01 and 5.02, as amended by Act
27 792, 1973 Regular Session (Acts 1973, p. 1206), and Sections

1 5.08 and 5.10 of Act 452 of the 1955 Regular Session (Acts
2 1955, p. 1004), are amended to read as follows:

3 "Sec. 5.01. Fiscal year. The fiscal year of the city
4 government shall begin on the first day of July and shall end
5 on the last day of June of each calendar year. Such fiscal
6 year shall also constitute the budget and accounting year. As
7 used in this Act, the term "budget year" shall mean the fiscal
8 year for which any particular budget is adopted and in which
9 it is administered.

10 "Notwithstanding any provision herein, the council
11 may enact an ordinance declaring that the city adopts a fiscal
12 year that begins on the first day of October and ends on the
13 last day of September of the following calendar year. The
14 ordinance shall become effective on the first day after the
15 expiration of any fiscal year ending June 30 in which the
16 ordinance is adopted. The ordinance shall provide that in
17 order to change from a July 1 to June 30 fiscal year to an
18 October 1 to September 30 fiscal year, the city shall, on a
19 one-time basis, utilize a transitional financial reporting
20 period that extends, at the council's election, for a
21 three-month period beginning on July 1 and ending September 30
22 of that same calendar year, or for a 15-month period beginning
23 on July 1 and ending on September 30 of the following calendar
24 year.

25 "Sec. 5.02. Submission of budgets. On a day to be
26 fixed by the council but in no case later than the 20th day of
27 May in each year, the mayor shall submit to the council:

1 "(a) A separate current revenue and expense budget
2 for the general operation of the city government, to be known
3 as the "general fund budget";

4 "(b) a budget for each public utility owned and
5 operated by such city;

6 "(c) a capital budget; and

7 "(d) a budget message.

8 "When submitting the budgets to the council, the
9 mayor shall submit his or her recommendation of new sources of
10 revenue or manner of increasing existing sources of revenue,
11 sufficient to balance the budgets, if such additional revenue
12 is necessary to accomplish that purpose.

13 "If the council enacts the ordinance authorized by
14 Section 5.01, the mayor shall submit proposed budgets to the
15 council no later than August 20th of any period in which the
16 city's fiscal year is October 1 to September 30, or the August
17 20th immediately preceding the expiration of the transitional
18 financial reporting period selected by the council pursuant to
19 Section 5.01.

20 "Sec. 5.08. Publication of notice of public hearing.
21 At the meeting of the council at which the budget and budget
22 message are submitted, the council shall determine the place
23 and time of the public hearing on the budget, and shall cause
24 to be published a notice of the place and time, not less than
25 seven (7) days after the date of publication, at which the
26 council will hold a public hearing. Publication shall be made
27 at least once in a ~~daily~~ newspaper published in and ~~of~~ having

1 general circulation in the city. At the time and place so
2 advertised, or at anytime and place to which such public
3 hearing shall from time to time be adjourned, the council
4 shall hold a public hearing on the budget as submitted, at
5 which any citizen of the city shall be given an opportunity to
6 be heard, for or against the estimates or any item thereof.

7 "Sec. 5.10. Adoption of general fund budget. Not
8 later than the 20th day of ~~August~~ June of the current fiscal
9 year, the council by a majority vote shall adopt the general
10 fund budget, and such ordinances providing for additional
11 revenue as may be necessary to put the budget in balance. If
12 for any reason the council fails to adopt the general fund
13 budget on or before such day, the general fund budget of the
14 current fiscal year shall be the general fund budget for the
15 ensuing year, until such time as a newly revised budget shall
16 be adopted by the council, and, until such time, shall have
17 full force and effect to the same extent as if the same had
18 been adopted by the council, notwithstanding any thing to the
19 contrary in this Act.

20 "If the council enacts the ordinance authorized by
21 Section 5.01, the council shall adopt the general fund budget
22 by September 20th of any period in which the city's fiscal
23 year is October 1 to September 30, or the September 20th
24 immediately preceding the expiration of the transitional
25 financial reporting period selected by the council pursuant to
26 Section 5.01."

1 Section 3. Any actions taken by any Class 1
2 municipality, organized under Act 452 of the 1955 Regular
3 Session (Acts 1955, p. 1004), in providing for and publishing
4 a notice of a public hearing on the budget in any newspaper of
5 general circulation published in the city, but not published
6 on a daily basis, prior to the effective date of this act, are
7 ratified and confirmed.

8 Section 4. This act shall become effective
9 immediately following its passage and approval by the
10 Governor, or its otherwise becoming law.