

# Section A

## Question 17



### OPERATING BUDGET SAMPLE BOOK: FY 2000-2001

- Does the budget describe the level of budget control exercised by the jurisdiction and is that level included in the budget document?
  - This is often missed. Must be described.
  - This is the level at which departments or City Manager can make changes without City Council approval.
  - Include in transmittal letter, budget resolution or as an appendix.

## CITIES OF CAMARILLO & WESTMINSTER

### CAMARILLO:

#### Level of Budgetary Control

Since the Budget is an estimate, from time to time it is necessary to make adjustments to fine tune the line items within it. Various levels of budgetary control have been established to maintain the Budget's integrity. The levels of budgetary control are as follows: The City Manager has the authority to transfer between expenditure accounts, usually based on recommendations from the various departments. Whether that transfer is within a fund or between funds, that authority must be exercised taking into consideration funding source compatibility.

For example, appropriation can be transferred from any expenditure account to another as long as the funding from the source account can legitimately be used to cover the expenditure for which it is being transferred. Where an appropriation requires an increase that cannot be supported by a transfer, City Council authorization is required.

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A mid-year budget status report covering the City's operating funds is also prepared and presented to the City Council annually. The mid-year report includes current year budget, as well as projections to year end.

### WESTMINSTER:

#### BUDGET PROCESS

- The proposed City budget is prepared by City Staff and submitted to the City Council by the first Tuesday in May of each year.
- The City Council shall adopt an annual operating budget by June 30 of each year.
- The Finance Director has the authority to make technical corrections in compiling the adopted budget.
- The City Manager, or his designee, has the discretion to make budget adjustments within a fund, within capital projects, and within a department's operating budget. Such discretion does not include any increase to an operating fund or to the overall adopted budget.
- All budget adjustments between City funds are submitted to the City Council for formal approval. Budget adjustments should be clearly marked as budget adjustments, including the reason for the adjustment, availability of resources, and financial impact on impacted funds.

The adopted budget should be considered an allocation of the City's resources. These resources should be allocated on a basis consistent with City priorities and needs.

**SECTION 5: City Council Budget Authority**

It is hereby mandated that the City Council authority of the adopted budget shall be for the City as a whole and that a change of appropriation in total shall be subject to approval of the City Council.

**SECTION 6: Administrative Budget Authority**

It is hereby declared that, in addition to the City Council's level of authority, there is a need for a level of administrative authority over the adopted budget. Therefore, the City Manager shall have the administrative authority to approve appropriation transfers between expenditure line-item accounts as long as the funding source for the line-item from which the appropriation is being transferred is a legal funding source for the new anticipated use.

**SECTION 7: Budget Carryovers**

It is hereby approved that all appropriations for the prior fiscal years shall lapse at the end of Fiscal Year 1998/99 and any remaining amounts shall be credited against their respective fund balances, except for:

- a. Any unexpended but encumbered amounts for specific orders outstanding at the end of Fiscal Year 1998/99; and
- b. Any unexpended appropriations for incompletd capital projects in the capital budget at the end of Fiscal Year 1998/99.

And, that for these exceptions, the City Manager shall have the authority to approve these appropriation carryovers from Fiscal Year 1998/99 into Fiscal Year 1999/2000; and that such carryovers may be made without further City Council action, since prior authorization has been given for these appropriations; and, when carried over and re-budgeted for Fiscal Year 1999/2000, these appropriations shall be offset by a debit to their respective fund balances.

**SECTION 8: Effective Date**

This resolution shall take full force and effect on July 1, 1999, after its adoption by the City Council.