

**City of Bemidji  
Policy Manual**

**Policy Statement**

**TITLE**

**CODE**

Adherence to Annual Budget

401

**REFERENCE**

NA

**PERSONNEL RESPONSIBLE**

All Department Heads

**EFFECTIVE DATE**

Upon Adoption

**POLICY**

**401.100 – Purpose**

The City adopts an annual budget as its financial plan and to provide a means of accountability within departments. To ensure that the adopted financial plan is adhered to, department heads must be held accountable for staying within their budgets.

**401.200 – Budget Changes**

The Council realizes that no plan can anticipate every possible circumstance or unanticipated, but unavoidable, expenditures. There are two ways department heads can deal with these issues: reallocation of funds or additional appropriations. These requests must be made prior to the submission of any payment requests.

**401.201 – Reallocation of Funds** – When it is anticipated that expenditures within a particular budget line item will exceed funds appropriated, and surplus funds are available elsewhere within a departmental budget, department heads may request a reallocation of funds. This request, made on the proper form, must be submitted to the City Manager for action at the next regularly scheduled City Council meeting.

**401.202 – Additional Appropriation Request** – When funds are not available for reallocation, department heads may request, on the proper form, an additional budget appropriation. This request must be submitted to the City Manager for review and, if approved by the City Manager, action at the next regularly scheduled City Council meeting.

**401.300 – Over Budget Payment Requests**

Whenever a voucher is received for payment, where the budgeted balance remaining is not sufficient to cover the request, payment will be denied. Payment will not be reconsidered until the department head has had their request approved under 401.201 or 401.202 above.

**401.400 – Consequences of Non-Compliance**

Compliance with their annual budget is the responsibility of all City department heads. Failure to stay within an approved budget will be reflected in the department head's annual evaluation and may impact consideration of an annual pay increase.

**AUTHORED BY:** City Manager  
**DATE:** June 4, 2007

**APPROVED BY:** City Council  
**DATE:** June 4, 2007

## Budget Change Request Form

### Requestor Information

Department: \_\_\_\_\_ Date: \_\_\_\_\_

Dept. Head: \_\_\_\_\_

### Reallocation Request

<u>Account Number</u>	<u>Account Name</u>	<u>Amount Added</u>	<u>Amount Deducted</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

### Additional Appropriation Request

<u>Account Number</u>	<u>Account Name</u>	<u>Amount Requested</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Reason for additional appropriation: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

### Action Taken

City Manager Action: \_\_\_ Approved \_\_\_ Rejected \_\_\_ Recommended to Council

City Council Action: \_\_\_ Approved \_\_\_ Rejected on the \_\_\_ day of \_\_\_\_\_ 20\_\_.

**Attach any additional information desired to support/clarify your request.**