

## **BUDGET EXECUTION PROCESS 2009**

The Budget represents authority to obligate City funds for normal operations and maintenance activities. However, it is only an estimate of significant capital equipment and project expenditures, generally in excess of \$5,000.

Capital Equipment requires presentation to the Board of Alderman prior to obligating funds. Capital equipment costs \$5,000 or more and has a service life greater than one (1) year.

Planned expenditures (contracts and large maintenance items) will be presented to the Board of Aldermen in the following manner:

Project cost greater than or equal to \$5,000 and less than \$20,000  
Electronic notification by department director to all Aldermen and City Clerk NLT the Monday before the Board of Alderman meeting outlining cost to be incurred and approximate obligation date.

Project cost greater than or equal to \$20,000 requires presentation to the Board of Alderman prior to obligating funds.

Exceptions:

Emergency maintenance items costing \$5,000 or more shall be provided electronically to the Board of Aldermen and City Clerk as soon as practical.

Purchase orders that will be executed through a sequence of delivery orders (e.g. deliveries of asphalt during the road construction season) require an initial notification with an estimated, not to exceed amount. Electronic notification in advance of each subsequent delivery order with an update of the amount expended is permissible. (Also, notifications for amending a purchase order amounts.)

Actions by Aldermen:

Capital equipment and major project expenditures require an affirmative vote at a Board meeting.

Expenditures identified in an electronic notification do not require a response for concurrence. A reply from an Alderman is required only if a negative vote would be cast at a scheduled Board meeting. Electronic responses, if any, must be recorded by the City Clerk for public availability.

Finance Committee Authority:

The Finance Committee shall have the authority, at the request of department director(s), to transfer funds within an identified fund class (General Fund, Capital Fund, Parks and Storm Water Fund) between accounts and/or departments and shall provide a record of such transactions to the Board of Aldermen and City Clerk. In accordance with City Ordinances, the committee shall provide a recommendation on all Budget Amendments for Board action.