



<i>City of CRESTVIEW</i>		
Budget Adjustment Policy	Policy Number: FN 21-01	Date: 02/05/2021
 POLICIES & PROCEDURES MANUAL Office of the City Manager	Section: Finance	Department Head: Gina Toussaint
	Subject: Budget	Approval: 

Budget Adjustment Policy

PURPOSE

The purpose of this policy is to establish guidelines and procedures necessary for making adjustments to the originally adopted budget.

OBJECTIVES

- To establish a formal policy to standardize procedures for determining the need for budget adjustments and the steps necessary to accomplish such tasks.

DEFINITIONS

- **Budget Transfer** - A request from departments to move budgeted funds from one account to another account or from one department to another within the same fund, after the original budget has been adopted.
- **Budget Amendment** - A process for revising the total current year Original Budget.
- **Other** - Terms not defined here may be found in the Budget Manual or in the Webster Dictionary.

POLICY

The annual budget of the City of Crestview, Florida is adopted each year by resolution with budgetary control at the fund level. To ensure costs are expensed to the proper account per the State of Florida's Uniform Accounting Manual or as a result of unanticipated activities, budget adjustments may be necessary. Appropriations for non personnel expenditures within a fund may be increased or decreased by means of a transfer without Council approval provided the total appropriation for the fund does not change. Transfers involving personnel costs must have prior approval of the City Manager.

Should an event arise that increases or decreases the total appropriation of a fund, a budget amendment resolution should be presented for Council approval in an official meeting. Budget amendments will be made quarterly and include such activities as donated revenues, unanticipated grant revenues, etc. and the corresponding expenditure/s. Under no circumstances should a budget transfer increase or decrease the total appropriation of a fund without the approval of City Council.

PROCEDURE

Budget Transfers: Departments may request a line item budget transfer utilizing the appropriate form available on the City's intranet. Transfer request should be approved according to the following top three levels:

- Level I - Department Head and Budget Analyst
 - Budget transfer is between \$0 and \$7,500; and
 - Budget transfer is between departments within the same fund

- Level II - Department Head, Budget Analyst and Finance Director
 - Budget transfer is between \$7,500 and \$15,000; and
 - Budget transfer is between departments within the same fund

- Level III - Department Head, Budget Analyst, Finance Director and City Manager
 - Budget transfer is \$15,000 or higher, or request consist of utilizing personnel costs; and
 - Finance Director will use proper discretion in determining necessity of City Manager approval; and
 - Budget transfer is between departments within the same fund

- Level IV - City Council Approval (Budget Resolution)
 - Budget adjustment will result in an overall increase/decrease to the adopted budget
 - Budget adjustment includes utilization of reserve funds and/or designated funding sources.

As stated in Florida Statute 166.241(6), the adopted amendment must be posted on the official website of the municipality within 5 days after adoption and must remain on the website for at least two years.

FORMS & ATTACHMENTS

Budget Transfer Request Form