Definition –

"Appropriated Budget" – Expenditure authority created by the appropriation bills or ordinances that are signed into law and related estimated revenues. The appropriated budget would include all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes. (NCGA Interpretation 10, adopted by GASB)

Significant Changes from FY2006 and Highlights of FY2007 Ordinance -

The current Appropriations Ordinance confers broad discretion on the Auditor & Comptroller and the Financial Management departments to implement adjustments to budgeted appropriations that were originally approved by the City Council in the adopted budget. In addition, the disposition of unanticipated or 'excess' revenues was also within the authority of these two departments. The primary thrust of the proposed FY2007 Ordinance is to enhance budget accountability by returning authority for major budget adjustments back to the City Council as the legislative body responsible for approving the budget. Appropriation of over budget (excess) revenue and changes in the priorities of expenditures would require City Council action.

Although ultimate authority rests with City Council, staff is recommending, for enhanced efficiency, that certain levels of authority for budget reallocation be delegated by the City Council to the Budget Committee and to the Mayor's office.

- Certain, yet to be fully determined, level of authority would be delegated to the Budget Committee to approve, for example, budget reallocations from one department to another department where there are non-material changes in the nature and extent of the work product.

- Limited, yet to be fully determined, authority would be delegated to the Auditor and Comptroller's Office in conjunction with the Financial Management Department, on such matters as ~~reallocations between departments to facilitate departmental reorganizations and process reengineering,~~ reallocations within a department of $100,000 or less and advances to funds to offset short-term cash flows needs as long as the there are no increases to the overall budget.

A formal reporting mechanism and schedule will be incorporated into the Ordinance to report actions taken by the Auditor and Comptroller's Office and the Financial Management Department to the Budget Committee and the City Council.