



Staff Report

TO: Board of Directors
FROM: Jennifer Hanson, General manager
DATE: March 23, 2022
SUBJECT: Draft Revision of District Policy 3100 - Budget Amendments

ADMINISTRATION

RECOMMENDATION:

Provide feedback regarding proposed revisions to District Policy 3100 – Budget Amendment Authority Levels.

BACKGROUND:

Board Policy 3100 Budget Amendment Authority Levels provides requirements for amendments to the Annual Budget as well as identifies authority levels for budget amendments.

To create greater checks and balances for amendments and to strengthen financial controls it is recommended that the policy be revised to remove the ability for the General Manager to increase overall fund appropriations (both revenues and expenditures). Under the proposed revisions, the General Manager would only be authorized to transfer money within an operating fund.

CONCLUSION:

Staff now requests feedback on these proposed revisions. Once input is received and any necessary modifications are made, the policy will be presented to the Board for approval at a subsequent Board meeting.

JH

Attachments: (1)

- Redlined version of policy revisions

Nevada Irrigation District

POLICY MANUAL

POLICY TITLE: Budget Amendment Authority Levels
POLICY NUMBER: 3100

3100.1 Purpose:

The Board is cognizant that project progression and unplanned emergencies occur and therefore this budget amendment policy provides spending flexibility. The policy establishes an internal control framework providing distinct levels of budget amendment spending demonstrating prudent fiscal management. ~~Budget amendments are transfers or increases to established budgets and can carry over fiscal years.~~

- A budget transfer is an adjustment that does not increase the overall ~~(Operating & Non-Operating) District~~ revenue or expenditure) budget for any fund.
- ~~A budget increase is an amendment that increases the overall (Operating & Non-Operating) District budgets. budgeted appropriation for any fund or capital improvement project (CIP)~~
- ~~This policy is not applicable for fiscal year end amendment carryovers from prior periods. Carryovers are necessary for existing encumbrances or end of year activity and are authorized by prior adopted budgets.~~

3100.2 Scope: Approval authority levels are limited as follows:

Level I:

General Manager: The General Manager may authorize the transfer of money within a fund but may not transfer money between funds or capital improvement projects, or from a approved CIP to a operational fund. cumulative budget amendments (increases and/or transfers) up to \$600,000 for a fiscal year. All budget amendments authorizing additional FTE's shall go before the Administrative Practices Committee (APC) and full Board. The General Manager may not add full time equivalent (FTE) positions to the Annual Budget.

Level II:

Board of Directors: The Board of Directors shall approve any budget amendment that increases the overall appropriation of expenditures or revenue or increase authorized FTEs. ~~The APC authorizes~~

~~cumulative budget amendments (increases and/or transfers) from \$600,001 up to \$1,000,000 for a fiscal year. Budget increases authorizing additional FTE's shall go before the full Board.~~

~~Level III: Budget amendments that do not meet the requirements of Level I or Level II shall be authorized by the Board of Directors after recommendation by the APC.~~

3100.3 Implementation: All budget amendments shall be initiated via completion of a budget amendment request form or by Board resolution. ~~The form must be prepared by the Department Manager and submitted to the General Manager for his/her approval. The General Manager, with the assistance of the Assistant General Manager (AGM) and/or the Finance Manager (FM), will determine the next, appropriate authority level needed, if any, as indicated above.~~

Adopted: February 11, 2015 via Resolution No. 2015-05

Revised: September 12, 2018 via Resolution No. 2018-22

Revised April 13, 2022 via Resolution No. 2022-X