

## BOARD APPROVED POLICY

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### BUDGET AMENDMENT POLICY

#### Purpose:

The purpose of this document is to establish a formal policy in connection with amending a Board approved budget.

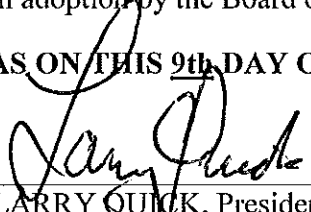
#### Policy:

1. The Board of Directors may authorize an amendment to the original budget to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention.
2. The General Manager shall provide sufficient documentation to the Board of Directors to substantiate a requested budget amendment. All budget amendments must be placed on the regular agenda for consideration by the Board of Directors and any amendments creating an increase in budgetary commitment for the next fiscal year shall be specifically noted.
3. If a purchase from \$1,500 to \$24,999 exceeds a Board approved budget line item, the Finance Subcommittee shall determine if the purchase may be made prior to a budget amendment being approved by the Board. If so, a budget amendment covering the purchase amount shall be submitted to the Board for approval at the next Board meeting, or as soon as practicable. If a purchase of \$25,000 or more exceeds a Board approved budget line item, a budget amendment covering the purchase amount must be approved by the Board prior to the purchase being made.
4. The re-appropriation at the beginning of a fiscal year of funds committed by the District but unspent by September 30<sup>th</sup> of the prior fiscal year requires a budget amendment from fund balance. These budget amendments have no net effect on spending but simply change the accounting year for expenditures.

#### EFFECTIVE DATE

This policy will become effective upon adoption by the Board of Directors.

DATED AT ROUND ROCK, TEXAS ON THIS 9<sup>th</sup> DAY OF MARCH, 2012

  
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LARRY QUICK, President  
Upper Brushy Creek  
Water Control and Improvement District

12-03-09-076