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## Budget Deviations

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### Background

The annual budget is developed by assessing the available revenue and resources and balancing against the expenditure needs of the County. It is the responsibility of all Eau Claire County departments to operate within their adopted balanced budget and to review with their oversight committee fiscal performance on a regular basis. During the budget year it is the responsibility of the County Administrator and Finance Director to provide county-wide fiscal oversight and monitoring in support of adherence to the adopted budget. Ultimately, departments are responsible for their overall budget and the fiscal management of their budget, while oversight committees have responsibility for fiscal oversight for the departments under their purview.

### Policy

When it becomes apparent that a department has, or will likely, exceed their overall budget due to exceeding expenditures, incurring expected shortfalls of revenue, or some combination of the two, it is the departments responsibility to notify the County Administrator, the Finance Director, their oversight committee, and the Committee on Finance and Budget as soon as the shortfall is recognized, and to inform the committees of the mitigation strategies.

### Procedure

1. As soon as a department becomes aware that their overall annual budget **has, will, or is likely** to be impacted, resulting in a potential negative fiscal impact to the County, the department should alert the County Administrator and Finance Director. The County Administrator and Finance Director will work with the department to assess the materiality of the fiscal impact to the budget and review the department mitigation strategies.
2. The department shall notify their oversight committee and the Committee on Finance and Budget in writing of the budget deviation at the next scheduled committee meeting. The department shall provide, as soon as is practical, the analysis of the potential budget deviation, and the steps taken within departmental control to mitigate the budget over-run.
3. Once notified, the department oversight committee has the responsibility to continue fiscal oversight and monitoring on a monthly basis of the deviation and mitigation activity. The department shall also report monthly to the Committee on Finance and Budget on the status of the budget deviation and mitigation efforts until such time as the deviation has been mitigated or eliminated.
4. The director of the department shall report to the County Board of Supervisors of the budget deviation and mitigation activity.