

SECTION VI--BUDGET AND APPROPRIATIONS

BUDGET EXECUTION

After the budget has been prepared and adopted, and as the new fiscal year begins, the execution phase of the budgetary process comes into being. Budgetary accounts are set up to record the estimated revenues and appropriations in the fund accounts.

The appropriations included in the annual budget constitutes maximum authorizations to spend during the fiscal year (SDCL 9-21-9), and cannot be exceeded except by subsequent amendment of the budget by the governing body pursuant to SDCL 9-21-7.

Appropriations which are unspent at the end of a fiscal year lapse unless encumbered by resolution of the governing body. The auditor or finance officer is required to keep a detailed listing by payee and amount supporting all such encumbrances shown in the resolution. (SDCL 9-21-24.1)

If the governing board of any municipality authorizes lawful expenditures from any specific fund for the use or benefit of another municipal department or political subdivision or expenditures to be reimbursed by insurance claims, the reimbursement for such expenditures shall be restored to the fund from which originally withdrawn and the deposit of the same shall restore the budget of such fund in the amount of the reimbursement. (SDCL 9-21-9.2)