

Village Policy B-101

Budget Carry-over

The appropriation for major capital projects and capital assets carries forward to the subsequent year. All other appropriations lapse at year end.

Unreserved fund balance

The Village of Roscommon shall maintain an unreserved fund balance in the General Fund to pay expenditures such as those caused by unforeseen emergencies, cash short-falls caused by revenue declines and to reduce the need for short-term, outsource borrowing and the like. The unreserved fund balance shall be maintained at an amount the equivalent of three months of operating expenditures.

General Fund contingency

The Village of Roscommon will include in the General Fund budget a contingency amount for unforeseen operating expenditures. The amount shall not exceed 5% of the General Fund budget.

Zero Based Budgeting

The Village of Roscommon adopts a Zero Based Budgeting policy. All line items, activities and funds begin at zero. Each proposed line item, activity and fund expenditure must be justified by explaining the benefits that will result from the budgeted amount as well as an explanation of the result of not budgeting an amount in the line item, activity or fund.

Adopted 8-6-02