

POLICY NO. 2019-9
BALANCED BUDGET POLICY FOR THE VILLAGE OF INNSBROOK, MISSOURI

PURPOSE. The Board of Trustees of the Village of Innsbrook believe that sound financial management requires the annual Village budget be developed and administered in such a manner that expenditures do not exceed revenues and unencumbered fund balance. Adoption and administration of balanced budgets will help maintain the stability of the Village tax rate and reduce the need for borrowing.

BUDGET DEVELOPMENT AND APPROVAL. Each year, the Board of Trustees will develop and present to the voters an operating budget that balances annual revenues and annual expenditures for all governmental funds. The Board of Trustees will avoid proposing annual budgets that overestimate revenues, defer maintenance or replacement of essential capital assets, roll over short-term debt, or inadequately fund Village obligations. The Village's budget will be approved by the Board of Aldermen prior to July 1st of the budget year.

The Board of Trustees recognize that unanticipated expenditures and revenue shortfalls caused by unforeseen circumstances after a budget is approved may require transfer of funds between line items. The Board of Trustees will endeavor to administer the Village's budget to provide services in a manner consistent with the citizens' expectations in light of actual circumstances that arise during the fiscal year, and will manage the budget to avoid, to the extent reasonably possible, deficit spending or the need to borrow money to pay current operating expenses.

LINE-ITEM TRANSFERS. During the fiscal year, all transfers between budget line items will require a majority vote of the Board of Aldermen. The vote will state the line items that are subject to transfer, the reason for the transfer, and the reason funds are available for transfer. Transfers will be made consistent with any applicable state statute or legal obligations that may encumber or restrict the use of certain funds. The legal level of budgetary control is at the fund level.

The foregoing policy is hereby approved and adopted by the Board of Trustees of the Village of Innsbrook, Missouri this 11th day of June, 2019 and effective immediately.

Jeffry S. Thomsen, Chairman
Village of Innsbrook Board of Trustees

Attest:

Carla Ayala
Village Administrator/Clerk

(seal)