

# VILLAGE OF ROSCOE

## AGENDA ITEM - STAFF REPORT



<b>Agenda Item:</b>	<b>Discussion and Recommendation of Tentative FY2026 Budget &amp; Appropriation</b>		
<b>Meeting Date:</b>	February 03, 2026	<b>Meeting:</b>	Village Board of Trustees
<b>Prepared by:</b>	Josef R. Kurlinkus	<b>Department:</b>	Administration

### Overview/Background Information

Based upon the input of the Village Board of Trustees, Staff has prepared the FY2026 Budget and related FY2026 Appropriation amounts for the fiscal year beginning January 1, 2026 and ending December 31, 2026. The Village's annual budget and appropriation process provides the financial plan for operations, capital investments, and debt service while maintaining compliance with the Village's reserve policies and statutory requirements.

The FY2026 Budget includes projected revenues, operating expenditures, interfund transfers, capital projects, and Motor Fuel Tax (MFT) funded projects. A high-level summary of the FY2026 budget and appropriation assumptions is provided in the Budget Summary & Calculations document.

### **Budget Summary**

The FY2026 Budget Summary reflects the following key totals and assumptions:

#### **General Fund:**

Projected Revenues: \$7,360,393.50  
Budgeted Expenditures (General Fund): \$9,361,014.69

#### **Capital Fund:**

Total Available for Capital Projects: \$2,219,716.85

Planned capital projects selected for completion in 2026 include:

- **Residential Roads:** \$980,068.20
- **Porter Park – Phase 2:** \$1,087,000.00
- **Main Street Parking – Final Pay Application:** \$103,000.00
- **Riverside Park Pavilion:** \$30,000.00

### **General Fund Reserve Policy / Spendable Fund Balance**

The Village maintains a reserve policy requiring the General Fund to maintain unassigned fund balance equal to at least four months (33%) of non-capital General Fund expenditures. The FY26 reserve calculation is based on total estimated non-capital operating expenses in the amount of \$8,871,014.69, establishing the required reserve of \$2,927,434.85. Based on the current estimated ending fund balance for FY2025, this will result in \$2,206,004.15 of spendable fund balance to be used to offset the deficit budget, with the remainder being transferred to the Capital Projects Fund for FY2026 projects.

## **Appropriation Overview (Statutory Appropriation Ordinance)**

The FY2026 Budget and Appropriation establish the Village's authorized spending framework for FY2026 and reflect planned expenditures across operating, debt service, capital, and MFT activities. Total estimated expenditures are **\$12,351,428.29** with total estimated revenues of **\$9,057,443.79**, with differences addressed through available fund balances and planned transfers as reflected in the budget summary and reserve calculations.

Major expenditure totals by fund include:

- **General Fund: \$9,566,396.53**
- **Motor Fuel Tax: \$200,000.00**
- **Debt Service Fund: \$384,963.76**
- **Capital Fund: \$2,200,068.00**

### **Action Required/Recommendation**

Approval of the FY2026 Budget and proposed FY2026 Appropriation Ordinance, including a recommendation to advance the tentative budget and appropriation for public review and the required public hearing/adoption process.

### **Attachments**

1. **Budget Summary\_Draft5\_Rev2**
2. **Fund Balance\_Draft5\_Rev2**
3. **Budget for Appropriation\_Draft5\_Rev2**
4. **Exhibits for Appropriation\_Draft5\_Rev2**
5. **2026-01: Appropriation Ordinance (FY2026)**

Full Budget Documents are publicly available on the Village's [website](#) and at Roscoe Village Hall.