

VILLAGE OF ROSCOE

AGENDA ITEM - STAFF REPORT



Agenda Item: Discussion and Recommendation of Tentative FY2026 Budget & Appropriation			
Date: January 20, 2025		Meeting: Village Board of Trustees	
Prepared by: Josef R. Kurlinkus		Department: Administration	

Overview/Background Information

Staff has prepared the Tentative 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 Tentative 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 Tentative 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 Tentative 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 Tentative 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. **Draft Appropriation Ordinance (FY2026)**

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