



General Fund Balance Policy

In an effort to protect Village citizens and/or taxpayers against potentially reducing service levels because of temporary revenue shortfalls, or to fund the need for unexpected one-time expenditures and uncontrollable emergencies and disasters, the Village of Fairport hereby adopts this General Fund Balance Policy.

The Village Board will strive to maintain an unrestricted fund balance within a range equal to 20-30% of the most current year budgeted appropriations. In preparing each year's new budget, the Village Board will calculate the amount of fund balance available for budgeting and decide how much fund balance to use in support of the budget.

At any time, should the amount of unrestricted fund balance exceed the 20-30% range set herein, the Village Board may appropriate some or all of the "excess" fund balance for desired one-time expenditures, contributions to existing reserve funds, or the creation of new, additional reserves.

Should the amount of unrestricted fund balance fall below the 20-30% range set herein, the Village Board shall develop and adopt a fiscal plan to restore the "shortfall" of fund balance to no less than the 20% minimum of the range. Such plan should resolve the shortfall in no more than 3 years.

This General Fund Balance Policy will be reviewed and modified as necessary on no less than an annual basis (as part of the Village Board's annual organizational meeting).

Revised February 2014