

BUDGET POLICY

Budget Process and Implementation

The board of the Sports Authority of the City of Crossville, Inc. shall approve an annual operating budget for each fiscal year that will project income and expenses and will provide for programs and support services as outlined for the year. The board will approve the annual budget prior to the start of the fiscal year. Programmatic or operational changes that may have a significant impact on the annual budget shall be reviewed by the board between budget cycles and may lead to a budget revision.

Financial Planning

Budgeting for any fiscal period shall not deviate materially from the mission, goals, and strategies; risk fiscal jeopardy; nor fail to show a generally acceptable level of foresight. Accordingly, a budget shall be developed that:

- Contains enough detail to enable accurate projection of revenues and expenses, separation of capital and operational items, cash flow and subsequent audit trails, and disclosures of planning assumptions.
- Plans the expenditure in any fiscal year of no more funds than are available or conservatively projected to be received in that period.
- Does not deviate materially from board-stated priorities and board-approved budgets (except for grant revenues received during a fiscal year and their related expenditures) without seeking board approval.

Budget Process and Review

The budget process is designed to provide:

- A means by which spending limits are set based on expected revenue levels.
- A system to allow for procedures to compare actual results to the set spending limits.
- A means for setting program priorities and allocating resources to those priorities.
- A means for comparison of actual financial results to budgeted amounts and analysis of differences for those budgeted amounts.

Preparation of Budget

Prior to the end of the fiscal year, the board shall review the financial activity for each of the prior two fiscal years, including actual results of operations for those two fiscal years, mission of the organization, goals, short-term plans and any other relevant information deemed appropriate.

Approval of Budget

After preparation of the budget for the next fiscal year, copies of the budget, proposals for cost reductions (if necessary), and proposals for cost increases (if necessary) shall be sent to all board members. At the May meeting, the board shall meet to discuss and approve or reject the

budget. If rejected, all changes shall be made and presented at the June meeting for final approval.

Review of Budget

At each monthly meeting the board shall review a comparison of actual monthly results of operations to budget figures. When deemed necessary, the board shall revise the budget to fund additional services or make allowances for other unbudgeted revenues or expenses.