

ANSWER KEY
Municipal Budgeting Basics 2010
Budget Quiz

Please indicate whether you feel the following statements are either True (circle the "T") or False (circle the "F").

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|---|----------|----------|
| 1. The deadline for submitting the town's budget to the Department of Municipal Affairs is December 15 each year | <u>T</u> | <u>F</u> |
| 2. A balanced budget means that the anticipated revenues will equal the planned expenditures..... | <u>I</u> | F |
| 3. The Town Clerk or Town Manager is responsible for gathering all materials for budget preparation..... | <u>I</u> | F |
| 4. If you are making no changes in your tax rates for the coming year, you should re-adopt the previous year's rates at a regular council meeting..... | <u>I</u> | F |
| 5. All budget monitoring should be left to the Clerk or manager..... | T | <u>F</u> |
| 6. It is important to report all loans from all sources on the Municipal Budget Submission Form..... | <u>I</u> | F |
| 7. The budget is something you have to do each year for Municipal Affairs and then you can forget about it and get on with the running of the municipality..... | T | <u>F</u> |
| 8. When preparing the budget for the next year, you can simply use the budget figures from the previous year as a guide..... | T | <u>F</u> |
| 9. When preparing the draft budget, it is advisable to complete revenues before expenditures..... | T | <u>F</u> |

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| 10. The Municipal Budget Submission Form contains five main sections..... | I | F |
| 11. You should complete the Debt Charges Summary after you complete the draft budget..... | T | F |
| 12. A helpful tool to guide the budget process is a 'budget calendar'..... | I | F |
| 13. Use of the Budget Submission Form when submitting your final budget to the Department of Municipal Affairs is optional..... | T | F |
| 14. Any recommendations for major changes in financial procedures and policies should be dealt with by Council prior to the development of the first draft budget. | I | F |
| 15. The finalized budget must be formally presented and adopted by November 1 st at a regular meeting of Council..... | T | F |
| 16. All tax rates for the coming year should be set and approved by resolution of Council..... | I | F |
| 17. Step 4 in the budgeting processing involves reviewing the information and preparing the draft budget..... | I | F |
| 18. To ensure that your budget plan is as accurate as possible, it is important to review the current year's "year-to-date" operating costs as well as forecasted amounts for the balance of the year..... | I | F |

Your Score: _____ / 18

