

*Board of Commissioners shall increase the total proposed expenditures it shall also increase the total anticipated revenue to at least equal such total proposed expenditures. The budget shall be prepared and adopted in the form of an ordinance. A favorable vote of at least a majority of the total membership of the Board of Commissioners shall be necessary for adoption of the budget.*

*771B. Appropriations. From the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the several objects and purposes named therein.*

*771C. Transfer of Funds. Any transfer of funds between major appropriations for different purposes by the mayor must be approved by the Board of Commissioners before becoming effective.*

*771D. Over-expenditure Forbidden. No office, department, or agency shall during any budget year expend or contract to expend any money or incur any liability or enter into any contract which by its terms involves the expenditures of money, for any purpose, in excess of the amount appropriated for that general classification of expenditure pursuant to this sub-title. Any contract, verbal or written, made in violation of this act shall be null and void. Any officer or employee of the town who shall violate this section shall be guilty of a misdemeanor and upon conviction thereof shall cease to hold his office or employment. Nothing in this section, however, shall prevent the making of contracts or the spending of money for capital improvements to be financed in whole or in part by the issuance of bonds, or the making of contracts of lease or for services for a period exceeding the budget year in which such contract is made, when such contract is permitted by law.*

*772. Appropriations Lapse after One Year. All appropriations shall lapse at the end of the budget year to the extent that they shall not have been expended or lawfully encumbered. Any unexpended and unencumbered funds shall be included in the next year's budget as surplus.*

*773. Contingent Fund. A contingent fund in an amount of not more than five per cent (5%) of the total proposed expenditures shall be established under the control of the mayor and the Board of Commissioners. Money from this fund may be allocated by the mayor with the approval of*