

Fund Balance & Tax Rate Setting

The following shows the budgetary basis undesignated fund balance that is reported to the NH Department of Revenue Administration (DRA).

	<u>2013</u>	<u>2012</u> <i>(restated)</i>	<u>2011</u> <i>(restated)</i>	<u>2010</u>	<u>2009</u>
Total fund balance – budgetary basis	1,191,968	\$951,587	\$1,036,726	\$862,007	\$776,516
Portion assigned	(222,639)	(293,536)	(16,309)	0	0
Portion designated for prepaids / continuing appropriations	(235,303)	(21,090)	(154,288)	(127,318)	(196,152)
Available for tax rate setting	734,026	\$636,961	\$866,129	\$734,689	\$580,364
Amount used to reduce next year's tax rate	434,026	\$436,411	\$602,311	\$434,689	\$280,364
Remainder	\$300,000	\$200,550	\$263,818	\$300,000	\$300,000

Note: The Board of Selectmen initially voted in September 2008 to maintain the retained amount of fund balance at \$300,000, and codified that amount in April 2012 with adoption of a formal Fund Balance Policy.

The DRA recommends an undesignated fund balance of between 5% and 10% of total gross appropriations for Town, School and County. For 2013, Windham's total appropriations (representing total property tax commitment) were \$48,482,617, therefore, at 5% of that, the Town would need to maintain a minimum fund balance of \$2.4 million, versus \$300,000 (which equates to 0.62%).