

# Town of Hampton



## SELECTMEN'S POLICY

### Use of Unreserved-Undesignated Fund Balance

#### Authority

This Policy is adopted in accordance with the provisions of New Hampshire Revised Statutes Annotated Chapter 41, Section 9.

#### Purpose

It is the express intent and purpose of this policy to insure the financial well being and fiscal stability of the Town of Hampton by providing unreserved-undesignated funds sufficient to meet its financial and fiduciary obligations.

#### Section 1. Fund Balance Retention Amount

The balance of the unreserved-undesignated fund shall, once accumulated, at all times be no less than the balance of unpaid property taxes due to the Town for Municipal, School and County and Precinct obligations as computed on December 31<sup>st</sup> of each year by the Auditors, plus 5% of the net adjusted appropriations of the taxes to be raised as recommended by the New Hampshire Department of Revenue Administration, and calculated under general accounting standards.

#### Section 2. Use of Unreserved-Undesignated Funds

Only so much of the fund balance that is in excess of the base of the fund, as calculated under Section 1, may be utilized to reduce taxes by appropriation or by vote of the Board of Selectmen.

**Section 4. Effective**

This Policy shall become effective upon its passage by the Board of Selectmen and automatically cancels all previous policies on this subject.

May 07, 2007  
Date Adopted

*[Signature]*

*Wes Sully*

*Rick Griffin*

*[Signature]*

*Viggo Brille*

Board of Selectmen