



RESOLUTION #2022-026

To Revise the Town's Fund Balance Policy

WHEREAS, The Town Council on September 21, 2021 revised the Fund Balance Policy which established a certain retention level of Unallocated Fund Balance (UFB) and further directed that excess fund balance be transferred to capital reserve funds; and

WHEREAS, there is a need to revise the allocation formula of available UFB among the various capital reserve funds; and

WHEREAS, a more equitable method will allocate resources based upon the value of capital equipment and programs funded by capital reserve funds;

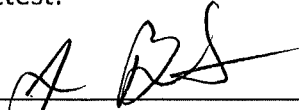
NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the following procedure is hereby adopted regarding the Town of Derry Fund Balance Policy:

- 1) All provisions of the Fund Balance policy previously adopted by the Council and not amended under this Resolution shall remain in full force and effect;
- 2) The amount of Unallocated Fund Balance to be transferred to the Buildings and Grounds Expendable Maintenance Trust shall remain at 15% of the total amount available or appropriated under this policy, limited to \$225,000 annually;
- 3) The amount of Unallocated Fund Balance to be transferred to the Information Technology Capital Reserve Fund shall be set at 5% of the total amount available or appropriated under this policy, limited to \$75,000 annually;
- 4) The balance of UFB available shall be transferred to capital reserve funds (CRF) for Fire, Police and Public Works, proportional to the inventory value of equipment and vehicles of each department funded through the CRF;


This Resolution shall take effect retroactive to July 1, 2021.

Adopted April 5, 2022

Attest:

x 

Joshua Bourdon, Council Chair
Date: 4/5/22

x 

Daniel Healey, Town Clerk
Date: 4/5/2022

Archival Ref: Agenda Item #22-42