



## RESOLUTION

### ESTABLISHING THE USE OF FUND BALANCE FOR TAX RATE

### *CITY OF NASHUA*

*In the Year Two Thousand and Eleven*

**RESOLVED** by the Board of Aldermen of the City of Nashua that pursuant to NRO §5-135, B, \$4,300,000 of the undesignated general fund balance shall be applied to the Calendar Year 2011 (Fiscal Year 2012) Tax Rate. With approval of this action, undesignated fund balance remains at or above the five (5) percent minimum as recommended by Department of Revenue Administration and the ten (10) percent minimum as established by NRO §5-136, A.

**Mayor's Surplus Use and Overlay Notification**

**Undesignated Fund Balance:**

Projected Balance 06/30/2011	\$ 30,573,822
Transfer from Property & Casualty Insurance Fund	\$ 500,000
Apply to Tax Rate	<u>\$ (4,300,000)</u>
Adjusted Balance 06/30/2011	\$ 26,773,822

Total General Fund Appropriations \$ 227,212,971

% Undesignated Fund Balance 11.8% (10% minimum per NRO 5-135)

**FY2011 Overlay**

Prior Year	\$ 1,500,000
Current Year	<u>\$ 1,800,000</u>
	\$ 3,300,000

in Reserve for Abatements/Prior Year Overlay  
in Tax Rate calculations

**LEGISLATIVE YEAR 2011**

**RESOLUTION:**

**R-11-155**

**PURPOSE:**

**Establishing the use of fund balance for tax rate**

**SPONSOR(S):**

**Mayor Donnalee Lozeau**

**COMMITTEE  
ASSIGNMENT:**

**FISCAL NOTE:**

This resolution would apply \$4,300,000 of undesignated general fund balance to the FY11 tax rate. Of that sum, \$3,800,000 is from fund balance consisting of an anticipated surplus in the FY11 operating budget of \$2,500,000 and \$1,300,000 from fund balance. The remaining amount of \$500,000 is from the proposed transfer from the Property & Casualty Unallocated Insurance Fund.

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**ANALYSIS**

This resolution applies \$4,300,000 of the undesignated general fund balance to the Calendar Year 2011 (Fiscal Year 2012) Tax Rate. With approval of this action, undesignated fund balance remains at or above the five (5) percent minimum as recommended by Department of Revenue Administration and the ten (10) percent as established by NRO §5-136, C.

A resolution to transfer \$500,000 from the Property & Casualty Unallocated Insurance Fund into General Fund Undesignated Fund Balance is being introduced concurrently, and the calculations related to this resolution are based on the passage of that transfer resolution.

Per NRO §5-135, B, in order to use undesignated general fund balance to reduce the tax rate, this resolution must be approved on or before the board's second meeting in September (September 27, 2011) "by 10 members of the Board of Aldermen."

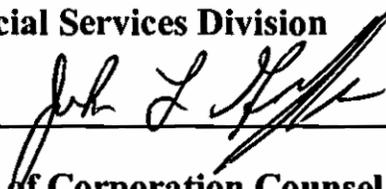
The account analysis required by NRO §5-19, J is attached.

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**Approved as to account  
Structure, numbers, and  
amount:**

**Financial Services Division**

By: \_\_\_\_\_



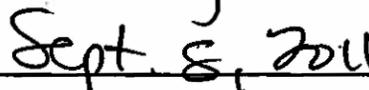
**Approved as to form:**

**Office of Corporation Counsel**

By: \_\_\_\_\_



Date: \_\_\_\_\_



**RESOLUTION R-11-155**  
**ESTABLISHING THE USE OF FUND**  
**BALANCE FOR TAX RATE**

Endorsed by *James Logan* MAYOR

**IN THE BOARD OF ALDERMEN**

1<sup>ST</sup> READING SEPTEMBER 13, 2011

Referred to:  
BUDGET REVIEW COMMITTEE

2<sup>nd</sup> Reading SEPTEMBER 27, 2011

3<sup>rd</sup> Reading \_\_\_\_\_

4<sup>th</sup> Reading \_\_\_\_\_

Other Action \_\_\_\_\_

Passed SEPTEMBER 27, 2011

Indefinitely Postponed \_\_\_\_\_

Defeated \_\_\_\_\_

Attest: *Paul Bergeron*  
City Clerk

*Bill McGee*  
President

Approved *James Logan*  
Mayor's Signature

October 3, 2011  
Date

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Vetoed: \_\_\_\_\_

Veto Sustained: \_\_\_\_\_

Veto Overridden: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

\_\_\_\_\_  
President