



ORDINANCE

INCREASING THE RECOMMENDED MINIMUM UNDESIGNATED GENERAL FUND BALANCE

CITY OF NASHUA

In the Year Two Thousand and Eight

The City of Nashua ordains that Chapter 2 “Administration”, Article X “Taxation and Finance”, Division 5 “Accounts and Warrants”, Section 2-803 “Maintaining adequate undesignated general fund balance” of the Nashua Revised Ordinances, as amended, hereby be further amended by deleting the struck-through language and adding the new underlined language as follows:

“Sec. 2-803. Maintaining adequate undesignated general fund balance.

~~(a) It is the policy of the board of aldermen to maintain an undesignated general fund balance as of June 30, 2006 equal to a minimum of 7% of the municipality’s FY06 appropriations, plus the statewide enhanced education amount, the local school net tax commitment, and the county appropriation.~~

~~(b) It is the policy of the board of aldermen to maintain an undesignated general fund balance as of June 30, 2007 and as of each June 30th thereafter equal to a minimum of 7.5% of the municipality’s fiscal year appropriations, plus the statewide enhanced education amount, the local school net tax commitment, and the county appropriation.~~

(a) It is the policy of the board of aldermen to maintain an undesignated general fund balance as of each June 30th equal to a minimum of 10% of the municipality’s fiscal year appropriations, plus the statewide enhanced education amount, the local school net tax commitment, and the county appropriation.

~~(e)~~ Prior to September first of each year, the mayor shall provide, in writing, to the board of aldermen, the estimated amount of anticipated undesignated general fund balance which the mayor proposes to use to reduce the anticipated tax rate. In order to use funds for that purpose, the board of aldermen must approve that action by a resolution adopted by ten members of the board of aldermen on or before the board’s second meeting in September. If that approval is not given, undesignated general fund balance shall not be used to reduce the anticipated tax rate.

(~~d~~c) If the board of aldermen votes to use an amount of undesignated general fund balance to reduce the anticipated tax rate which reduces the undesignated general fund balance below the minimum amount required by (a) ~~or (b) above~~, then it is the policy of the board of aldermen to restore the minimum undesignated general fund balance within a three year period.

All ordinances or parts of ordinances inconsistent herewith are hereby repealed.