

## FUND BALANCES

The School Board will return to the Town any unassigned general fund balance at year-end to offset the next fiscal year's tax rate unless the school district legislative body authorizes the school district to retain year-end unassigned general funds in accordance with RSA 198:4-b.

Additionally, any fund balance shall only be used or returned in accordance with applicable New Hampshire law and/or Governmental Standards Board Statement 54 (GASB 54).

**NHSBA Note, September 2012:** RSA 198:4-b was amended, effective June 2012, to allow the school district legislative body to vote to allow the school district to retain year-end unassigned general funds in an amount not to exceed, in any fiscal year, 2.5 percent of the current fiscal year's net assessment.

**NHSBA Note, June 2011:** Governmental Standards Board Statement 54 (GASB 54) was issued March 2009 and becomes effective June 30, 2011. School district auditing firms have recommended that school board enact and implement policies relative to GASB 54.

GASB 54 is an entirely new accounting model for fund and defines various restrictions within the fund balance in a more detailed manner than previous Standards.

### Legal References:

*RSA 32, Municipal Budget Law*

*RSA 33, Municipal Finance Act*

*RSA 35, Capital Reserve Funds*

*RSA 198:4-b Contingency Fund*

*Governmental Standards Board Statement 54 (GASB 54)*

New Sample Policy:	June 2011
Revised:	September 2012
First Reading:	January 15, 2014
Second Reading & Approval:	March 5, 2014