

TOWN OF LEBANON
UNRESERVED/UNDESIGNATED FUND BALANCE
POLICY

The Lebanon Board of Finance will strive to maintain a level of unreserved/undesignated fund balance that represents between 12% and 15% of the current year total town operating budget (including the BOE budget).

The Lebanon BOF will require current records of all open projects authorized to be funded from fund balance.

Consideration should be taken to maintain unreserved/undesignated fund balance at the higher target % when there are large ongoing capital projects underway that might impact cash flow.

Approved by Board of Finance on April 10, 2008