

**Town of Davidson**  
**Unassigned Fund Balance**  
**2009-2023**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Unassigned Fund Balance	\$ 3,095,084	\$ 2,478,033	\$ 2,172,882	\$ 2,575,437	\$ 3,355,159	\$ 4,602,793	\$ 5,819,821	\$ 6,581,424	\$ 7,352,238	\$ 7,016,295	\$ 7,835,772	\$ 7,709,320	\$ 7,474,459	\$ 7,785,056
Change From Prior Year		\$ (617,051)	\$ (305,151)	\$ 402,555	\$ 779,722	\$ 1,247,634	\$ 1,217,028	\$ 761,603	\$ 770,814	\$ (335,943)	\$ 819,477	\$ (126,452)	\$ (234,861)	\$ 310,597
(Minus) Stabilization For Following Budget							\$ 3,464,593	\$ 3,682,425	\$ 3,873,914	\$ 4,180,050	\$ 4,432,954	\$ 4,362,268	\$ 4,729,824	\$ 5,360,193
Net Available After Stabilization July 1 of Following Fiscal Year							\$ 2,355,228	\$ 2,898,999	\$ 3,478,324	\$ 2,836,245	\$ 3,402,818	\$ 3,347,052	\$ 2,744,635	\$ 2,424,863
Change From Prior Year							\$ 543,771	\$ 579,325	\$ (642,079)	\$ 566,573	\$ (55,766)	\$ (602,417)	\$ (319,772)	
Allocated to CIF												\$ 831,000	\$ 667,000	\$ 718,000
Approved UFB Usage/Projects								\$ 1,882,027	\$ 2,216,872	\$ 1,476,943	\$ 1,475,450	\$ 1,372,000	\$ 440,000	\$ 766,700
UFB over stabilization End of Year							\$ 1,016,972	\$ 1,261,452	\$ 1,359,302	\$ 1,927,368	\$ 1,144,052	\$ 1,637,635	\$ 940,163	
														Estimated Prior To Audit

**FUND BALANCE POLICY**

1. The recurring operational expenses of the Town will be funded through recurring revenue sources.
2. Available Fund Balance in the General Fund will mean funds that remain available for appropriation by the Board of Commissioners after all commitments for future expenditures, required reserves defined by State Statutes, and previous designations of restricted or assigned have been calculated.
3. The Available Fund Balance target percentage should never fall lower than 50% of LGC population group average available fund balance percentage.
4. Stabilization Threshold will mean unassigned fund balance which is available at year end to meet emergency obligations, avoid interruptions in cash flow in the following fiscal year, eliminate need for short-term borrowing, increase potential for investment income and enhance the Town's credit rating to be able to borrow at the lowest possible interest rate.
5. The Stabilization Threshold at the close of each fiscal year shall be calculated as follows:
  - 25% of budgeted operating expenditures for the following year budget (does not include debt service)
  - Plus:
  - Debt Service to be paid in the first quarter of the following year
  - Plus:
  - 10% of all General Fund expenditures in the next fiscal year
6. At the same time as the approval of the annual audit report, the Town Manager will provide the Board a summary of the Available Fund Balance and the Stabilization Threshold status.
7. Fund balance may be used as appropriate under sound management practices.
8. In the event that funds are available over and beyond the targeted amount, those funds may be transferred to capital reserve funds or capital project funds at the Board of Commissioners discretion.