



# Retained Surplus

- RSA 198:4-B allows school districts to retain some year-end surplus with specific limits and restrictions
  - Amount retained can not exceed 2.5% of net property tax assessment
  - Retained funds can only be used as:
    - Revenue source for emergency expenditures and over-expenditures under RSA32:11 or
    - Revenue source to reduce tax rate



# Maximum Retained Surplus

School District Appropriation	\$23,741,801
Less: School District Revenues	<u>(\$8,587,611)</u>
Net Property Tax Assessment	\$15,154,190
Multiply by 2.5%	<u>.025</u>
Maximum Retained Surplus	\$378,855
Retained Surplus as of 6/30/16	\$125,000
Maximum Additional Retained Surplus	<u>253,855</u>
Maximum Retained Surplus	\$378,855

**Raymond School District  
Analysis of Surplus  
2017 - 2018 School Year**

**SURPLUS  
CALCULATION**

<b>GENERAL FUND REVENUES</b>	66,364
<b>GENERAL FUND EXPENDITURES</b>	869,841
<b>PRIOR YEAR ENCUMBRANCES</b>	27,507
<b>CURRENT YEAR ENCUMBRANCES</b>	<u>(28,079)</u>
<b>UNRESERVED FUND BALANCE</b>	935,633
<b>LESS: "up to" 50,000 in Maintenance CRF (Warrant Article # 7)</b>	(50,000)
<b>LESS: RETAINED FUND BALANCE (2017-18 School Year) *</b>	<u>-</u>
<b>SURPLUS BEING RETURNED TO TOWN OF RAYMOND TO REDUCE TAXES</b>	<u><u>885,633</u></u>

**Note: There is an approximate 3 cent per thousand effect on tax rate for every \$25,000 retained**  
 (\$25,000 / \$923,356,261 = \$.027 per thousand)

**\* Note: Cumulative Retained Fund Balance as of 6/30/16: \$125,000**  
**Maximum Retained Fund Balance : 2.5% of Net Assessment**  
 (\$15,154,190 \* 2.5% = \$378,855)