

Town of Shirley

BOARD OF SELECTMEN



7 KEADY WAY – SHIRLEY, MASSACHUSETTS - 01464-2812
Patrice Garvin, Town Administrator

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September, 2014

Dear Residents of Shirley,

The Town is improving its financial solvency. In laymen's terms, financial solvency is the ability to pay bills in a timely fashion, balance the annual budget, pay future costs, and provide the needed and desired services thus increasing the ability to gather public support for decisions that promote financial stability. The Board of Selectmen, along with the Finance Committee is currently reviewing proposed Financial Policies that will guide the Town in the direction of financial solvency, as defined above. Once approved these policies will be annually reviewed and be available on the Town's website.

Planning is a large part of the Town improving its financial solvency. To that end, Free Cash will be voted on at the fall Town Meeting on Monday, November 10th. Free Cash is revenue not anticipated or budgeted for the previous fiscal year and should be considered a one-time revenue source, because the amount can vary year to year. Previously Free Cash was voted on at the Spring Town Meeting. I have asked that Free Cash be in front of the voters in the fall to ensure the Town initiates its financial planning. A well proposed plan for Free Cash will be discussed in November. The Free Cash plan that is being created consists of setting money aside to address projected deficits, such as snow and ice and the school assessment. Since Free Cash is a one-time revenue source it should not be used for reoccurring costs, such as salary and wages.

Recurring revenues for recurring costs

One-time revenues for one-time costs

The continuous practice of applying, a type revenue to a type of cost, will bring the Town of Shirley to where it needs to be, which is *financially solvent*.

In regards to Town Meeting, there will be approximately seventeen (17) articles on the fall Town Meeting Warrant. There will be a mix of articles on the warrant; financial, zoning and bylaw changes. Public Hearings will be scheduled with perspective Boards and Committees so please check the Town's website for hearing notification.

Any questions or concerns can be directed to my office. As always my door is open to all residents.

Sincerely,

Patrice Garvin,
Shirley Town Administrator