

# Special Town Meeting

November 19, 2016

# Revenues and Expenses

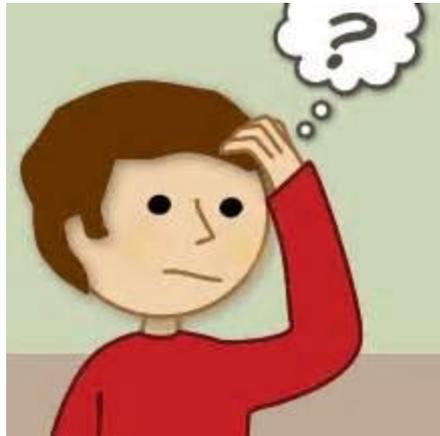
## What is Recurring vs. Non Recurring .....

- \* **Recurring** is revenues/expenses the Town can confidently estimate receiving/spending in the upcoming year, while still being conservative in projections
- \* **Non-Recurring** “The Crystal Ball”... is revenues/expenses that the town **cannot conservatively** estimate receiving/spending in the upcoming year

# Non Recurring Revenue Example

- \* It was estimated that the Town would receive \$40,000 in building permits for FY15.
- \* The Town received over \$63,000 in building permits, due to a solar development.
- \* Budgeting the next year the Town estimates \$40,000 again in building permits because it knows the solar permit revenue of an additional \$23,000 will not be repeated in the following fiscal year.
- \* The \$23,000 then is non recurring revenue.

# So What is Free Cash????



# FY 2016 FREE CASH

- \* FREE CASH: Free Cash is the revenue the Town received in a fiscal year that was not estimated plus lower than anticipated expenses

**FY16 \$789,631**

- \* DOR Recommendation
- \* Towns structural deficit

# FY 2016 FREE CASH BREAKDOWN

* Local Receipts (Excise, Tax Taking, Fees, Permits):	\$293,071
* Misc. (MCI):	\$ 311,141
* Cherry Sheet	\$ 14,571
* Turn-Backs (Department Expenditures)	\$147,961
* Undesig Closeout(Overlay surplus, prepaid taxes)	<u>\$ 22,887</u>
<b><u>TOTAL FREE CASH</u></b>	<b>\$789,631</b>

# FY15 vs. FY16

## Free Cash Breakdown

Source	Actual FY15	Actual FY16
Local Receipts	\$430,114	\$293,071
Misc Non Recurr	\$42,317	\$311,141
Cherry Sheet	\$38,891	\$14,571
Turn-backs	\$177,726	\$147,631
Undes Closeout	\$119,235	\$22,887
TOTAL	\$808,283	\$789,631

# Identified Recurring FREE CASH in FY16

- \* Last year the Town identified **\$293,614** as recurring Free Cash
- \* Apply to FY18 Budget

# FY 17 Estimated Free Cash

Source	Actual FY15	Actual FY16	Estimate FY17
Local Receipts	\$430,114	\$293,071	\$293,614.00
Misc Non Recurr	\$42,317	\$311,141	?
Cherry Sheet	\$38,891	\$14,571	?
Turn-backs	\$177,726	\$147,961	?
Undes Closeout	\$119,235	\$22,887	?
TOTAL	\$808,283	\$789,631	?

# What is the Town's Plan?



# Town's Plan

1. Sets aside money that will be needed for future shortfalls.
2. Fund needed items such as capital and equipment.
3. Puts money into savings, reserves.
4. Finalize Financial Policies to continue stability
5. Continue to seek state and federal Grant opportunities

# Town's Plan

FY16 FREE CASH TOTAL	789,631.00
FY 18 Recurring Identified	(293,614.00)
FY17 Snow & Ice Projected Shortfall	<u>(50,000.00)</u>
<b>REMAINING</b>	<b>446,017.00</b>
STM Warrant Articles	<u>(191,592.00)</u>
<b>REMAINING</b>	<b>254,425.00</b>
General Stabilization	203,596.00
Capital Stabilization	50,829.00

# CAPITAL STABILIZATION

Capital Stabilization balance Fall STM 2013

**\$30,329.00**

Capital Money Spent since Fall 2013

*(not including borrowed capital items)*

**\$402,045**

FY 2014	\$92,305
FY 2015	\$138,050
FY 2016	\$171,690

Capital Stabilization after Fall STM 2016

**\$450,000.00**

# GENERAL STABILIZATION

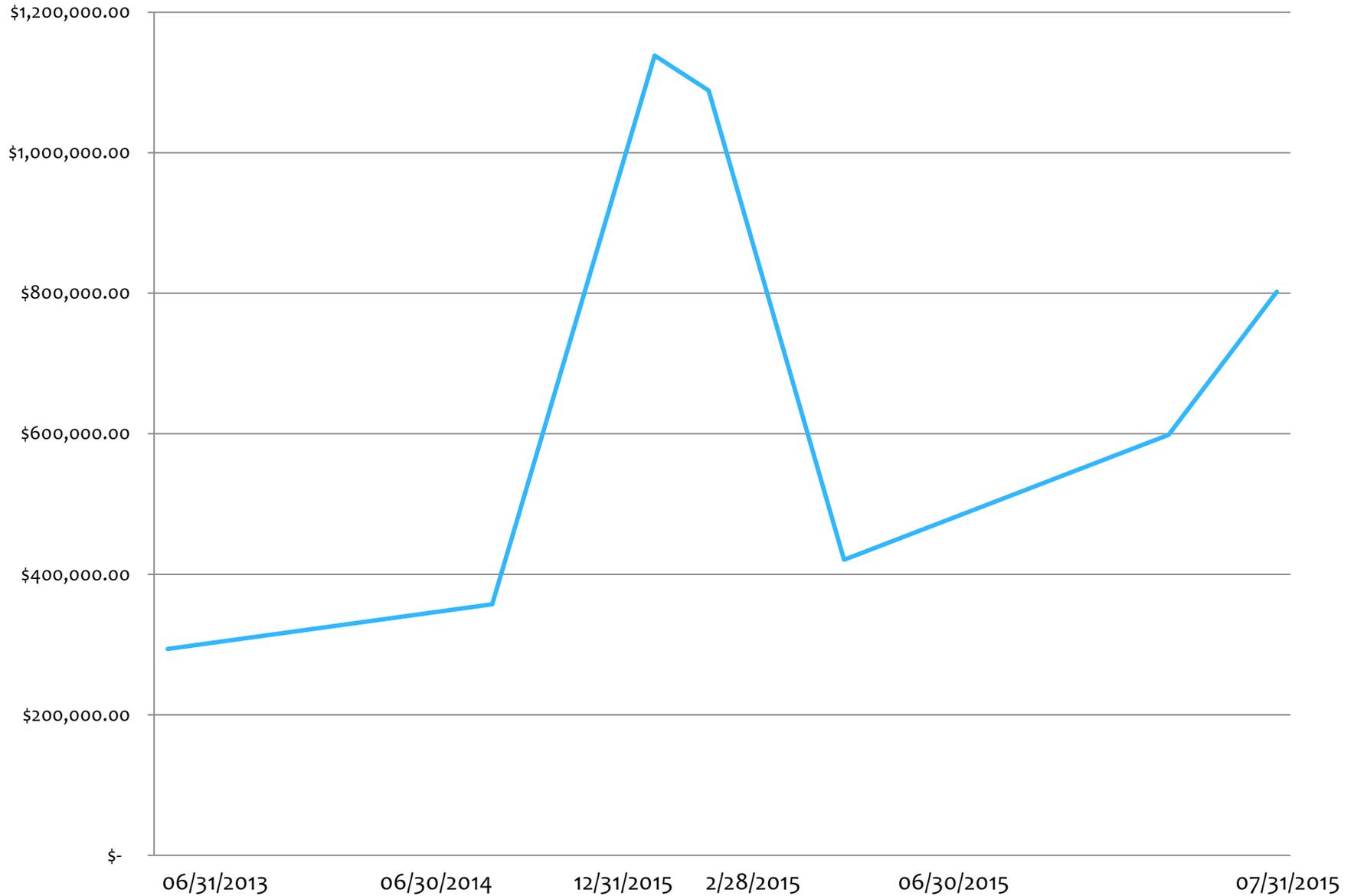
General Stabilization before Fall STM 2013

**\$293,738**

General Stabilization after Fall STM 2016

**\$801,965**

# GENERAL STABILIZATION 2013-2016



# CLOSING REMARKS

- \* Town is in good financial shape going into Fiscal Year 2018
- \* Free Cash to address any FY18 shortfalls
- \* Funds being put aside for Snow and Ice
- \* Reserves are strong and building
- \* Town is investing in Capital
- \* Grant money is funding infrastructure projects, design, housing rehab and Community Compact
- \* Town finalizing Financial Policies “Best Practices”