

## March Financial Notes

### Revenues

Business License fees for the year were under budget due to the fees that had to be put back into FY22 least March. Going forward the fees will be properly aligned in the proper fiscal year.

Total fines, parking tickets as well as ordinance and traffic fines, were lower than projected. Parking tickets are down because more people are paying for parking. As far as Ordinance and Traffic Fines, it can be assumed more people are minding the laws.

Building Permit Application Fees were not budgeted for in FY23 but amounted to \$25,000 in revenue.

At the end of the year, the two police motorcycles as well as Chief Mackert's vehicle were sold accounting for over \$10,000 in revenue the Police Department can use towards new vehicles.

The new interest checking account at Fulton went into effect at the end of February and amounted to over \$10,000 in interest revenue in the last two months of the fiscal year.

Finally, over \$9,000 in unearned revenue was recognized in March for the fees associated with the building of the Town Hall.

### Expenses

Administration operating expenses were high due to Professional fees. In that you have the fees associated with the new Town Hall design. These fees must be recognized even when paid for out of set-asides. This was not set up in FY23 budget but is in FY24 budget.

Police Other Expenses are higher than budget due to recognizing asset purchases as expenses and other professional fees that were paid for with grants (camera installation). These were not properly budgeted for in FY23.

For the month the single month loss was more than projected because we made some final purchases that were approved for earlier in the year but did not come to fruition until March.

### Summary

For the year, prior to set asides, the Town was over \$1M to the positive. Set asides, which were \$80,000 more than projected, decreased that surplus by \$460,000. This leaves roughly \$600,000 that the Town netted.

To meet the Rainy Day and Short-Term requirements from the Fund Balance Policy, the Rainy-Day fund must have 50% of the FY24 Operating Budget ( $\$2,277,688.75 = 4,555,377.50 * 0.50$ ). As of 03.31.23 this fund had \$2,013,362.19. That leaves a balance of \$264,326.56 that must be allocated out of the \$600,000 surplus for FY23.

The requirement Unassigned Fund (15% of annual operating budget) is \$683,306.63. As of 03.31.23 the fund had a balance of \$833,255.18 so no money is needed to be moved there. Conversely, \$149,948.55 could be moved from the unassigned fund to the Town Hall set aside.

Fiscal Year 24 has a projected net set aside increase of \$426,500.

After funding the Rainy-Day fund, there is roughly \$335,000 surplus left over. There are many options as to how this money could be allocated. One suggestion might be to set \$100,000 aside in a separate interest-bearing account just to fund future salary increases over the base 2-3% that the Town has given prior to these past two years. This would alleviate the stress as to where funds would come from.