

Projected Surplus Allocations

According to the Fund Balance Policy, 50% of the expenses for the fiscal year need to be set aside in the Rainy Day fund. It also states that an amount equal to two months (roughly 17%) needs to be set aside as Unassigned.

As of 2.28.22 the balance in the Rainy Day Fund was \$1,888,089.68. At the end of March, \$2,155 will be going into the Rainy Day fund from Transfer Tax received bringing the balance to \$1,890,245

The total budgeted expenses for FY23 is \$4,331,494.

50% of that is \$2,165,747. To bring the Rainy Day Fund to that amount using the year end surplus would be \$275,502

The Current Unassigned Balance as of 02.28.22 is \$378,931.

17% of the total expenses for FY23 is 736,354. To bring the Unassigned balance to that amount using the year end surplus would amount to \$357,423.

These two allocations total \$632,925

There is a projected positive net difference of roughly \$1,700,000.

If we take the amount to bring the Rainy Day and the Unassigned Balance to their set allocations from this projected difference, there would be \$1,067,075 left.

The Town Manager and I also put together the beginnings of a Capital Expenditure Budget. In that, we assumed no grants or donations. Aside from Town Hall, the projected amount for this next year in Capital Expenditures would be \$317,000.

If you take that amount from the projected surplus, the surplus would be down to \$750,075.

The Town Manager and I are waiting for information on other possible infrastructure projects that we need to plan for.

Based on the FY23 budget, if we hit all our revenue expectations, the amount in the Streets & Infrastructure Set Aside would be \$829,438.

It would be my suggestion to the Commissioners based on these numbers, that we set aside the projected \$750,000 net surplus towards a future Town Hall.