

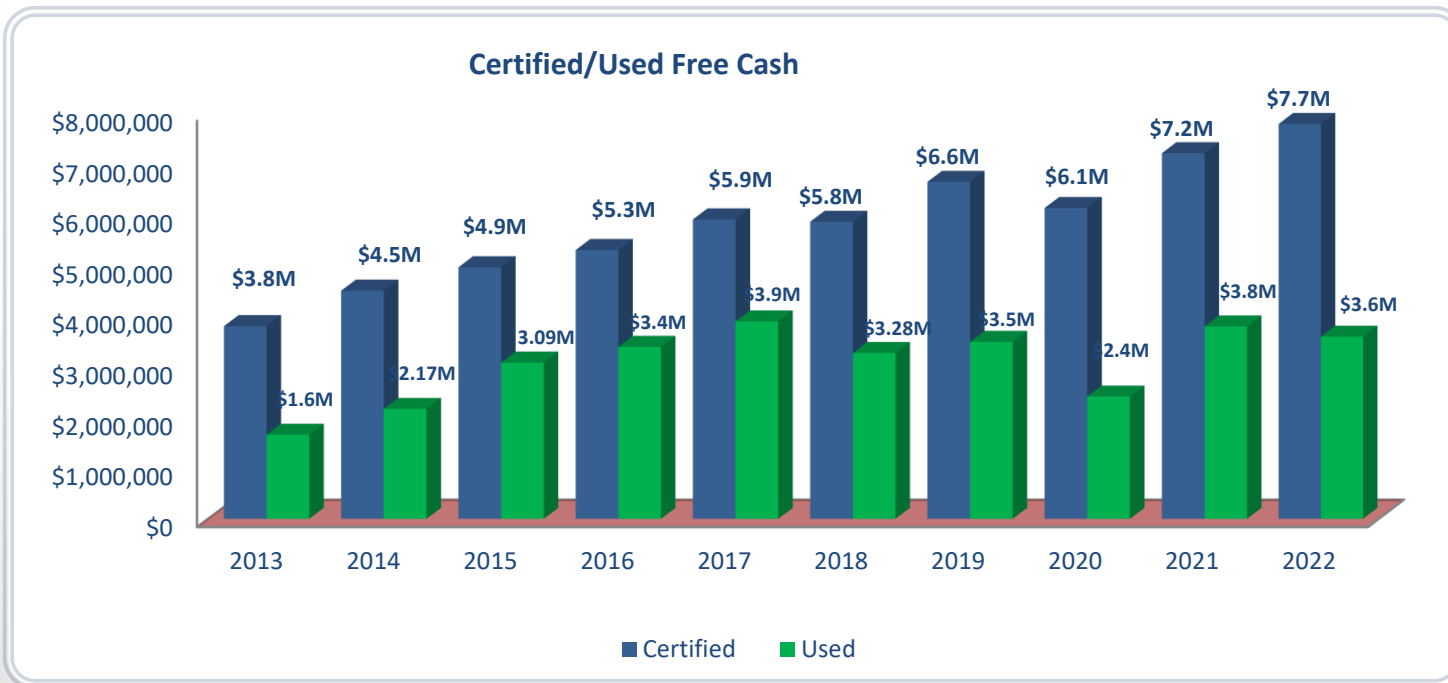


Free Cash Certification

Pam Dukeman
Assistant Town Administrator/Finance Director
Fall 2022

Free Cash - Strong Position

- DOR Certified Free Cash as of July 1, 2022 is \$7,772,702, in line with prior years.
- Disciplined use of free cash balance.
 - Not applied to operating budgets. Not using full allowance.
 - In line with Financial Policy, available amount used for capital needs, not operating budget.
 - Good FY22 budget to actual results, strong management of COVID impact.
- FY23 current budget was funded by \$3,833,250 of free cash :
 - \$2,373,250 for school and municipal capital
 - \$125,000 for Stabilization
 - \$1,335,000 for Town Meeting Articles - Snow & Ice (\$335K), Aid to the Elderly (\$300K), and purchase of American Legion property (\$700K)



← FY24 Planned Base Budget Use

- Financial policy target approximately \$3.7M unallocated

History of Free Cash Use

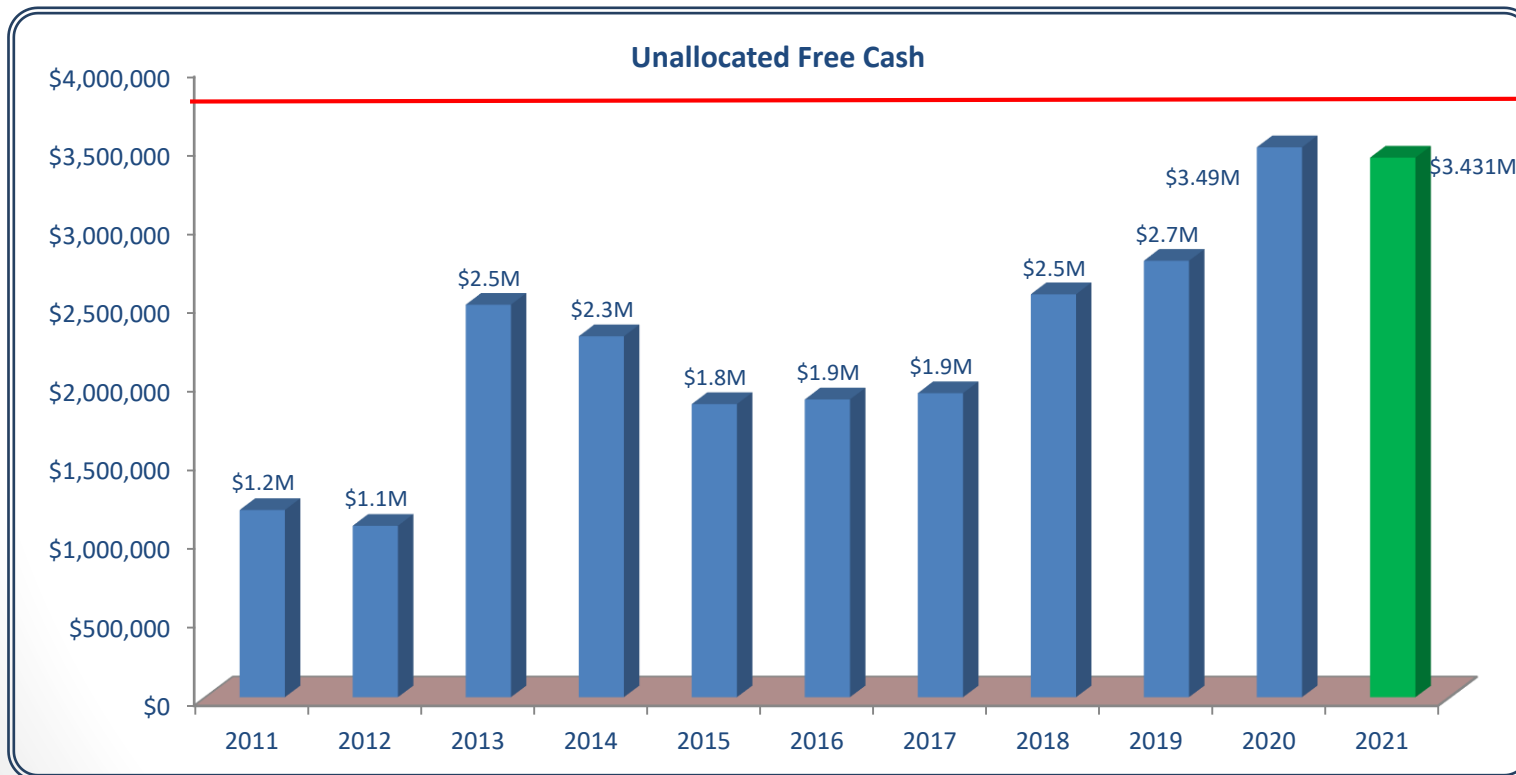
- Certified Free Cash as of July 1, 2022 is \$7,772,702, in line with prior years.
- Disciplined use of free cash balance.
 - Not applied to operating budgets. Not using full allowance.
 - In line with Financial Policy, apply higher amounts to capital needs, not operating budget.
 - Good FY22 budget to actual results, strong management of COVID impact
- FY23 current budget was funded by \$3,833,250 of free cash :
 - \$2,373,250 for base school and municipal capital
 - \$125,000 for Stabilization
 - \$1,335,000 for Town Meeting Articles – Snow & Ice (\$335K), Aid to the Elderly (\$300K), and purchase of American Legion property (\$700K)

Certified Date	July 2022	July 2021	July 2020	July 2019	July 2018	July 2017
Amount	\$7,772,702	\$7,264,563	\$6,124,816	\$6,637,200	\$5,854,683	\$5,900,219
Fall Town Meeting : Planned Use:						\$801,000
Stabilization	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$100,000
Capital	\$3,000,000	\$2,373,250	\$2,321,650	\$3,383,900	\$3,163,500	\$2,198,118
Articles	\$500,000	\$1,335,000	\$181,000	\$350,000	\$0	\$861,000
Total Used	\$3,625,000	\$3,833,250	\$2,627,650	\$3,858,900	\$3,288,500	\$3,960,118
Unallocated	\$4,147,702	\$3,431,313	\$3,497,166	\$2,778,300	\$2,566,183	\$1,940,101

- Financial Policy target is approximately \$3.7M unallocated.

Unallocated Free Cash – Can Meet Financial Goal

- Unallocated free cash target – approximately \$3.5M.
- This is an important component of the credit rating.
- Base use: \$125K Stabilization, \$2.3M capital.
- Additional amounts can be used toward extra capital, snow and ice, one time needs.
- Unallocated balance provides protection for the Town.



- Additional free cash beyond target has been used for: additional school and municipal capital.