

ARTICLE 21: Transfer to General Stabilization



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Ms. Wasoff moves that the Town vote to transfer \$750,000 from Free Cash to the General Stabilization Fund.



What is a General Stabilization Fund?

Savings Account for funding any lawful Municipal Expenditures
Provides emergency funds for usage in a major or significant event, for example:



natural disaster



unanticipated
decrease in
revenue



damage to a
capital asset



uninsured loss

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Why fund the General Stabilization Fund?

- Funds are available for appropriation *at all times*
- Retains Investment Earnings
- 2/3 vote of Town Meeting
- Key consideration in Bond Rating

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Financial Reserve Policy

It is Town policy to establish a minimum funding target at or above 4% of the ensuing General Fund Budget. Where possible, withdrawal of funds, should be limited to an amount where Free Cash in combination with the General Stabilization fund exceeds 10% of the ensuing general fund budget.

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General Stabilization Fund Target Balance

FY2027 General Fund Budget = \$147,919,072

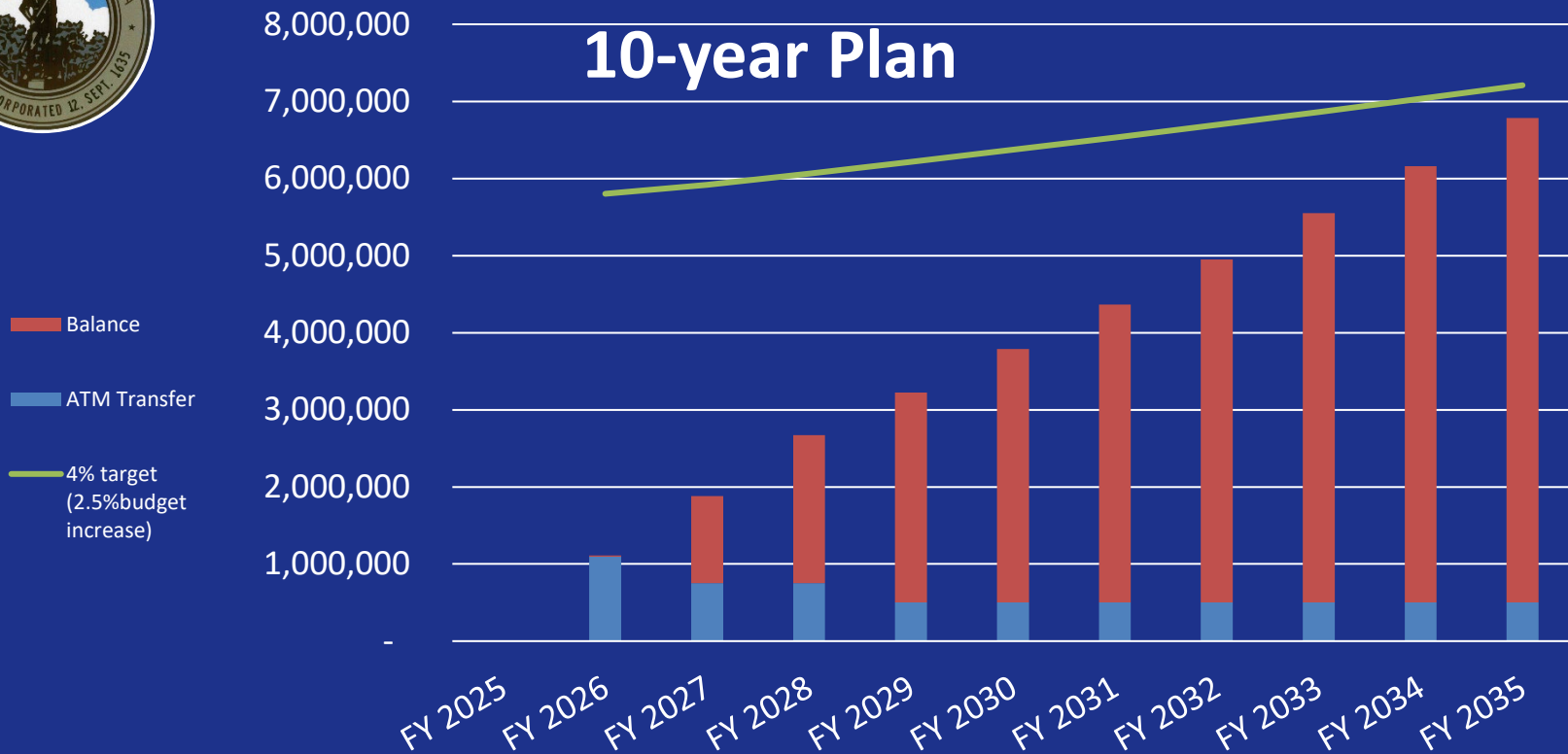
4% = \$5,916,763

Current General Stabilization Balance = \$ 1,110,385



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10-year Plan



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