

FIFTEEN ROPE FERRY ROAD
WATERFORD, CT 06385-2886



PHONE: 860-442-0553
www.waterfordct.org

BOARD OF FINANCE
AGENDA

Waterford Town Hall
Regular Meeting

January 10, 2024
7:00 p.m.

RECEIVED FOR RECORD
WATERFORD, CT
JAN - 5 A 10:21
TOWN CLERK

1. Establishment of a quorum and call to order.
2. Public Comment
3. Approval and acceptance of minutes from December 13, 2023. *Review amendment to Item #7 verbiage should read "Portable" NOT "Mobile" units.*
4. To consider and act on a request from Jeff Robillard, IT Manager, for an appropriation for replacement computer equipment provided from Dell according to State Contract number 13PSO280 in the amount of **\$34,180.35** to Line Item **20547-57882 Computer Replacements** and forward to the RTM if required.
5. To consider and act on a request from Tom Giard, Superintendent of Waterford Public Schools, for a special appropriation of **\$252,044** for reading textbooks, pending Board of Selectman approval, and forward to the RTM if required.
6. To consider and act on an additional appropriation request from Rob Brule, First Selectman of Waterford in the amount of **\$385,000** for all costs associated with the acquisition of 8 Goshen Road and forward to the RTM if required.
7. Old Business:
 - a. Fund Balance Data Report from Kimberly Allen, Director of Finance
 - b. Discussion of documents presented by Glenn Patterson titled: "GFOA Recommends Governments Rethink Their Reserve Policies" and "Should We Rethink Reserves?"
8. New Business:
9. Liaison Reports

10. Correspondence

- a. Virginia Bielucki, Town Accountant, Periodic Financial Statements FY24 dated December 13, 2023.
- b. Virginia Bielucki, Town Accountant, Status of General Fund Unassigned Balance dated December 13, 2023.
- c. Virginia Bielucki, Town Accountant, Status of Contingency FY24 dated December 21, 2023.
- d. November 2023 Special Revenue Reports

11. Adjournment

Glenn Patterson, Chairman

FIFTEEN ROPE FERRY ROAD



WATERFORD, CT 06385-2886

To: First Selectman Rob Brule ; Finance Director Kim Allen
From: IT Manager, Jeffrey Robillard
Date: 12/11/2023
RE: Appropriation request for Dell computers off state contract.

This request is for an appropriation in the amount of \$34,180.35 toward Capital Non-Recurring designated line 20547-57882 Computer Replacements. The quote for the equipment is provided from Dell according to the State Contract number 13PS0280 which was extended through January 31, 2024.

This request is the start of an ongoing yearly project to replace computers throughout the town on a cycle of approximately 7 years. The replacement process will target departments so that all computers in a specific department are replaced to ease in support of the department for updates, reducing application support issues, and allowing for quick swap of hardware for critical needs.

12/19/23. BOS approved



A quote for your consideration

Based on your business needs, we put the following quote together to help with your purchase decision. Below is a detailed summary of the quote we've created to help you with your purchase decision.

To proceed with this quote, you may respond to this email, order online through your **Premier page**, or, if you do not have Premier, use this **Quote to Order**.

Quote No.	3000169847085.1	Sales Rep	Alvaro Higuero
Total	\$34,180.35	Phone	(800) 456-3355, 80000
Customer #	97884266	Email	Alvaro.Higuero@Dell.com
Quoted On	Dec. 11, 2023	Billing To	ACCOUNTS PAYABLE
Expires by	Jan. 10, 2024		CT-L TOWN OF WATERFORD
Contract Name	Connecticut Reverse Auction #4		15 ROPE FERRY RD
Contract Code	C000000901169		WATERFORD, CT 06385
Customer Agreement #	MNWNC-108		
Deal ID	25959873		

Message from your Sales Rep

Please contact your Dell sales representative if you have any questions or when you are ready to place an order. Thank you for shopping with Dell!

Regards,
Alvaro Higuero

Shipping Group

Shipping To	Shipping Method
JEFFREY ROBILLARD CT-L TOWN OF WATERFORD 15 ROPE FERRY RD WATERFORD, CT 06385-2886 (860) 625-5765	Standard Delivery

Product	Unit Price	Quantity	Subtotal
Logitech Keyboard K120	\$10.33	30	\$309.90
Dell Wall/Under-the-Desk VESA Mount w/ PSU Sleeve - MFF/TC/CFF	\$39.19	5	\$195.95
OptiPlex Small Form Factor (Plus 7010)	\$885.00	30	\$26,550.00
OptiPlex Micro (Plus 7010)	\$954.50	5	\$4,772.50
Dell 27 Monitor - P2722H, 68.6cm (27")	\$196.00	12	\$2,352.00

Subtotal:	\$34,180.35
Shipping:	\$0.00
Environmental Fee:	\$0.00
Non-Taxable Amount:	\$34,180.35
Taxable Amount:	\$0.00
Estimated Tax:	\$0.00

Total:	\$34,180.35
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Maximize your new
technology on day one

Dell ProDeploy Suite



[Learn More](#)

Shipping Group Details

Shipping To

JEFFREY ROBILLARD
CT-L TOWN OF WATERFORD
15 ROPE FERRY RD
WATERFORD, CT 06385-2886
(860) 625-5765

Shipping Method

Standard Delivery

	Unit Price	Quantity	Subtotal
Logitech Keyboard K120	\$10.33	30	\$309.90
Estimated delivery if purchased today: Dec. 18, 2023 Contract # C000000901169 Customer Agreement # MNWNC-108			

Description	SKU	Unit Price	Quantity	Subtotal
Logitech Keyboard K120	A6998935	-	30	-
		Unit Price	Quantity	Subtotal
		\$39.19	5	\$195.95

Dell Wall/Under-the-Desk VESA Mount w/ PSU Sleeve - MFF/TC/CFF

Estimated delivery if purchased today:
Dec. 15, 2023
Contract # C000000901169
Customer Agreement # MNWNC-108

Description	SKU	Unit Price	Quantity	Subtotal
Dell Wall/Under-the-Desk VESA Mount w/ PSU Sleeve - MFF/TC/CFF	452-BDUY	-	5	-
		Unit Price	Quantity	Subtotal
		\$885.00	30	\$26,550.00

OptiPlex Small Form Factor (Plus 7010)

Estimated delivery if purchased today:
Dec. 28, 2023
Contract # C000000901169
Customer Agreement # MNWNC-108

Description	SKU	Unit Price	Quantity	Subtotal
OptiPlex Small Form Factor (Plus 7010)	210-BFXE	-	30	-
13th Gen Intel Core i5-13500 (6+8 Cores/24MB/20T/2.5GHz to 4.8GHz/65W)	338-CHBS	-	30	-
Windows 11 Pro, English, Spanish, French, Brazilian Portuguese	619-ARSB	-	30	-
No Microsoft Office License Included - 30 day Trial Offer Only	658-BCSB	-	30	-
16GB (1X16GB) DDR5 Non-ECC Memory	370-AGWV	-	30	-
M.2 2230 512GB PCIe NVMe Class 35 Solid State Drive	400-BOQM	-	30	-
M.2 22x30 Thermal Pad	412-AAQT	-	30	-
M2X3.5 Screw for SSD/DDPE	773-BBBC	-	30	-
NO RAID	817-BBBN	-	30	-
Intel Integrated Graphics	490-BBFG	-	30	-
OptiPlex SFF Plus with 260W Bronze Power Supply	329-BHPM	-	30	-
System Power Cord (Philippine/TH/US)	450-AAOJ	-	30	-
DVD+/-RW Bezel	325-BDSH	-	30	-
8x DVD+/-RW 9.5mm Slimline Optical Disk Drive	429-ABFH	-	30	-
CMS Essentials DVD no Media	658-BBTV	-	30	-
No Media Card Reader	379-BBHM	-	30	-

No Additional Video Ports	492-BCKH	-	30	-
No Keyboard Selected	580-AABG	-	30	-
Dell Optical Mouse - MS116 (Black)	570-ABIE	-	30	-
No Cover Selected	325-BCZQ	-	30	-
Dell Additional Software	658-BFPY	-	30	-
ENERGY STAR Qualified	387-BBLW	-	30	-
Dell Watchdog Timer	379-BEZX	-	30	-
Quick Start Guide, OptiPlex SFF Plus	340-DDFN	-	30	-
Trusted Platform Module (Discrete TPM Enabled)	329-BBJL	-	30	-
Shipping Material	340-CQYR	-	30	-
Shipping Label	389-BBUU	-	30	-
Regulatory Label for OptiPlex SFF Plus 260/300W, FSJ	389-FBFZ	-	30	-
No Hard Drive Bracket, Dell OptiPlex	575-BBKX	-	30	-
SW Driver, Intel Rapid Storage Technology, OptiPlex Small Form	658-BFQF	-	30	-
Intel Core i5 vPro Enterprise Processor Label	389-EDDQ	-	30	-
Desktop BTO Standard shipment	800-BBIO	-	30	-
No Additional Add In Cards	382-BBHX	-	30	-
Custom Configuration	817-BBBB	-	30	-
Internal Speaker	520-AARD	-	30	-
Intel vPro Enterprise	631-ADPF	-	30	-
EPEAT 2018 Registered (Silver)	379-BDTO	-	30	-
No Additional Network Card Selected (Integrated NIC included)	555-BBJO	-	30	-
Dell Limited Hardware Warranty Plus Service	812-3886	-	30	-
ProSupport Plus: Accidental Damage Service, 5 Years	812-3938	-	30	-
ProSupport Plus: Keep Your Hard Drive, 5 Years	812-3939	-	30	-
ProSupport Plus: Next Business Day Onsite 5 Years	812-3940	-	30	-
ProSupport Plus: 7x24 Technical Support, 5 Years	812-3941	-	30	-
Thank you for choosing Dell ProSupport Plus. For tech support, visit www.dell.com/contactdell or call 1-866-516-3115	997-8367	-	30	-

Unit Price	Quantity	Subtotal
\$954.50	5	\$4,772.50

OptiPlex Micro (Plus 7010)

Estimated delivery if purchased today:

Dec. 15, 2023

Contract # C000000901169

Customer Agreement # MNWNC-108

Description	SKU	Unit Price	Quantity	Subtotal
OptiPlex Micro (Plus 7010)	210-BFXS	-	5	-
13th Gen Intel Core i5-13500T (6+8 Cores/24MB/20T/1.6GHz to 4.6GHz/35W)	338-CHBX	-	5	-
Windows 11 Pro, English, Spanish, French, Brazilian Portuguese	619-ARSB	-	5	-
No Microsoft Office License Included - 30 day Trial Offer Only	658-BCSB	-	5	-
16GB (1X16GB) DDR5 Non-ECC Memory	370-AGWU	-	5	-
M.2 2230 512GB PCIe NVMe Class 35 Solid State Drive	400-BOQM	-	5	-
M2X3.5 Screw for SSD/DDPE	773-BBBC	-	5	-
NO RAID	817-BBBN	-	5	-

Micro Plus with 35W CPU L5.5 FSJ local build	329-BHPL	-	5	-
US Power Cord	450-AAZN	-	5	-
Intel(R) AX211 Wi-Fi 6E 2x2 and Bluetooth	555-BHDU	-	5	-
Internal Antenna	555-BHDV	-	5	-
Wireless Driver, Intel(R) WiFi 6e AX211 2x2 (Gig+) + Bluetooth 5.3	555-BLIO	-	5	-
No Additional Video Ports	492-BCKH	-	5	-
Dell Pro Wireless Keyboard and Mouse - KM5221W - English - Black	580-AJJG	-	5	-
Mouse included with Keyboard	570-AADI	-	5	-
No Cover Selected	325-BCZQ	-	5	-
Dell Additional Software	658-BFPY	-	5	-
ENERGY STAR Qualified	387-BBLW	-	5	-
Dell Watchdog Timer	379-BEZG	-	5	-
Quick Start Guide, OptiPlex Micro Plus	340-DDHH	-	5	-
Print on Demand Label	389-BDQH	-	5	-
Trusted Platform Module (Discrete TPM Enabled)	329-BBJL	-	5	-
Shipping Material	340-CQYN	-	5	-
Shipping Label	389-BBUU	-	5	-
FSJ Reg label 130W adaptor	389-FBSJ	-	5	-
Intel Rapid Storage Technology Driver MFF	658-BFQK	-	5	-
Intel Core i5 vPro Enterprise Processor Label	389-EDDQ	-	5	-
Desktop BTS/BTP Shipment	800-BBIP	-	5	-
130 Watt A/C Adapter	450-AMQF	-	5	-
Fixed Hardware Configuration	998-FZPP	-	5	-
No Option Included	340-ACQQ	-	5	-
EPEAT 2018 Registered (Gold)	379-BDZB	-	5	-
Internal Speaker	520-AAVE	-	5	-
Intel vPro Enterprise	631-BBKP	-	5	-
Dell Limited Hardware Warranty Plus Service	812-3886	-	5	-
ProSupport Plus: Accidental Damage Service, 5 Years	812-3938	-	5	-
ProSupport Plus: Keep Your Hard Drive, 5 Years	812-3939	-	5	-
ProSupport Plus: Next Business Day Onsite 5 Years	812-3940	-	5	-
ProSupport Plus: 7x24 Technical Support, 5 Years	812-3941	-	5	-
Thank you for choosing Dell ProSupport Plus. For tech support, visit www.dell.com/contactdell or call 1-866-516-3115	997-8367	-	5	-
No Accidental Damage Selected	981-4619	-	5	-

Unit Price	Quantity	Subtotal
\$196.00	12	\$2,352.00

Dell 27 Monitor - P2722H, 68.6cm (27")

Estimated delivery if purchased today:

Dec. 15, 2023

Contract # C000000901169

Customer Agreement # MNWNC-108

Description	SKU	Unit Price	Quantity	Subtotal
Dell 27 Monitor - P2722H, 68.6cm (27")	210-BBCK	-	12	-
Dell Limited Hardware Warranty	814-5380	-	12	-

Subtotal:	\$34,180.35
Shipping:	\$0.00
Environmental Fee:	\$0.00
Estimated Tax:	\$0.00
Total:	\$34,180.35

Important Notes

Terms of Sale

This Quote will, if Customer issues a purchase order for the quoted items that is accepted by Supplier, constitute a contract between the entity issuing this Quote ("Supplier") and the entity to whom this Quote was issued ("Customer"). Unless otherwise stated herein, pricing is valid for thirty days from the date of this Quote. All product, pricing and other information is based on the latest information available and is subject to change. Supplier reserves the right to cancel this Quote and Customer purchase orders arising from pricing errors. Taxes and/or freight charges listed on this Quote are only estimates. The final amounts shall be stated on the relevant invoice. Additional freight charges will be applied if Customer requests expedited shipping. Please indicate any tax exemption status on your purchase order and send your tax exemption certificate to Tax_Department@dell.com or ARSalesTax@emc.com, as applicable.

Governing Terms: This Quote is subject to: (a) a separate written agreement between Customer or Customer's affiliate and Supplier or a Supplier's affiliate to the extent that it expressly applies to the products and/or services in this Quote or, to the extent there is no such agreement, to the applicable set of Dell's Terms of Sale (available at www.dell.com/terms or www.dell.com/oenterms), or for cloud/as-a-Service offerings, the applicable cloud terms of service (identified on the Offer Specific Terms referenced below); and (b) the terms referenced herein (collectively, the "Governing Terms"). Different Governing Terms may apply to different products and services on this Quote. The Governing Terms apply to the exclusion of all terms and conditions incorporated in or referred to in any documentation submitted by Customer to Supplier.

Supplier Software Licenses and Services Descriptions: Customer's use of any Supplier software is subject to the license terms accompanying the software, or in the absence of accompanying terms, the applicable terms posted on www.Dell.com/eula. Descriptions and terms for Supplier-branded standard services are stated at www.dell.com/servicecontracts/global or for certain infrastructure products at www.dell.com/en-us/customer-services/product-warranty-and-service-descriptions.htm.

Offer-Specific, Third Party and Program Specific Terms: Customer's use of third-party software is subject to the license terms that accompany the software. Certain Supplier-branded and third-party products and services listed on this Quote are subject to additional, specific terms stated on www.dell.com/offeringspecificterms ("Offer Specific Terms").

In case of Resale only: Should Customer procure any products or services for resale, whether on standalone basis or as part of a solution, Customer shall include the applicable software license terms, services terms, and/or offer-specific terms in a written agreement with the end-user and provide written evidence of doing so upon receipt of request from Supplier.

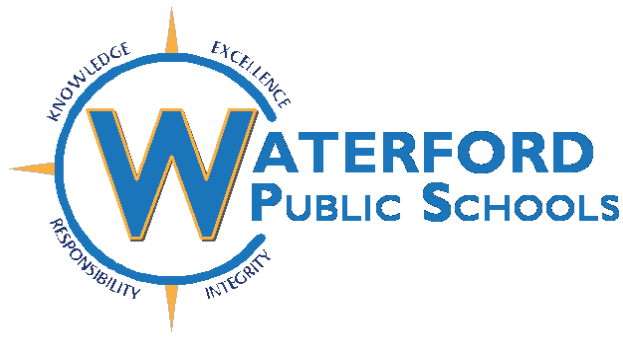
In case of Financing only: If Customer intends to enter into a financing arrangement ("Financing Agreement") for the products and/or services on this Quote with Dell Financial Services LLC or other funding source pre-approved by Supplier ("FS"), Customer may issue its purchase order to Supplier or to FS. If issued to FS, Supplier will fulfill and invoice FS upon confirmation that: (a) FS intends to enter into a Financing Agreement with Customer for this order; and (b) FS agrees to procure these items from Supplier. Notwithstanding the Financing Agreement, Customer's use (and Customer's resale of and the end-user's use) of these items in the order is subject to the applicable governing agreement between Customer and Supplier, except that title shall transfer from Supplier to FS instead of to Customer. If FS notifies Supplier after shipment that Customer is no longer pursuing a Financing Agreement for these items, or if Customer fails to enter into such Financing Agreement within 120 days after shipment by Supplier, Customer shall promptly pay the Supplier invoice amounts directly to Supplier.

Customer represents that this transaction does not involve: (a) use of U.S. Government funds; (b) use by or resale to the U.S. Government; or (c) maintenance and support of the product(s) listed in this document within classified spaces. Customer further represents that this transaction does not require Supplier's compliance with any statute, regulation or information technology standard applicable to a U.S. Government procurement.

For certain products shipped to end users in California, a State Environmental Fee will be applied to Customer's invoice. Supplier encourages customers to dispose of electronic equipment properly.

Electronically linked terms and descriptions are available in hard copy upon request.

^DELL BUSINESS CREDIT (DBC): Offered to business customers by WebBank, who determines qualifications for and terms of credit. Taxes, shipping and other charges are extra and vary. The Total Minimum Payment Due is the greater of either \$20 or 3% of the New Balance shown on the statement rounded up to the next dollar, plus all past due amounts. Dell and the Dell logo are trademarks of Dell Inc.



Mr. Thomas W. Giard III
Superintendent of Schools

Mr. Craig C. Powers
Assistant Superintendent

To: Board of Selectmen Members
From: Thomas W. Giard III, Superintendent
Re: Request for Special Appropriation for Reading Textbooks
Date: January 2, 2024

On December 1, 2023, Waterford Public Schools was notified by the Connecticut State Department of Education that our K-3 Reading Waiver was approved. There were 85 school districts who requested the reading waiver and 17 were approved. This means that instead of purchasing an entire reading program, we will keep our existing materials for phonological and phonemic awareness, phonics, rapid automatic naming, and letter naming fluency the same and just adopt a reading textbook, the Wit and Wisdom textbook for grades K-5. This text supports vocabulary development and reading comprehension. In a proactive measure, we currently have a third of our K-5 classrooms piloting Wit and Wisdom in the 2023-2024 school year. The district's waiver was based on the adoption of Wit and Wisdom.

As you will recall from last budget season, when our faculty reviewed the six state approved reading programs, the one we would have selected cost about \$600,000 for K-3. This would be at least \$800,000 for K-5. Since we are just replacing reading texts, the total cost for Wit and Wisdom for grades K-5 is \$252,044.

You may also recall from last budget season, because the status of our reading waiver was unclear, the discussion and action at the Board of Finance was a reduction of \$500,000 in the Board of Education budget. That reduction was reflective of the reading textbooks. Both Board of Finance and RTM members, during budget discussions, asked us to return and seek an appropriation once the status of the reading waiver was known.



every child
is capable of
greatness

Great Minds Quote

Date December 14, 2023
Expiration Date July 31, 2024
Prepared By Jess McKee
Email jess.mckee@greatminds.org

Quote Number 00254638
Contact Name Craig Powers
Phone 860-444-5801
Email cpowers@waterfordschools.org

Bill to Name Craig Powers
Bill To 15 Rope Ferry Road
Waterford, CT 06385

Ship to Name Craig Powers
Ship To 15 Rope Ferry Rd
Waterford, CT 06385

End User Waterford School District

Make Payment to:

Great Minds PBC Tax ID: 84-3785772

Mail payment to:

Great Minds PBC
P.O. Box 200283
Pittsburgh, PA 15251-0283

Phone: 202.223.1854

Email: ordertracking@greatminds.org

Wire/ACH details are available by visiting this link: <https://digitalsupport.greatminds.org/s/ach-instructions>

Core Text - Kit	ISBN	Quantity	List Price	Discount	Total Price
Grade K					
Wit & Wisdom Core Text Library Grade K (20) - Basic	978-1-64929-302-2	11.00	\$2,002.54	30.00%	\$15,419.56
Grade 1					
Wit & Wisdom Core Text Library Grade 1 (20) - Basic	978-1-64929-311-4	11.00	\$2,075.47	30.00%	\$15,981.12
Grade 2					
Wit & Wisdom Core Text Library Grade 2 (20) - Basic	978-1-64929-320-6	9.00	\$1,760.16	30.00%	\$11,089.01
Grade 3					
Wit & Wisdom Core Text Library Grade 3 (20) - Basic	978-1-64929-329-9	9.00	\$1,680.04	30.00%	\$10,584.25

Grade 4					
Wit & Wisdom Core Text Library Grade 4 (20) - Basic	978-1-64929-338-1	9.00	\$1,632.01	30.00%	\$10,281.66
Grade 5					
Wit & Wisdom Core Text Library Grade 5 (20) - Basic	978-1-64929-347-3	9.00	\$1,076.05	30.00%	\$6,779.12

Geodes - Digital	ISBN	Quantity	List Price	Discount	Total Price
Grade Multiple					
My Geodes (digital) K-2 XL School License: Service End Date (6/30 of School Year 2023 - 2024 unless noted otherwise)	GM-02300	3.00	\$1,075.00	16.00%	\$2,709.00

Geodes - Kit	ISBN	Quantity	List Price	Discount	Total Price
Grade K					
Geodes Level K: Print Classroom Kit (20)	978-1-64497-700-2	11.00	\$3,695.00	16.00%	\$34,141.80
Grade 1					
Geodes Level 1: Print Classroom Kit (20) SP	978-1-64497-400-1	11.00	\$3,695.00	16.00%	\$34,141.80
Grade 2					
Geodes Level 2: Print Classroom Kit (20) SP	978-1-64497-408-7	9.00	\$3,695.00	16.00%	\$27,934.20

Wit and Wisdom - Digital	ISBN	Quantity	List Price	Discount	Total Price
Grade Multiple					
Wit & Wisdom (InSync) Grades K-8 Digital Teacher Edition (Not Available Standalone): Service End Date (6/30 of School Year 2023 - 2024 unless noted otherwise)	GM-01326	58.00	\$199.50	47.89%	\$6,029.10
Wit & Wisdom in Sync License (Print/Digital School Yr): Service End Date (6/30 of School Year 2023 - 2024 unless noted otherwise)	GM-01288	990.00	\$10.50	50.00%	\$5,197.50

Wit and Wisdom - Kit	ISBN	Quantity	List Price	Discount	Total Price
Grade K					
Wit & Wisdom 2023 Grade K Student Edition Set (Modules 1-4)	979-8-88588-706-9	180.00	\$21.61	3.00%	\$3,773.11

Wit & Wisdom 2023 Grade K Teacher Edition Print Bundle	979-8-88811-368-4	11.00	\$225.47	3.00%	\$2,405.76
Wit & Wisdom 2023 Grade K Assessment Pack Set Modules 1-4	979-8-88588-711-3	11.00	\$258.46	3.00%	\$2,757.77
Grade 1					
Wit & Wisdom 2023 Grade 1 Assessment Pack Set Modules 1-4	979-8-88588-722-9	11.00	\$258.46	3.00%	\$2,757.77
Wit & Wisdom 2023 Grade 1 Student Edition Set (Modules 1-4)	979-8-88588-717-5	170.00	\$21.61	3.00%	\$3,563.49
Wit & Wisdom 2023 Grade 1 Teacher Edition Print Bundle	979-8-88811-369-1	11.00	\$225.47	3.00%	\$2,405.76
Grade 2					
Wit & Wisdom 2023 Grade 2 Teacher Edition Print Bundle	979-8-88811-370-7	9.00	\$225.47	3.00%	\$1,968.35
Wit & Wisdom 2023 Grade 2 Student Edition Set (Modules 1-4)	979-8-88588-728-1	150.00	\$21.61	3.00%	\$3,144.26
Wit & Wisdom 2023 Grade 2 Assessment Pack Set (Modules 1-4)	979-8-88588-733-5	9.00	\$258.46	3.00%	\$2,256.36
Grade 3					
Wit & Wisdom 2023 Grade 3 Teacher Edition Print Bundle	979-8-88811-371-4	9.00	\$225.47	3.00%	\$1,968.35
Wit & Wisdom 2023 Grade 3 Student Edition Set (Modules 1-4)	979-8-88588-739-7	175.00	\$21.61	3.00%	\$3,668.30
Wit & Wisdom 2023 Grade 3 Assessment Pack Set (Modules 1-4)	979-8-88588-744-1	9.00	\$258.46	3.00%	\$2,256.36
Grade 4					
Wit & Wisdom 2023 Grade 4 Assessment Pack Set (Modules 1-4)	979-8-88588-755-7	9.00	\$258.46	3.00%	\$2,256.36
Wit & Wisdom 2023 Grade 4 Student Edition Set (Modules 1-4)	979-8-88588-750-2	165.00	\$21.61	3.00%	\$3,458.68
Wit & Wisdom 2023 Grade 4 Teacher Edition Print Bundle	979-8-88811-372-1	9.00	\$225.47	3.00%	\$1,968.35
Grade 5					
Wit & Wisdom 2023 Grade 5 Student Edition Set (Modules 1-4)	979-8-88588-761-8	150.00	\$21.61	3.00%	\$3,144.26
Wit & Wisdom 2023 Grade 5 Teacher Edition Print Bundle	979-8-88811-373-8	9.00	\$225.47	3.00%	\$1,968.35
Wit & Wisdom 2023 Grade 5 Assessment Pack Set (Modules 1-4)	979-8-88588-766-3	9.00	\$258.46	3.00%	\$2,256.36

Kit	\$264,199.29
Digital	\$25,191.00
Solution Subtotal	\$289,390.29
Discount	(\$61,124.19)
Shipping and Handling	\$23,777.94
*Pre-Tax Solution Total	\$252,044.04
Estimated Sales Tax	\$0.00
Estimated S&H Tax	\$0.00
Total Solution:	\$252,044.04

This Quote is governed by the Terms and Conditions at <https://greatminds.org/customer-quote-terms> which are hereby incorporated by reference as if fully set forth herein.

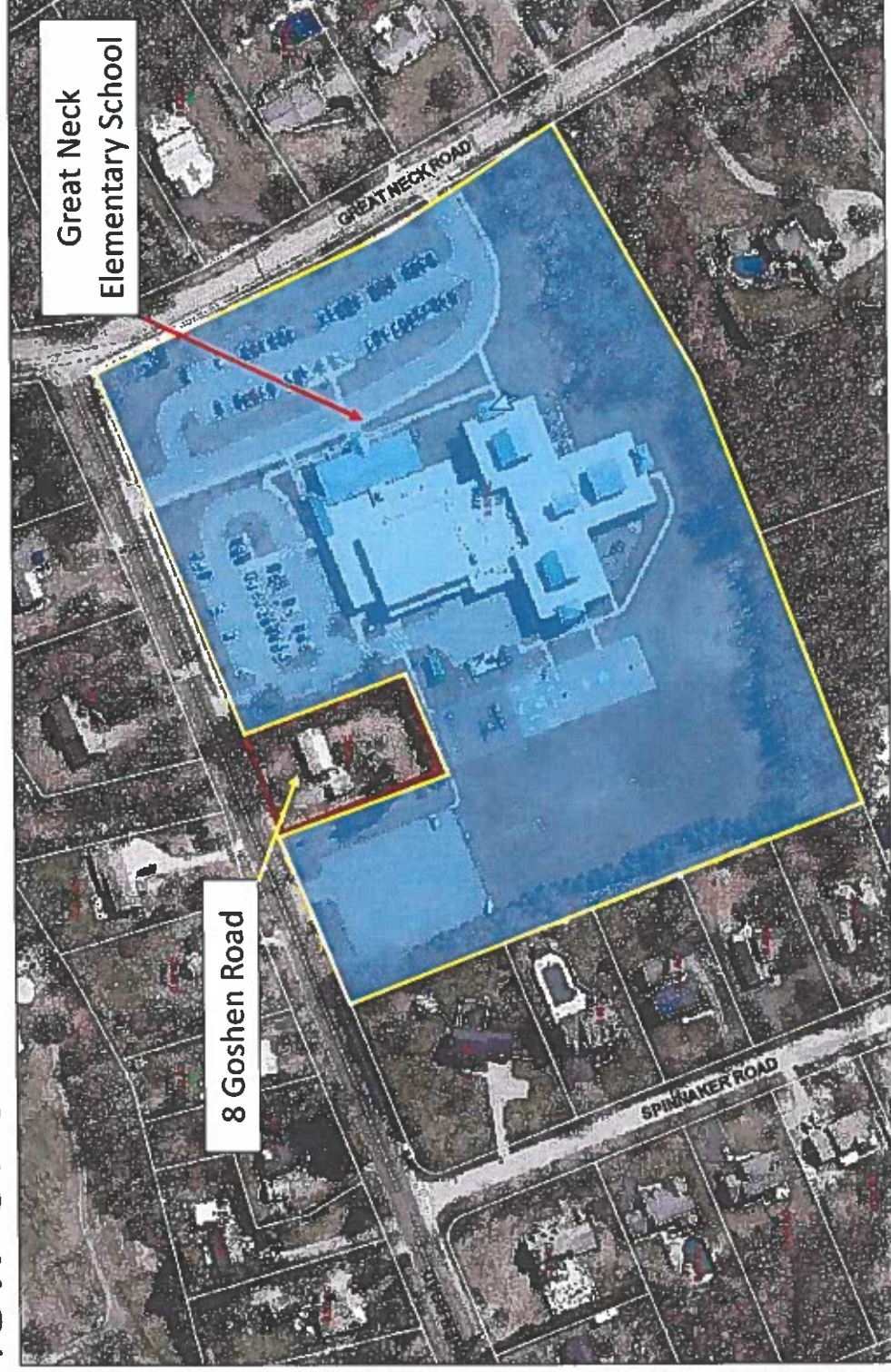
****Tax Exemption: If Customer is exempt from paying any or all taxes, customer shall provide written evidence of such tax exemption issued by the applicable taxing authority.***

Proposed Acquisition of 8 Goshen Road

Town of Waterford
Board of Selectman Meeting
December 19, 2023



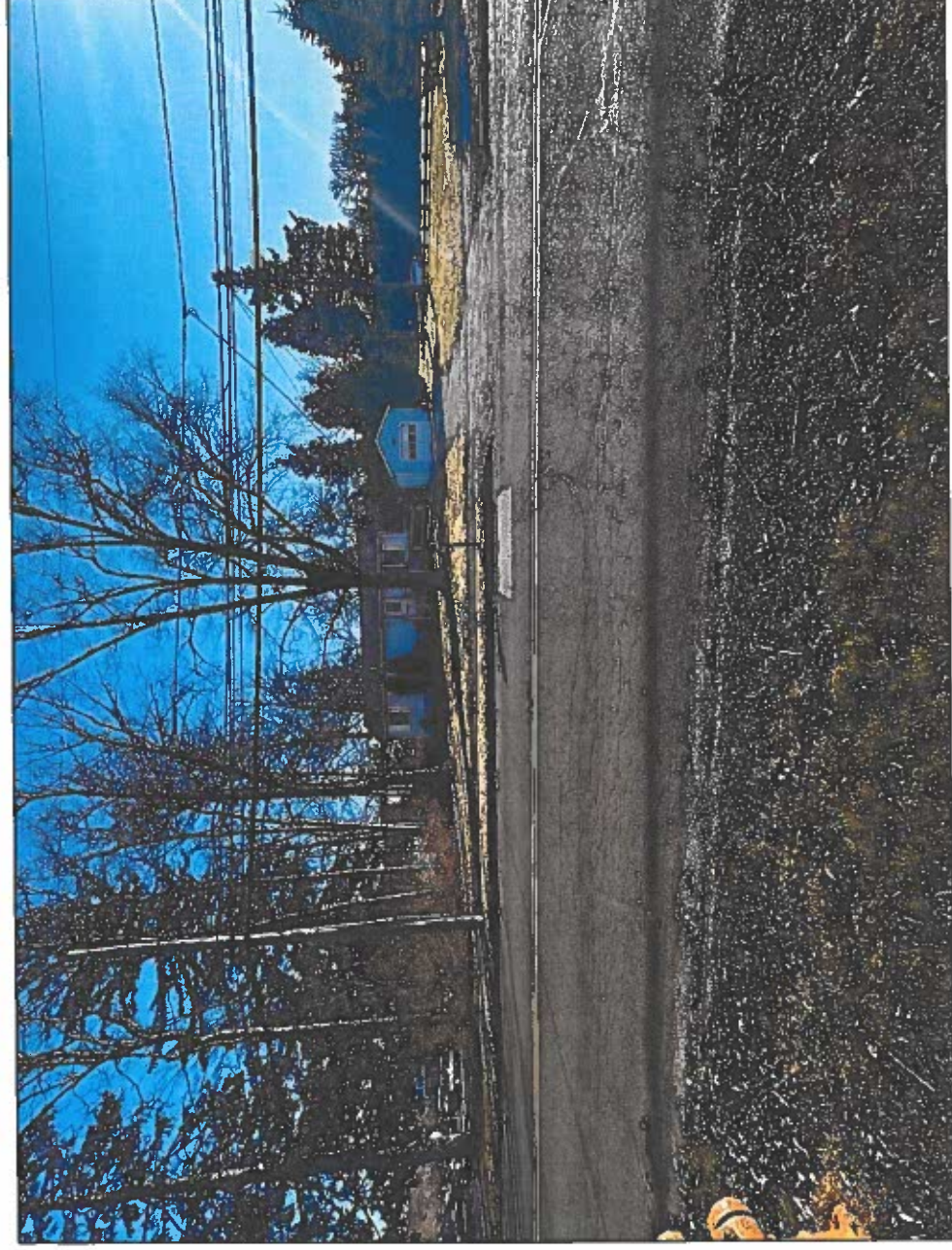
Aerial View of 8 Goshen Road



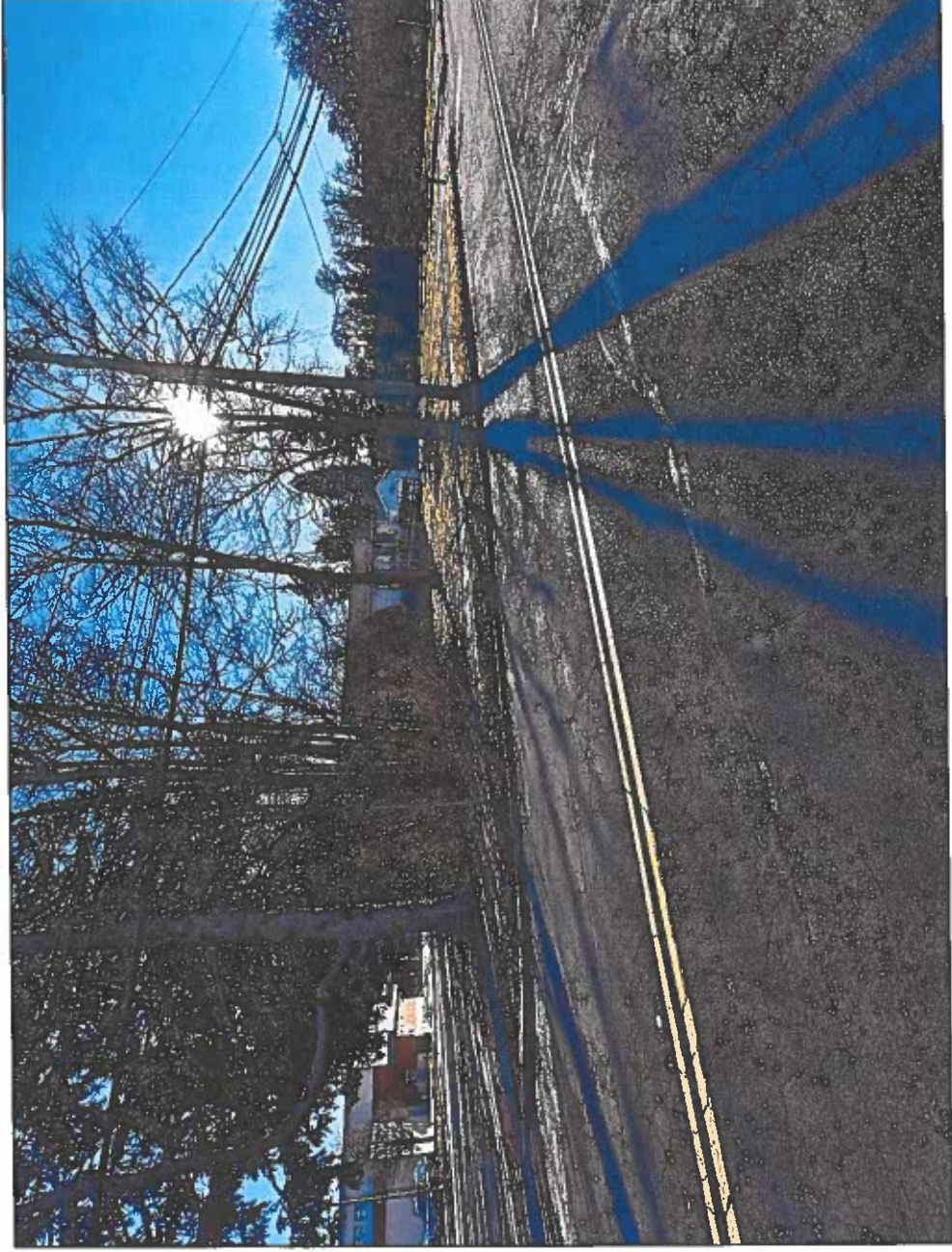
View of 8 Goshen Road Looking Southeast



View of 8 Goshen Road Looking South



View of 8 Goshen Road Looking Southwest



#17
Shannon Withey

From: Robert Avena <RAvena@sswbogg.com>
Sent: Thursday, December 14, 2023 4:09 PM
To: Robert Brule; Shannon Withey; Kimberly Allen; Nicholas Kepple
Subject: Purchase of 8 Goshen Road/ Backup to BOS Meeting

CAUTION: This email originated from outside of the organization.
Do not click links or open attachments unless you recognize the sender's email address and know the content is safe.

Hello: I have been asked to provide the following estimates for the \$385,000 appropriation to acquire 8 Goshen Road, under a proposed purchase contract for \$375,000 and \$750.00 toward Seller's attorney closing fees. The request of \$385,000 includes an estimate of \$1500 in title policy premium for the Town, \$750 in title search fee, \$5000 in legal (drafting of contract, negotiations, title examination and closing), and a reserve of \$2000 for possible inspection for determination of any hazardous waste on the property and contingency, Rob Avena, Esq.

Robert A. Avena, Esquire
Suisman Shapiro
20 South Anguilla Road
P.O. Box 1445
Pawcatuck, CT 06379

Direct Line: (860) 650-8008
Main Line: (860) 442-4416
Facsimile: (860) 599-3778
E-mail: ravena@sswbogg.com
www.suismanshapiro.com

This law firm is a debt collector and may be attempting to collect a debt. If this communication relates to a debt owed to one of our clients, any information obtained will be used for that purpose. Please note, however, that if you have previously received a discharge in bankruptcy, this law firm is not attempting to collect a debt, but is only enforcing a lien against the subject property.

Please note: the information contained in this e-mail and any attachments hereto is intended only for the personal and confidential use of the designated recipients. The message may be an attorney-client communication and as such, is privileged and confidential. If the reader/recipient of this message is not the intended recipient, you are hereby notified that you have received this e-mail and all attachments hereto in error and that any review, dissemination, distribution or copying of this e-mail or any of its attachments is strictly prohibited. If you have received this communication in error, please notify the sender immediately by e-mail and destroy the original message received. Thank you.

#7

CONTRACT OF SALE

CONTRACT OF SALE, made this _____ day of December, 2023, between Matthew Joyce, Executor of the Estate of Lois A. Joyce, of Tonopah, Arizona 85354, hereinafter throughout described as the SELLER, and the TOWN OF WATERFORD, a municipal corporation located in the County of New London, State of Connecticut, acting hereby by Robert J. Brule, its First Selectman, hereinafter throughout described as the BUYER,

WITNESSETH:

THAT the Seller agrees to sell and convey upon the conditions herein, and the Buyer agrees to purchase, all that certain real property, hereinafter referred to as the premises, known as 8 Goshen Road, Waterford, Connecticut, and recorded in Volume 333, Page 894 of the Waterford Land Records, as more particularly described on Schedule A attached hereto.

1. CONSIDERATION

The purchase price is Three Hundred Seventy-Five Thousand and No/100 Dollars (\$375,000.00):	<u>\$375,000.00</u>
A. Upon the signing of this contract by both Seller and Buyer, a deposit of Two Thousand Five Hundred and NO/100 Dollars (\$2,500.00) to be held by Suisman Shapiro, Attorney for Buyer;	\$2,500.00
B. By bank check or money draft at the time of the delivery of the deed, as hereinafter provided Three Hundred Seventy-Two Thousand Five Hundred and No/100 Dollars (\$372,500.00); balance	\$372,500.00
TOTAL PRICE:	<u>\$375,000.00</u>

2. CONDITIONS PRECEDENT TO PERFORMANCE

The Buyer's obligations to purchase the Premises is conditioned upon the Buyer obtaining the following reviews and appeals which shall be regarded as conditions precedent to performance:

A. The Buyer must obtain approval from the Waterford Board of Finance, Board of Selectmen, Representative Town Meeting and Planning and Zoning Commission.

B. Upon execution of this agreement, the Buyer will immediately seek said approvals, and in the event the Buyer is unable to receive said approvals on or before February 5, 2024, this agreement shall terminate, the deposit shall be returned, and thereafter, the parties shall have no further obligations to each other under the terms of this agreement.

3. DEED

The deed of conveyance shall be a full covenant Connecticut Executor's Warranty Deed, and shall be duly executed and acknowledged by the Seller, conveying all title in and to said premises. The Buyer shall be responsible for any expenses of recording said Deed.

4. ADJUSTMENTS

Taxes, assessments and other municipal charges and similar charges, shall be apportioned in the manner customarily used in the town where the premises are located as of the date of the delivery of the deed as herein provided. If delivery of said deed shall take place before any tax, assessment, or rate is determined, the last determined tax, assessment or rate shall be used for the purpose of apportionment. Buyer to pay Seven Hundred Fifty and No/100 Dollars (\$750.00) towards Seller's cost of legal fees.

5. RISK OF LOSS

The risk of loss or damage to the premises until the time of the delivery of the deed is assumed by the Seller. In the event that such loss or damage does occur prior to the delivery of the deed, the Seller shall be allowed a reasonable time thereafter, not to exceed thirty (30) days after the date for the delivery of the deed hereunder, within which to repair or replace such loss or damage. In the event the Seller does not repair or replace such loss or damage within said time, the Buyer shall have the option:

A. of terminating this Contract in which event all sums paid on account hereof, or advanced costs, if any, are in fact incurred by the Buyer, shall be paid to the Buyer without interest thereon. Upon receipt of such payments this Contract shall terminate and become null and void and all further claims and obligations between the parties hereto, by reason of this Contract, shall thereupon be released and discharged;

B. of accepting a deed conveying said premises in accordance with all the other provisions of this Contract, upon payment of the aforesaid purchase price and of receiving the benefit of all insurance monies recovered or to be recovered on account of such loss or damage, less the amount of any monies actually expended by the Seller on said repairs.

Written notice of Buyer's exercise of either of these options shall be given by the Buyer to the Seller by mail, directed to the Seller at his address as hereinbefore written, within five (5) days after the expiration of the time provided hereunder for Seller to repair or replace the loss or damage.

6. TITLE

If, upon the date of closing of title as hereinafter provided, the Seller shall be unable to convey to the Buyer a good and marketable title to the premises, subject only as aforesaid, the Seller shall have a further period of thirty (30) days within which to perfect title. It is mutually understood and agreed that no matter shall be construed as an encumbrance or defect in title so long as such matter is not construed as an encumbrance or defect under the Standards of Title of the Connecticut Bar Association, where applicable, or where a policy of title insurance can be obtained at Buyer's expense at no additional premium without any exception for the presumed title defect. If, at the end of said period, Seller is still unable to convey good and marketable title to the premises subject only as aforesaid, the Buyer may elect to accept such title as the Seller can convey upon the payment of the purchase price as aforesaid, or may refuse to accept the deed of conveyance. Upon such refusal all sums paid on account hereof, together with the reasonable fees for the examination of the title to the premises, if any are in fact incurred by the Buyer, shall be paid to Buyer. Upon receipt of such payments this Contract shall terminate and become null and void and all further claims and obligations between parties hereto, by reason of this Contract, shall thereupon be released and discharged.

7. REPRESENTATION

Seller represents, in order to induct Buyer to enter into this Contract, unless otherwise stated, at the time of closing of title that:

A. There shall exist no violations of any governmental rules, regulations or limitations, including provisions of any ordinance, municipal regulation, including planning and

zoning and applicable building and/or health codes, or public or private law, relating to the premises being conveyed herein, including any building, appurtenances, fixture or system located thereon.

B. There shall exist no violations of any restriction, covenant, agreement or condition affecting the premises being conveyed, as provided herein.

C. Seller is record owner in fee simple of the premises being conveyed herein and has power to convey under the Last Will and Testament and through the probate court.

D. There are no municipal or state assessments imposed on said premises, and there have been no municipal improvements made for which an assessment has been or will be levied, except as specifically set forth herein.

E. There are no current pending or threatened administrative or legal actions against the Seller under any hazardous waste, pollution, or other environmental law or regulation and that the Seller has not received any notice from any state, federal or local governmental authority to the effect that it may not be in full compliance with any hazardous waste, pollution or other environmental law or regulation. Seller further represents that there are no hazardous or toxic substances on the subject property.

8. CLOSING

The closing shall be held twenty (20) days after the expiration of any appeal periods for all of the town reviews and approvals required and take place at the offices of Suisman Shapiro, 20 South Anguilla Road, Pawcatuck, Connecticut, or at such other place or time as may be mutually

agreed upon by the parties hereto upon payment of the aforesaid purchase price, but no later than March 1, 2024, without the written consent of both parties.

9. DEFAULT

In the event the Buyer is in default by reason of failure or refusal to comply with any of the terms of the Contract, the Seller may cancel this Contract and retain all payments paid to the escrow agent as liquidated damages to compensate the Seller for actual reasonable attorney's fees, miscellaneous costs incidental to the sale, loss of time in securing a Buyer and for other cause and damages incapable of exact determination such as, but not limited to, expenses incurred in the continued maintenance of the property, taxes, interest and insurance, damages incorrect in the removal of the property from the real estate market during the period of this Contract, inconvenience of relisting the Premises for sale, additional legal fees, and loss of interest income on the balance of the purchase price.

If the Seller shall default, the Buyer may enforce this Contract according to law or equity, except that the Seller's failure to perform as a result of title defects and/or loss or damage to the property prior to closing shall be governed by the provisions of Paragraphs 5 and 6 of this Contract.

10. COMPLIANCE

The delivery of the deed and closing of title shall constitute full compliance by the Seller with all of the terms, covenants, conditions and representations contained herein or connected with this transaction, with the exception of the warranties and covenants of the warranty deed and any other obligations expressly stated herein to survive the delivery of the deed.

11. ENVIRONMENTAL STUDY

Seller shall provide Buyer with all environmental studies and tests performed on said premises for any contamination, spill, or leak, within two (2) weeks of the date of both parties signing this agreement. As used herein, the term "waste material" shall mean any "solid waste," "hazardous waste," or "hazardous substance," as such terms are defined by the Resource Conservation and Recovery Act of 1980, as amended, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, or any other federal, state or municipal law, regulations, or guideline; tort, contract or common law; any mixture of sewerage or other waste material that passes through a sewerage system to a treatment facility.

Buyer reserves the right to further inspect and conduct additional studies and testing on the premises during the period prior to closing. If any waste material is discovered in, on, or beneath the real property as a result of said testing and inspection, Buyer may, by written notice given to Seller or Seller's attorney, elect to terminate this Agreement or perform it according to its tenor. Should Buyer elect to terminate this Agreement pursuant to this paragraph, Seller shall immediately return to Buyer all monies deposited with Seller or Seller's attorney pursuant to this Agreement and this Agreement shall be null and void, of no further force or effect, and neither party shall have any rights, in law or equity, against the other.

The terms of the aforesaid are to apply and bind the heirs, executors, administrators, successors and assigns of the respective parties.

Wherever the same shall apply, the singular shall include the plural, and the use of any gender shall be applicable to all genders.

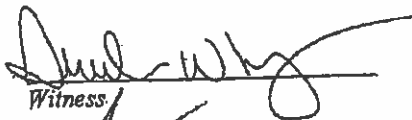
12. CONDITION OF THE PREMISES

The parties agree that the property is to be vacant at the time of closing and that no tenants or rights to occupy by any tenants shall exist at the time of closing.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

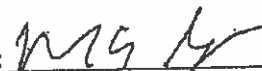
Signed, Sealed and Delivered
in the Presence of:

SELLER:



Witness


Witness

By: 

Mathew Joyce, Executor
The Estate of Lois A. Joyce

BUYER:
TOWN OF WATERFORD

Witness

By: _____
Robert J. Brule
Its: First Selectman
Duly Authorized

Witness

SCHEDULE A

Form 154 Connecticut QUIT-CLAIM DEED—(Serviceable)

VOL 333 PAGE 894



TUTTLE BLANK REGISTERED U. S. PAT. OFFICE
TUTTLE LAW FIRM PRACTICE, NEWTON, VT. 02459

To all People to Whom these Presents shall Come, Greeting:

Know Ye, That WE, MATTHEW A. JOYCE and CAMIE L. JOYCE
of the Town of Waterford, County of New London and State of
Connecticut

for divers good causes and considerations thereunto moving, especially for ONE DOLLAR
AND OTHER VALUABLE CONSIDERATIONS received to OUR full satisfaction of

AUSTIN J. JOYCE and LOIS JOYCE of the Town of Waterford,
County of New London and State of Connecticut

have remised, released, and forever quitclaimed, and do by these Presents, for ourselves
and our successors and heirs, justly and absolutely remise, release, and forever QUIT-
CLAIM unto the said Releasees

and the survivor of them, and the heirs and assigns of the survivor of them forever all such
right and title as we the said Releaseors

have or ought to have in or to

that certain piece or parcel of land located in the Town of
Waterford, County of New London and State of Connecticut being
known as Lot 6A on the southerly side of Goshen Road owned by
Matthew A. & Camie L. Joyce and shown on a plan by Rowley
Engineering & Associates Waterford, CT and dated July 6, 1987
bounded and described as follows:

Beginning at a merestone on the southerly side line of Goshen Road
at the northeasterly corner of the Town of Waterford; thence
S 08° 12' 36" E along land now or formerly of said Town of
Waterford for a distance of 174.00 feet to an iron pin; thence
S 81° 40' 05" W along land now or formerly of said Joyce for a
distance of 115.00 feet to a concrete monument; thence
N 08° 12' 36" W along land now or formerly of said Joyce for a
distance of 174.00 feet to a concrete monument; thence
N 81° 40' 05" E along the southerly side line of Goshen Road for
a distance of 115.00 feet to a merestone at the point of beginning.
The above described lot contains .046 acres, more or less.

Being a portion of the premises conveyed to the Releaseors herein
by warranty deed of Albert J. Perry dated August 16, 1982 and
recorded in Vol. 266, page 126 of the Waterford Land Records.

FUND BALANCES BY TOWN

TOWN BY TOWN BUDGET COMPARISON

TOWN	Total Approximate Residents	FY24 Total Budget	FUND BALANCE POLICY(Y/N)	PERCENTAGE REQUIRED PER POLICY	ACTUAL FUND BALANCE (MILLION)	ACTUAL FUND BALANCE PERCENTAGE	LAST BOND RATING
Waterford	19,571	102,073,198	YES	10-13%	25.4	25%	Aa2
Berlin	20,175	99,612,696	YES	11%	14.1	14%	Aa2
Branford	28,148	129,743,843	NO	0	42.7	33%	AAA
East Lyme	18,788	86,007,718	N/A	N/A	11.4	13%	AA
Ledyard	15,456	64,540,940	YES	7-10%	4.5	7%	AA
Montville	18,716	69,169,687	YES	8.5-17%	12.9	18%	AA
New London	27,635	102,166,772	YES	13.30%	18.5	19%	A+
Old Saybrook	10,506	50,276,744	YES	15%	8.2	16%	Aa2
Stonington	18,335	80,159,204	YES	16.67%	23.0	29%	Aa1
Watertown	21,661	89,780,880	YES	7%	6.8	8%	Aa3
Wethersfield	27,162	118,409,811	YES	7-10%	15.15	13%	Aa2

NOTES:

*OLD DRG D USED FOR COMPARISON

*ADDED ADDITIONAL TOWNS SURROUNDING WATERFORD

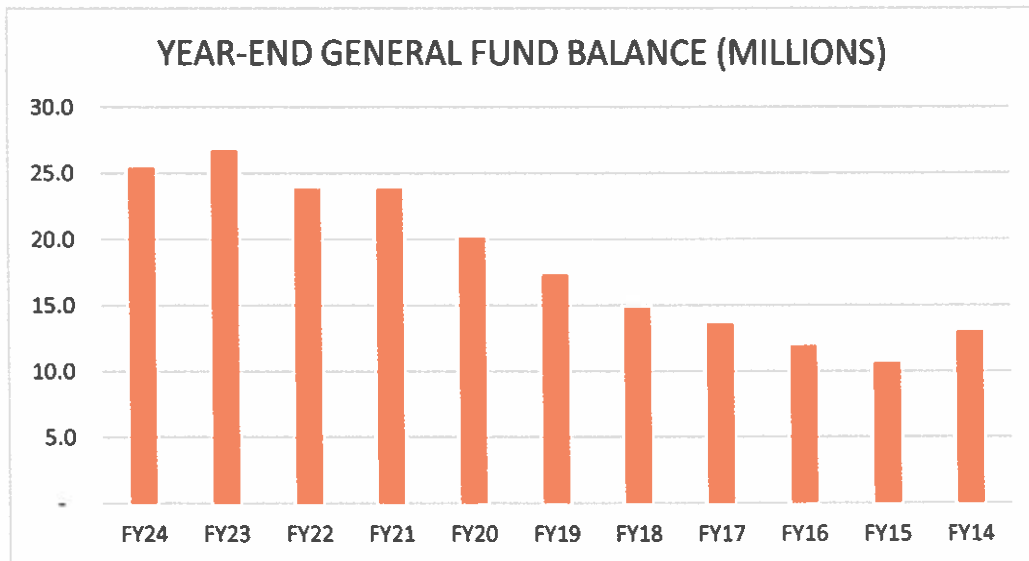
*STONINGTON MUST HAVE 2 MOS OF OPERATING IN A FUND BALANCE (APPROX 16.67% CURRENTLY)

*For Standard & Poor's, AAA is the best rating, followed by AA, A, BBB, BB, B, CCC, CC, and C. D is used for bonds that are already in default, which means the underlying company isn't able to pay back principal.

*An Aa2 rating signifies a high credit quality for bonds. It indicates that the issuer has a strong capacity to meet its financial obligations and presents a relatively low risk of default. It falls within the investment-grade category and is slightly lower than the highest ratings (AAA or AA1) within that category

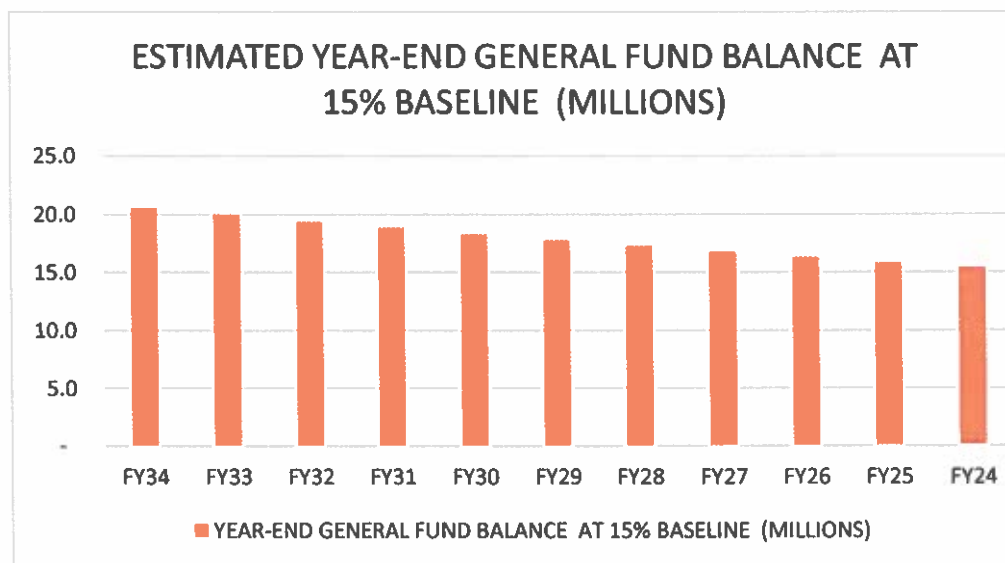
ANNUAL APPROVED BUDGETS AND YEAR-END GENERAL FUND BALANCES

	APPROVED BUDGET	YEAR-END GENERAL FUND BALANCE (MILLIONS)	PERCENTAGE
FY24	102,073,198	25.4	25%
FY23	99,381,223	26.7	27%
FY22	97,403,120	23.8	24%
FY21	95,978,230	23.8	25%
FY20	95,267,503	20.1	21%
FY19	93,146,501	17.3	19%
FY18	90,791,673	14.8	16%
FY17	89,048,631	13.6	15%
FY16	86,328,469	11.9	14%
FY15	86,972,410	10.6	12%
FY14	81,732,977	13.0	16%



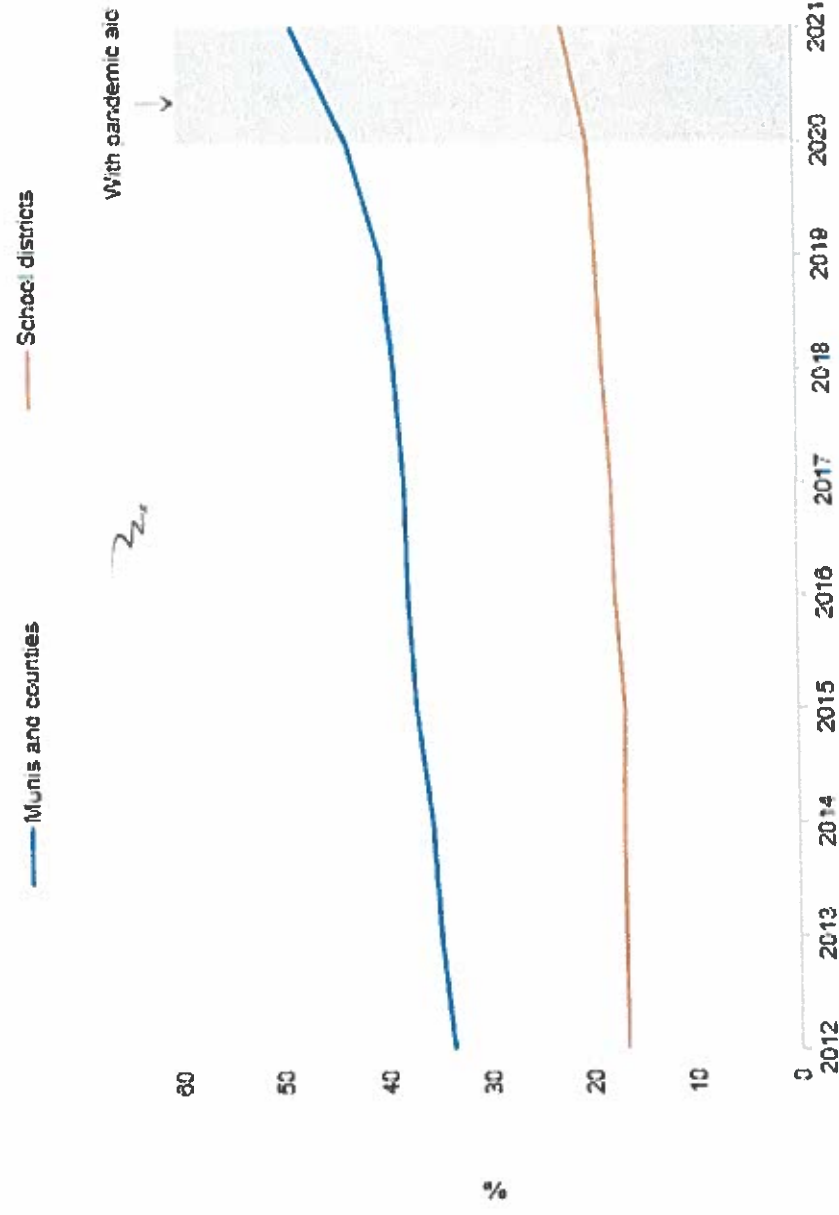
ESTIMATED FUND BALANCES AT 15% LEVEL

	ESTIMATED APPROVED BUDGET (3% INCREASE)	YEAR-END GENERAL FUND BALANCE AT 15% BASELINE (MILLIONS)
FY34	137,177,843	20.5
FY33	133,182,372	19.9
FY32	129,303,273	19.3
FY31	125,537,159	18.8
FY30	121,880,736	18.2
FY29	118,330,812	17.7
FY28	114,884,284	17.2
FY27	111,538,139	16.7
FY26	108,289,456	16.2
FY25	105,135,394	15.7
FY24	102,073,198	15.3



U.S. Local Governments | Reserve Trends

Unassigned General Fund Balance as Share of General Fund Expenditures





RETHINKING BUDGETING

SHOULD WE RETHINK RESERVES?

A Multimillion-Dollar Question





ABOUT THE AUTHORS

- **Shayne C. Kavanagh**, Senior Manager of Research, Government Finance Officers Association (GFOA)
- **Vincent Reitano, PhD**, Associate Professor - School of Public Affairs and Administration, Western Michigan University
- **Peter A. Jones, PhD**, Associate Professor - Department of Political Science and Public Administration, The University of Alabama at Birmingham

ACKNOWLEDGMENTS

- **Judith M. Marte**, Deputy Superintendent, Operations, Broward County Public Schools
- **Kevin A. Knutson**, Assistant County Administrator, Pinellas County - Office of the County Administrator
- **Josh Harwood**, Fiscal & Tax Policy Director, METRO
- **David Allen Hines**, Director of Operations, City of Pittston
- **Ian Tyson**, Senior Managing Consultant, PFM Financial Advisors
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- **Jake Kowalski**, Consultant/Analyst, GFOA
- **Kyle Wedberg**, Senior Manager, GFOA
- **Chris Williams**, Consultant, GFOA

ABOUT GFOA

The Government Finance Officers Association (GFOA) represents over 21,000 public finance officers throughout the United States and Canada. GFOA's mission is to advance excellence in government finance. GFOA views its role as a resource, educator, facilitator, and advocate for both its members and the governments they serve and provides best practice guidance, leadership, professional development, resources and tools, networking opportunities, award programs, and advisory services.

ABOUT THE RETHINKING BUDGETING PROJECT

Local governments have long relied on incremental, line item budgeting where last year's budget becomes next year's budget with changes around the margin. Though this form of budgeting has its advantages and can be useful under circumstances of stability, it also has important disadvantages. The primary disadvantage is that it causes local governments to be slow to adapt to changing conditions. The premise of the "Rethinking Budgeting" initiative is that the public finance profession has an opportunity to update local government budgeting practices to take advantage of new ways of thinking, new technologies, and to better meet the changing needs of communities. The Rethinking Budgeting initiative will raise new and interesting ideas like those featured in this paper and will produce guidance for state and local policy makers on how to local government budget systems can be adapted to today's needs. We hope the ideas presented in this paper will spur conversation about the possibilities for rethinking budgeting. The Rethinking Budgeting initiative is a collaborative effort between the Government Finance Officers Association (GFOA) and International City/County Management Association (ICMA).

To learn more, visit gfoa.org/rethinking-budgeting.



Introduction and How to Use This Paper

The “Best Practices: Fund Balance Guidelines for the General Fund” is one of GFOA’s most often cited standards. However, GFOA’s consulting work with local governments has revealed that there are many opportunities for reserve optimization beyond the guidance provided in the Best Practices. This paper brings what we have learned together with university research to describe new opportunities for local governments to get the best value from their reserve strategies.

To help readers navigate to the parts of this paper that will benefit them most, we have summarized each of the main sections of this paper. If the summary of a section is sufficient for you, we invite you to skip the details of that section.

Section 1—Why Might We Need to Rethink Reserves?

We give four reasons. First, we live in an increasingly volatile and uncertain world. More uncertainty gives rise to more risk. Reserves are one of the tools used to manage risk, chiefly by “self-insuring” against certain risks. More risk means we need better reserve strategies. Second, the public has lower trust in government and experts. This means that governments will face more pressure to justify holding reserves and will be less able to appeal to claims of professional expertise as justification. Third, government is becoming more resource constrained, which means that all dollars, including reserves, must be used with increasing savvy. Fourth, technology makes it easier to analyze reserve strategies and optimize the strategy to the conditions faced by each local government.

[JUMP TO SECTION 1 →](#)

RESERVES VS. FUND BALANCE

“Fund balance” is an accounting term that, generally speaking, describes the difference between assets and liabilities. “Reserves” is a budget and policy term that describes the fungible resources available outside of the budget for use if the resources appropriated inside of the budget are insufficient. There is an overlap between “fund balance” and “reserves,” but the most important difference is that fund balance covers a broader range of resources. For example, fund balance could include prepaid inventories or receivables for delinquent taxes, neither of which is available for current spending.* This paper is focused on the budget and policy role of reserves.

* The Governmental Accounting Standards Board (GASB) provides guidance on how to classify fund balances to differentiate between amounts that are more constrained or less constrained in their potential use. You can read more about these classifications in: “GASB Statement No. 54, Fund balance reporting and governmental fund type definitions,” available at GASB.org.

Section 2—How Do We Rethink Reserves?

We start by changing our mental model. A mental model is a way of viewing the world. *Finance officers can help decision-makers make better decisions by giving them better mental models for public finance.* The traditional mental model for reserves is a “savings account.” We contend that an “insurance policy” has much to offer as a new and complementary mental model. This connects reserves directly to their role in managing risk and opens up new ways of thinking about reserves.

[JUMP TO SECTION 2 →](#)

Section 3—What Actions Can We Take to Rethink Reserves?

The actions below are critical to taking full advantage of the possibilities available from the reserves as insurance mental model. The ideas are presented in a rough order of importance.

1. **Risk-Based Reserve Analysis.** A perennial question in local government finance about reserves is “how much is enough?” The reserves as insurance model would say it depends on what your risks are. We’ll discuss different options for how local governments can take account of their risks.

2. **Develop a Comprehensive Reserve Policy.** A policy helps the government commit to savvy decision-making about reserves by showing why a smart risk-informed reserve strategy is good for the community and defining the boundaries of acceptable actions around reserves. Most important, a policy should address the amount in reserves that a local government will strive to maintain, including a minimum and maximum amount.

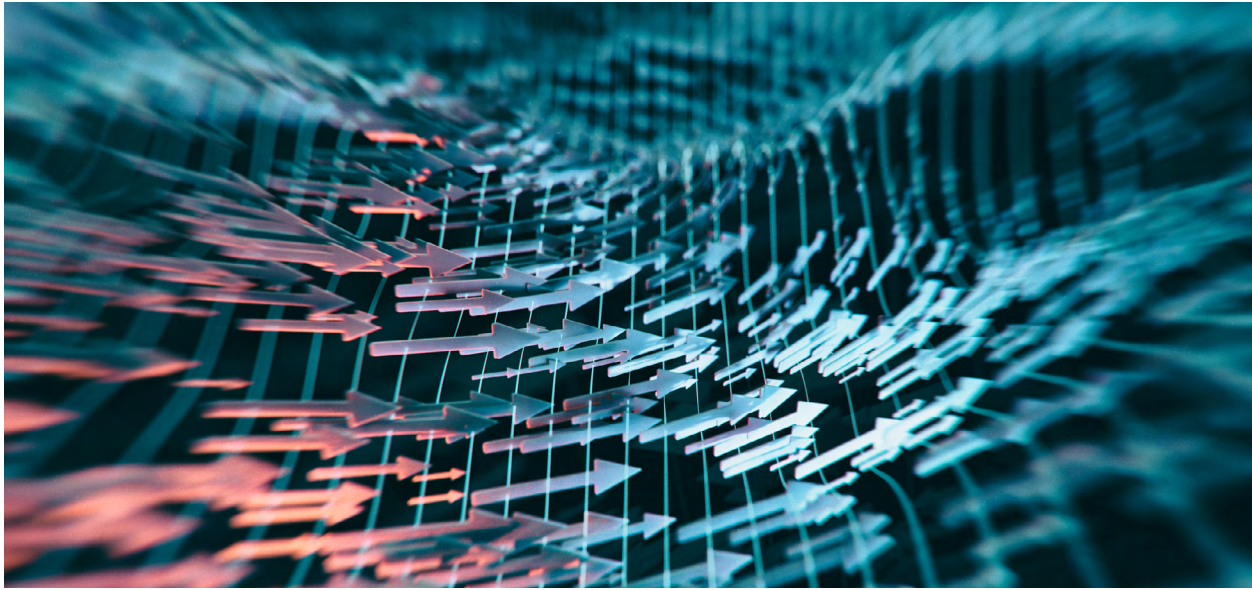
3. **Optimize the Combination of Commercial Insurance and Self-Insurance.** Commercial insurance and self-insurance each have advantages that can complement the other. If we think of reserves as self-insurance, it opens up new ways of thinking about the application of commercial insurance to the risks that local governments face. By using a risk-based approach to identify how much and for what severity of events reserve funds are needed, it becomes easier to identify pricing efficiencies between holding funds and purchasing private insurance.

4. **Optimize Investment Strategies.** Reserves are constituted by cash held back from current spending. Knowing how much cash is necessary to keep liquid to provide reasonable assurances for unplanned, unavoidable expenditures tells you how much can be invested in long-term, less liquid but higher yield instruments.

5. **Pool Risk.** Local governments often participate in *external* risk pools to save money. Local governments may have unrealized *internal* risk pooling opportunities. The reserves as insurance model highlights these opportunities.

6. **Understand Bond Ratings and Reserves.** Bond ratings are often used as a reason to maintain high reserves. However, the interest rate advantage will only be justified under certain conditions. Reserves as insurance asks us to consider if higher reserves are “worth” the cost to obtain a higher bond rating.

[JUMP TO SECTION 3 →](#)



SECTION 1

Why Might We Need to Rethink Reserves?

Reserves are the liquid financial resources* that local governments do not include in the annual spending plan. These resources are held back from the budget and held in “reserve” for some other purpose. The most important purpose is to respond to significant, unplanned, unavoidable costs or revenue losses, such as a natural catastrophe or recession. Another common purpose is as a sinking fund or “piggy bank” for a large, nonrecurring, planned future expenditure, like purchasing a capital asset. Reserves also support a strong bond rating by signaling to investors that the local government has resources to pay back debt even with potential disruptions to its financial position.

It has long been thought that having substantial reserves is desirable. Often it is thought that bigger is better. So why might we need to rethink reserves? The reasons are consistent with [many of those cited for GFOA’s Rethinking Budgeting initiative](#). Though, these reasons take on special significance when applied to reserves.

An increasingly volatile and uncertain world. Reserves play a role in buffering local government from volatility. However, if volatility is increasing, we should reexamine how reserves are managed to ensure local government has an adequate buffer. For example, damages from natural disasters have been on the rise in recent decades.¹ Reserves fund the response to natural disasters. Even if federal or state/provincial financial assistance is available, reserves fill the gap until assistance arrives, which can take months or even years.

Lower trust in government and experts. Local government’s stakeholders may be suspicious of large reserves, especially if it is not clear why the government is holding these resources instead of spending them on current services or cutting taxes.² In the past, the expert opinion of the finance officer, perhaps citing GFOA’s “Best Practices,” might have been sufficient to justify reserves, but expert opinion may not be so readily accepted in the future.³ Finance officers may need to be prepared to provide justification for reserves that rely less on appeals to expertise and more on the fundamental reasons why reserves are important.

* Typically comprising cash and investments that can be converted into cash.

Local governments are becoming more resource constrained. Local governments are expected to maintain a sizable reserve by “industry standards” and by bond rating agencies.* At the same time, local governments are facing more resource constraints, especially with employee health care and pension costs rising. For many governments, the increases in costs have consumed revenue increases, which may soon level off.† In fact, some economists believe that the United States’ long-term growth trajectory will slow; indeed, the general trend has been slowing growth since the 1970s.⁴ Further, long-term demographic trends point toward an aging population. Though the United States’ demographic outlook is not as dire as other developed countries, an aging population still does not bode well for local government revenues.⁵ In addition, legislative constraints limit revenue growth. For example, there is evidence that local government revenues do not recover as quickly from setbacks, like recessions, compared to the past, due to legislative constraints.⁶

Building reserves is a use of current revenues, and governments need to weigh the opportunity costs of doing so. Is it better to provide services today or save the money for later?

Rising costs paired with stagnating revenue growth means that local governments need to make efficient use of resources, including reserves. Building reserves is a use of current revenues, and governments need to weigh the opportunity costs of doing so. Is it better to provide services today or save the money for later?

None of this suggests that local government reserves should always and everywhere be lower than they are today. Instead, we should look for more and better options to provide buffers to local governments than reserves have traditionally provided. For example, are there opportunities to make more cost-effective combinations of commercial

insurance and reserves? This might not always lead to reserves going down. In fact, it could call for reserves to be increased as part of a high-deductible insurance strategy for some perils to reduce the total cost of risk (insurance plus reserves).

Information technology makes rethinking reserves easier. Information technologies, like some we will describe later in this report, make it easier to analyze reserve strategies and optimize the strategy to the conditions faced by each local government.

In the next section, we will discuss how to rethink reserves, with emphasis on the reserve’s role in managing risk. In Section 3, we will suggest several actions local governments can take to rethink their reserves and get better value from reserves for their communities.

* GFOA’s “Best Practices: Fund Balance Guidelines for the General Fund” recommends that, at a minimum, general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures. Moody’s Rating Agency looks for fund balances above 35% of annual revenue to provide a Aaa rating for General Obligation debt.

† Note: We are not referring to the impact of economic cycles (e.g., recessions) but rather the long-term trend across cycles.



SECTION 2

How Do We Rethink Reserves?

We begin rethinking reserves by starting from “first principles”—that is, why do local governments have reserves in the first place? *The answer is to reduce volatility and uncertainty in public finances.* Uncertainty exposes a government to financial risks. *GFOA has found that framing the reserve explicitly as a risk management tool and linking the reserve to concrete risks that decision-makers can appreciate is a great way to communicate why reserves are important.* Let’s examine the key risks that reserves guard against. We will see that there are many possible risks, and it is difficult, if not impossible, to buy commercial insurance to protect against many of them.

Cash flow risk is a concern, especially for governments where a major revenue source, like property taxes, is received only once or twice a year in large chunks, while expenditures occur evenly throughout the year. A similar problem can occur if large portions of state-shared revenue have to be authorized by the state each year through the state budget process. Delays in approving the state budget could result in delays in local government revenues. Reserves help smooth out resource availability and have important advantages over other options like tax anticipation notes (TANs). TANs can entail the risk of high interest rates, for example.

A big risk for many governments is revenue instability, with recessions being the major culprit. If a recession dramatically reduces revenue, then reserves can be used to help a government make a “soft landing.” For example, the City of Savannah’s sales tax was a large revenue source that was sensitive to the economy. The city, therefore, developed a sales tax stabilization reserve. When the Great Recession hit, the city was able to draw from the reserve and avoid layoffs.

RETHINKING IS LOCAL

Each local government will need to decide how to best apply the ideas in this paper to their circumstances. For example, a local government’s “reserves” are commonly associated with the general fund. Yet, many of the same ideas presented in this paper could apply to other funds, like enterprise funds.

There could be other sources of revenue instability, too. Perhaps a major revenue source is subject to changes in the political environment, as in the case of some state-shared revenue. It might also be the case that a local revenue source is subject to periodic reapproval by the voters. In one city the GFOA worked with, the potential for a major industrial employer to close was a risk because the city relies heavily on a local income tax.

Historically, reserves have not consistently been used by local governments to offset revenue losses from a recession.⁷ This has been, perhaps, the result of state and federal government support during the last two recessions that came through the American Recovery and Reinvestment Act of 2009 and the American Rescue Plan Act of 2021. While these pieces of legislation were a major help to local government fiscal health, local governments should not expect these to be available in future

GFOA has found that framing the reserve explicitly as a risk management tool and linking the reserve to concrete risks that decision-makers can appreciate is a great way to communicate why reserves are important.

recessions. Recovery funds require Congress to pass major legislation, and the rise of political polarization and gridlock makes this far from guaranteed. Even if the federal government offers relief, future funding might have restrictions, and it will be impossible for local governments to predict how much money they will receive. Hence, local governments would be wise to prepare to handle the impacts of recession on their own. Reserves provide another option, besides spending cuts.

Another major risk category is natural disasters like earthquakes, wildfires, floods, hurricanes, and the like. These can result in urgent needs like overtime

for first responders or shelter, food, and supplies for displaced families. They also sustain recovery from disasters by covering unforeseen expenditures like the cleanup that follows the initial devastation. Sometimes, a local government will have some of its costs reimbursed by the Federal Emergency Management Agency (FEMA) and/or state agencies. If this is the case, reserves are still important to cover the nonreimbursable costs, including lost revenue and fees and increased operating costs, while also fronting the costs until reimbursement arrives. GFOA sampled several local governments that received FEMA reimbursement for natural disasters and found it took an average of 18 months to be reimbursed.

Some extreme weather events might not be declared an “emergency” by national or state government. In this case, the local government may be on its own. A common example of this is an extreme snow season where an unusually large amount of snow may cause the local government to dramatically exceed its snow removal budget. Reserves could be used to fund the overage and be replenished by surpluses from light snow seasons.

Man-made disasters are also a risk. The possibility of hazardous material spills that cost a lot to clean up is one such risk that can have a material impact on local finances. Cyberattacks are another example of a man-made risk that might have implications for reserves. As of this writing, cyber insurance policies are becoming more expensive or totally unavailable to some governments. So a government might need to raise the deductible on a commercial policy or forgo a policy altogether. In this case, the government is self-insuring against cyberattacks either partially or fully, and reserves provide the financial backing. Capital infrastructure also presents risks that reserves can help mitigate. Debt is a powerful tool for local governments to finance infrastructure acquisitions, and reserves provide assurances to creditors that the local government is not at unacceptable risk of default. Reserves can also be used to pay for capital assets directly (i.e., cash financing).

There may be other risks we haven't covered that might be relevant to reserves. These risks might fall into categories of financial/economic, health crises, security, reputational, and more. Here are a few examples from governments the GFOA has worked with to analyze their risk exposure. You might think of others that are relevant to your jurisdiction.

- ➔ **Financial/economic:** For governments with large pension liabilities, a reduction in the rate of return on pension investments could increase the annually required pension payment.⁸ Reserves could be used to smooth out the impact on the budget.
- ➔ **Public health:** The COVID-19 pandemic is an extreme example of the potential financial impact of a health event. Less extreme outbreaks could still have financial impacts. For example, local governments with public health responsibilities in urban areas could face large costs from local outbreaks of serious diseases, like hepatitis.
- ➔ **Public safety:** Terrorism and civil disorder can cause a spike in public safety costs. It is worth noting that civil disorder events could become more difficult to insure against because social media can spread civil disorder beyond a local phenomenon.⁹ In other words, civil disorder in one community can easily spread to others. Insurance companies try to avoid insuring risks where this kind of “domino effect” is in play.

Recognizing that *reserves are essentially a tool for risk management* leads to our next point on how to rethink reserves: Adjust your mental model.

A mental model is a way in which we view the world. Mental models guide how we make decisions. *If public finance officers can give decision-makers a better mental model, they will make better decisions.* The traditional mental model for reserves is **a savings account**.

Indeed, the savings account has several advantages as a mental model. First, it's an easy analogy to grasp for people who are not public finance experts. Second, it has a seemingly obvious parallel to the personal lives of local governments' stakeholders. This is particularly true for the “sinking fund” function of reserves, as most people have experience with building up their personal savings to pay for some consumer expenditure or personal investment (e.g., education, house, car, etc.).

However, the savings account model has disadvantages as well.

First, the analogy to personal savings as a buffer against risk might not be as powerful as it seems. Personal savings rates have been in long-term decline.¹⁰ Not only that, but most consumers also start saving reactively, after an adverse event has occurred (e.g., recession, pandemic). Obviously, this is not a viable strategy for local government reserves.¹¹ Given the reactive strategy that most savers adopt, it is not surprising that most Americans are well short of the amount of personal savings that personal finance experts recommend keeping for an emergency.* Given the lack of emphasis on saving for an emergency, many people may now see personal savings more as a vehicle for saving up for future purchases than as a way to manage risk.¹²

RESERVES AREN'T ALWAYS THE ANSWER

We must recognize that reserves are not the best way to manage all of the consequences of the risks local governments are subject to. Let's take pensions. Though reserves could be used to cushion the initial shock from a reduced rate of return and consequent increase in required annual contributions, a government will, at some point, need to realign its annual spending to accommodate increased pension costs.

* The average American's monthly expenses are \$5,111. Fifty-one percent of Americans have less than \$5,000 in savings. Personal finance experts recommend more than one month's worth of expenditures, with three months regarded as the minimum. Information taken from: Backman, M. (2022, May 9). *Study: Average American's savings account balance is \$4,500*. The Ascent. <https://www.fool.com/the-ascent/research/average-savings-account-balance>

There is evidence that financial managers are more likely to view their own personal savings as a tool for managing risk compared to the average person. This means that the “saving account” metaphor for reserves may be more impactful in the minds of financial managers than it is for other people.¹³

Second, the savings account mental model implies that having more in your account is better. However, this is not always true with local government reserves. Local governments are faced with *opportunity* costs that are different from private individuals. Monies placed in reserves are resources that are removed from the private economy. It can be argued that **excess*** reserves could do better for the community if those resources were put to work in the private economy. Even if excess reserves weren’t returned to the private economy, a good argument could be made that the excess amounts should be used by the government to benefit the current generation of taxpayers (the ones who provided the money to create the reserve). Further, there are diminishing returns to putting aside money to offset risk. We will mathematically demonstrate this later in this paper. For now, a simple thought experiment will do. Imagine a person had \$10,000 in their savings account to offset personal risk. This is a healthy amount, but it is not hard to imagine circumstances where this amount proves insufficient. Now imagine another similar person had \$1 million in their savings account. It is much harder to imagine the circumstances where this would be insufficient. Now imagine each person was given an additional \$10,000. It is easy to see how the first person could better insulate themselves from risk by using this money to build their savings. It would be hard to argue that the second person would experience an equal gain in risk mitigation from building their savings further. The \$10,000 creates greater marginal benefit for the first person than the second. The same logic applies to government. We will address how to identify the point at which excess has been reached later, including establishing for floor and ceiling amounts on the desired level in reserves.

If the savings account mental model has important limitations, what is the alternative? **We propose insurance as a new mental model. This does not necessarily replace the savings account model but does supplement it by providing a new and better perspective on some of the most important purposes of a reserve.**

Insurance has an obvious parallel to people’s personal lives. Given that local governments hold reserves to manage risk, insurance is an accurate analogy for reserves. Further, insurance is purchased *proactively*, before an adverse event occurs; much like reserves must be built up ahead of time to prepare for future, unpredictable adverse events.

Another advantage of insurance as a mental model is that it invites local governments to think about how commercial insurance and self-insurance can work together for an optimized risk financing strategy. Reserves are a self-insurance strategy, but commercial insurance policies (those purchased from a broker) can supplement reserves. For example, commercial insurance could be useful for protecting against low probability but extreme consequence events. Later in this report, we will discuss specialized insurance policies called “parametric” insurance that are designed to provide the policyholder with compensation in the event of an extreme event.

RESERVES AS INSURANCE AND THE ELECTED BOARD

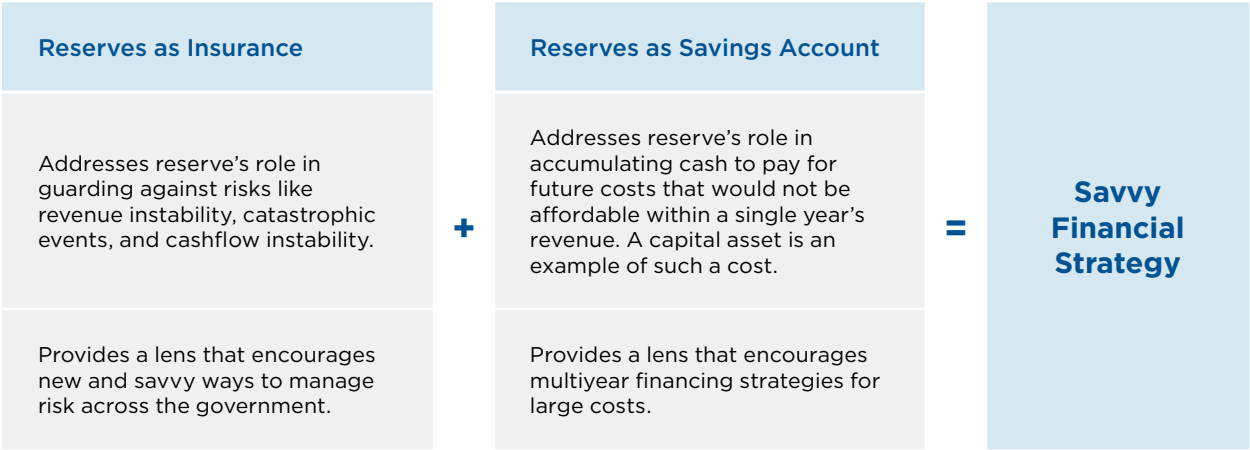
One author of this paper was part of a discussion with a city council about reserve strategy. One council member asked what the practical implications of spending the reserve would be. Reserves as insurance would point out that lower reserves would be the equivalent of taking a lower limit (or higher deductible) on your insurance policy. Reserves as savings account struggles with this question because an increasingly prevalent view is that savings exist to be spent.

* Of course, defining the point of excess is key. We will address that later in this paper.

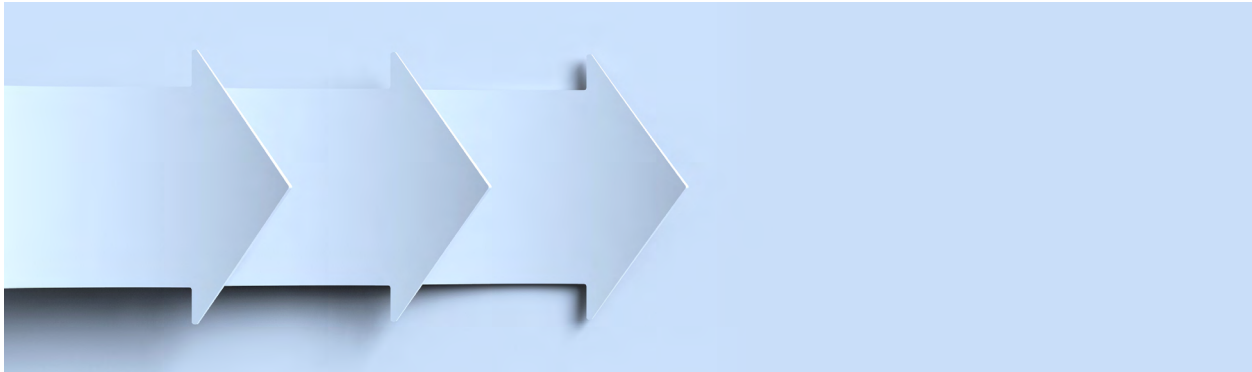
Using insurance as a mental model also implies that there is an optimal amount to have on hand. Nonexperts can appreciate that it is possible to either overinsure or underinsure the risks that you face. Insurance also implies that there is a point at which the “policy” should be used. Let’s consider recessions as an example. Recessions are the most important source of financial instability for local governments, so reserves can play a crucial role in counteracting downturns in economic cycles. However, there is little evidence that local governments use reserves during times of economic recessions.¹⁴ In the Great Recession, the 30 largest U.S. cities used their fiscal reserves, but only 25% of the 600 smaller cities studied drew down their reserves (the remaining cut spending).¹⁵ Failure to use reserves likely caused distress to the community in the form of interruption to public services. While local governments should consider spending cuts during a revenue downturn, a strong reserve can help avoid the most damaging spending cuts.

The insurance mental model is not without its disadvantages, though. Insurance can be an abstract and difficult concept to grasp, even in our personal lives. This means people sometimes don’t make optimal personal decisions about insurance, just like they make suboptimal decisions about personal savings. Another disadvantage is that the analogy becomes more complicated when commercial insurance and intergovernmental aid is considered. Taking these other risk management tools into account is necessary for an optimal risk management strategy, but the trade-off is additional complexity.

The reserves as insurance mental model addresses the risk management function of reserves well. The reserves as savings account mental model addresses the “sinking fund” function of reserves, so we do not suggest discarding the savings account mental model entirely. Rather, putting these two models together offers a more comprehensive perspective on the role of reserves.



With better mental models in place, we are positioned to think about the actions we can take.



SECTION 3

What Actions Can We Take to Rethink Reserves?

In this section, we'll look at the steps local governments can take to rethink reserves. We've summarized the major ideas and will discuss them in detail immediately after. The ideas are presented in a rough order of importance.

1. **Risk-Based Reserve Analysis.** A perennial question in local government finance about reserves is “how much is enough?” The reserves as insurance model would say it depends on what your risks are. We'll discuss different options for how local governments can take account of their risks.

2. **Develop a Comprehensive Reserve Policy.** A policy helps the government commit to savvy decision-making about reserves by showing why a smart risk-informed reserve strategy is good for the community and defining the boundaries of acceptable actions around reserves. Most important, a policy should address the amount in reserves that a local government will strive to maintain, including a minimum and maximum amount.

3. **Optimize the Combination of Commercial Insurance and Self-Insurance.** Commercial insurance and self-insurance each have advantages that can complement the other. If we think of reserves as self-insurance, it opens up new ways of thinking about the application of commercial insurance to the risks that local governments face. By using a risk-based approach to identify how much and for what severity of events reserve funds are needed, it becomes easier to identify pricing efficiencies between holding funds and purchasing private insurance.

4. **Optimize Investment Strategies.** Reserves are constituted by cash held back from current spending. Knowing how much cash is necessary to keep liquid to provide reasonable assurances for unplanned, unavoidable expenditures tells you how much can be invested in long-term, less liquid but higher yield instruments.

5. **Pool Risk.** Local governments often participate in *external* risk pools to save money. Local governments may have unrealized *internal* risk pooling opportunities. The reserves as insurance model highlights these opportunities.

6. **Understand Bond Ratings and Reserves.** Bond ratings are often used as a reason to maintain high reserves. However, the interest rate advantage will only be justified under certain conditions. Reserves as insurance asks us to consider if higher reserves are “worth” the cost to obtain a higher bond rating.



Risk-Based Reserve Analysis

GFOA strongly recommends that local governments adopt a formal policy that describes how much it will strive to maintain in its reserve. A perennial question, though, is “how much is enough?” The reserves as insurance model would say it depends on what your risks are.

The first step toward a risk-aware reserve target is to think of the target as a range instead of a single point. For example, a government might say, “Our policy is to maintain reserves *between 15% and 25% of annual revenue*,” rather than “...*equal to 20% of annual revenue*.” A range has several advantages over a single point:

- Risks are difficult or often impossible to estimate exactly. A range expresses that a government must have a margin of error to operate within. Conversely, a single point leaves ambiguity over whether actual reserves are too high or too low. To take our example: If the government’s policy was based on a single point (20%) and the actual reserves were at 17% of revenue, would that be acceptable? What if reserves were 27%? Would that be too high? The single-point policy is not clear about boundaries the government should stay within.* If the policy was based on the range, we’d know 17% was acceptable but 27% was too much. This feature of ranges not only helps with discussions among decision-makers about reserve strategies, but it might also help with explaining reserve strategy to the public.
- A range accommodates different risk appetites. The “right” level in reserves will be a function of the risks a government faces and of local officials’ willingness to bear those risks. A range can accommodate the views of risk-averse elected officials and less risk-averse officials. They can find grounds for compromise by negotiating a floor and ceiling that accommodates different appetites for risk.
- A range better supports the ongoing management of reserves. Reserves fluctuate from year to year. If the reserve stays in range, there is little need to revisit whether the actual reserve is too high or low. If the reserve falls outside the range, it suggests a clear course of action (i.e., do something to get it back in range). This helps make sure that reserves stay where they need to be to manage risks.
- A range includes a floor that communicates that there is a minimum amount necessary to be a good steward of the community but also a ceiling that communicates that there is an upper limit on the usefulness of reserves and a point at which excess resources should be devoted to some other purpose.

* Defining boundaries is essential to good financial public finance. See GFOA’s *Financial Foundations for Thriving Communities*, published May 2019.

The next step in developing a risk-aware reserves policy is to analyze the risks the local government is subject to. A risk analysis can take place at varying levels of sophistication. A qualitative or subjective risk assessment is the most accessible approach. A local government can review categories of risks, like those described earlier in this report, and: A) assess their exposure in each category; and B) consider if their reserve target accommodates that exposure. [GFOA has developed a simple template](#) to facilitate this kind of review.

The City of Berkeley, California, illustrates how the template can be used. The city's budget staff led the risk assessment and included participation from the public works, police, and fire departments. The city determined that the greatest exposure was "extreme events and public safety concerns," particularly earthquakes, fires, landslides, floods, hazardous material spills, and terrorism. Other important exposures included "expenditure volatility," due to upcoming large expenditure obligations that did not have a funding source, and "other funds' dependency on the general fund." The city's general fund was a backstop for other city operations outside of the general fund, so the general fund would be relied

A risk analysis can take place at varying levels of sophistication. A qualitative or subjective risk assessment is the most accessible approach.

[GFOA RISK ASSESSMENT TEMPLATE →](#)

upon if these operations were to encounter unplanned, unavoidable expenditures or revenue interruptions. By reviewing all the risks on [the GFOA template](#), Berkeley determined that it faced a moderate to high level of risk. The template suggested that between 25% and 35% of annual revenues would be reasonable to buttress the effect of routine downturns in the economy and respond quickly and decisively to major emergencies.

The advantage of a qualitative risk analysis is accessibility. The City of Berkeley (and many other governments) have completed such an analysis within their own resources. A qualitative analysis also can be effective for acclimating the government to being aware of risk as part of their

reserve strategy. Berkeley performed the analysis described above in 2016/17. The analysis helped convince the city to commit to reexamining its risk exposure five years later, and the city is doing so as of this writing (using the more sophisticated chance-based approach we'll describe later).

The disadvantage of a qualitative risk assessment is that the results are subjective. This means that there is likely to be a gap between: A) the reserve target suggested by the assessment and B) the optimal reserve amount, given the risks. There is no way to tell how accurate or inaccurate the subjective estimate might be, relative to the optimal amount.

Thus, the next step forward in sophistication is to quantify risks to reach a more objective estimate. A local government can look at historical experiences, the analogous experiences of other governments, and other sources of data to estimate the potential cost of the risks the local government is subject to. A quantified approach might be needed when there is controversy about the right amount in reserves. GFOA, for example, has worked with local governments where reserves were low, and an objective analysis was needed to see if there was a case for raising them. GFOA has also worked with and heard from governments where some felt the reserves might be too high, so an objective analysis was needed to see if there was a case for lowering the reserves.

A LIMIT OF ANY RISK ANALYSIS—THE PROBLEM OF UNKNOWN UNKNOWNS

A limit of any risk analysis is that you can only analyze the risks that you know of, or the “known unknowns.” Local governments could experience a loss from a totally unexpected source, or the “unknown unknowns.” For instance, five years ago, not too many governments would have anticipated the current tightening of the cyber insurance market, which might place pressure on local governments to partially or fully self-insure cyber risks. The COVID-19 global pandemic is another example of an unknown unknown.



Both examples illustrate how to deal with unknown unknowns. First, a local government should periodically update the risk analysis. Cyber risk losses have steadily been increasing across all local governments for several years, so cyber risk should have been on local government radars before the current tightening of the insurance market. Second, a local government should use reserves to cover multiple purposes. Though global pandemics were not considered a high risk by most local governments

prior to 2019, recessions certainly were. The economic slowdown caused by the COVID-19 pandemic could be considered a kind of recession. By grouping multiple risks together into the reserve, the reserve will be more likely to withstand the addition of previously unknown risks. We'll have more to say about this concept of “pooling” later in this report.

The easiest quantified approach to risk analysis is building a model where single numbers are used to represent the potential impact of risks. To illustrate, to estimate the risk from recessions, we might look back at past recessions to see the losses incurred from those recessions. We would see that the 2008 Great Recession represents a particularly bad recession. Perhaps revenues decreased by \$5 million, which might suggest that a \$5 million reserve could be necessary to be prepared for most future recessions. Outside studies and the experiences of other local governments can also help. The Town of Bluffton, South Carolina, used a publicly available university study that calculated the per capita cost to recover from hurricanes at different storm category levels.¹⁶ The town applied these numbers, adjusted for inflation since the study was completed, to derive a figure that the town used as the target number to hold for emergency recovery reserves.

The GFOA report [“A Risk-Based Analysis of General Fund Reserve Requirements”](#) describes how to perform this analysis, including how to account for the possibility of historically unprecedented events. The advantage of this “single-number” approach is that many governments should be able to perform such an analysis using their own resources. In fact, several governments have contacted GFOA to let us know they have followed the methods described in the GFOA report.

The single-number approach has an important disadvantage, though. “Risks,” by definition, are uncertain quantities. However, this approach represents these uncertainties as single numbers. This obscures the full range of risk that the government faces.

One of the most important consequences of obscuring the full range of risk comes in how a total reserve goal is determined. A total reserve target is the sum of potential losses from each risk a government is subject to. However, because risks are uncertain numbers, the sum is not as straightforward as adding

the single-number estimates of risk together. The most important potential error is dramatically overestimating the size of reserve the government needs. An explanation of why this is the case is best provided with [a video, which you can find here](#).^{*} For example, imagine that a local government is subject to three different types of extreme events, where there is a 5% chance of each occurring in a three-year period. A simple summation would lead a government to prepare for a 5% chance of each occurring (5% + 5% + 5%). However, because reserves can be used to respond to any extreme event, the optimal strategy is to think about the total risk from all extreme events at once. There is a small chance (less than 1%) of all three events occurring within a single three-year period (5% x 5% x 5%).

The way to overcome the disadvantages of the single method is to evaluate the full range of risk, rather than condensing risk down to a single number. We will call this “chance-based” because we can use the full range of risk to derive the chance that any given reserve level will be adequate to protect against the risks in question. GFOA has worked with several local governments to develop chance-based reserve models, also known as “probabilistic (or chance-based) simulations,” using Microsoft Excel and open standards for computer simulation from [ProbabilityManagement.org](#). These projects included working with elected officials to bring the results of the simulation into policy decisions. A full explanation of what chance-based simulation is and what it looks like is best accomplished [with a video, which you can watch here](#), and you can see a series of videos about simulation at [gfoa.org/risk-savvy-thinking-about-reserves-videos](#). The advantages of simulation are many, including:

- It is the best way to estimate the potential of pooling risks inside of local government. We will have more to say on this later in the paper. Suffice to say for now that risk pooling is a time honored and powerful strategy for reducing the cost of risk. You can learn more about risk pooling [in this video](#).
- It will provide the best estimate of the range of optimal reserves for addressing the risks that are included in the analysis. It also provides a clear illustration of the decreasing marginal benefit of accumulating too much in reserves and shows the point at which the marginal benefit decreases. You can watch [this video to see how](#).
- The simulation can address a multiyear time frame. This is important because reserve levels are not easy to increase quickly. You can watch [this video to see how](#).



All videos are available at:
[gfoa.org/risk-savvy-thinking-about-reserves-videos](#)

- A simulation can include forces that influence reserves outside of risk factors. For example, the simulation could include a local government's willingness to cut its expenditures instead of using reserves. Or the simulation could address how likely it is that a local government will generate budget surpluses that build up reserves and offset losses. The video on analyzing a multiyear time frame provides an illustration of how willingness to cut expenditures can be integrated into a simulation.
- Simulations can highlight the full range of risk a local government is exposed to—from risks that could be easily self-insured all the way to catastrophic risks that are impossible to fully self-insure. This helps highlight the need for strategies like preventative investments and a robust disaster response strategy.
- Chance-based simulation is the same method used by insurance companies to develop policies, so it has proven to be best suited to problems of insurance.

The major disadvantage of chance-based simulation is that it is more complex than the single-number analysis method. Though chance-based simulations can be conducted in Microsoft Excel,¹⁷ GFOA is not aware of any local government that has conducted a simulation of reserves without outside consulting support. Also, the results are often expressed in odds and probabilities, and though odds and probabilities are essential for the best understanding of risk, they are not the first language of many people. Thus, explaining the result of the simulation can be more difficult than a single-number analysis. That said, GFOA's experience is that it can be done—especially with the help of interactive models, like those you can see in the videos above. In fact, we have yet to meet an elected official who could not grasp the essential ideas of a chance-based analysis.



RETHINKING RESERVE CHECKPOINTS

Develop a Risk-Aware Reserves Policy

- ☐ Express your reserves policy as a range of desired reserves, with a floor and a ceiling.
- ☐ Conduct a risk analysis to get a sense of how the risks you face impact the reserves you should hold. We presented three methods of reserve analysis of varying sophistication. Any of them would provide a reasonable basis for a more informed discussion with policymakers about why reserves are necessary and how much should be kept in reserves.
- ☐ Quantification of risk offers important advantages over subjective approaches. We described both “single-number analysis” and “chance-based simulation” methods of quantification. A quantified approach might be particularly useful when there is a strong sense among decision-makers that existing reserves are too high or too low.
- ☐ The single-number analysis will be more accessible to local governments than a chance-based simulation. However, a chance-based simulation is better; it is how insurance companies conduct their analysis. The choice between the two depends on factors such as a government's ability to pay for outside consulting support, demand from the audience for a more rigorous analysis, and the number of risks and size of reserves in question (more/bigger risks and reserves means more potential to make the best use of funds by optimizing the size of the reserve).

Develop a Comprehensive Reserves Policy

A reserves policy is a method to “pre-commit” the organization to wise decisions about reserves. Rather than deciding on reserves strategies in the heat of a moment when a tough decision is required, a policy can be developed when the pressure is off. That policy then provides the boundaries for decision-making when difficult decisions need to be made about reserves. A policy should address the following: 1) why reserves should be accumulated; 2) how much should be accumulated; 3) what strategies should be used for accumulation; and 4) when and for what purpose reserves can be used.

Regarding the question of “why,” the answer is to protect the local government against risks, ranging from weather events like flooding, earthquakes, wildfires, and snowstorms to man-made problems like lawsuits against the local government. Citing in policy locally relevant risks and the notion of self-insurance can help answer the question of “why” reserves are needed.

A reserves policy is a method to “pre-commit” the organization to wise decisions about reserves.

A policy should also address the “savings account” role of reserves in saving up for larger projects. Differentiating the “insurance policy” role of reserves from the “savings account” function could help decision-makers be savvier with their reserve strategy.

Our prior section on risk-based reserve analysis addressed how much to accumulate, including a recommendation that reserve targets be expressed as a range. A policy can also discuss strategies to use for accumulation. This could be as formal as formulas tied to any yearly surplus or even a formal budget allocation to hold back some amount of a year’s revenue for building a reserve. A policy could also allow for a less structured approach by encouraging surpluses and one-time revenue to be used to build the reserve, if the local government is below its target range. In fact, a government could apply some of the same risk savviness we’ve been discussing in this paper to its forecasting in order to estimate the size of surpluses that could be produced by a given spending plan. You can read the article [“Speaking Uncertainty to Power: Risk-Aware Forecasting and Budgeting”](#) to see how one government did just that and use our [mini stress test demonstration](#) to conduct the same analysis featured in the article.

A policy should also address how reserves can be used. Most important, a policy should discourage reserves from being used for ongoing expenditures (e.g., hiring more employees) because reserves are not an ongoing resource. An exception might be made for supporting continuity of public services in the face of a revenue interruption, like a recession. This would be temporary until revenues recover or until expenditures can be restructured to be affordable under the revenues that are available.

A policy that addresses these points helps to foster a better and shared understanding of reserves in relation to the maintenance of public services amid the risks the government faces.



“THE BEST CONVERSATION WE’VE EVER HAD ABOUT RESERVES”

GFOA worked with the City of Vista, California, which went from a policy where the reserve goal was defined by a single point to a policy with a risk-informed range. Based on this new approach, the council engaged in a wide-ranging and thoughtful discussion about the city’s reserves—with the Deputy Mayor characterizing it as “the best conversation we’ve ever had about reserves.”

A finance officer will also have to consider whether and how to describe the reserve relative to the “fund balance” figures that are included in the annual financial report. Governmental Accounting Standards Board (GASB) Statement No. 54 provides a series of categories of fund balance that have to be reported. Usually, however, reserves will have to be reported in the “unassigned” fund balance category. The finance officer can make the link between the reserve (i.e., a budgetary/financial planning strategy) and fund balances (i.e., an accounting mechanism) in the notes to the financial statements or as supplementary information in the annual financial report, or in budget documents. In this way, decision-makers can see the link between the fund balance, the financial statements and differentiate between net resources that are available for use as self insurance, and those that are being put aside for spending on a future project, for example.

Finance officers could positively influence how stakeholders think about reserves by developing a comprehensive policy that describes why reserves are important to the community amid a budgetary shortfall or other contingency, the range of reserves that is prudent to maintain, and transparency on how reserves (a budgetary strategy) connect to the total fund balance available in financial reports. You can access a template for developing a reserve policy [here](#).



RETHINKING RESERVE CHECKPOINTS

Develop a Comprehensive Reserves Policy

- ☐ A reserves policy is a method to “pre-commit” the organization to wise decisions about reserves.
- ☐ A policy should address the following: 1) why reserves should be accumulated; 2) how much should be accumulated; 3) what strategies should be used for accumulation; and 4) when and for what purpose reserves can be used.
- ☐ The finance officer should strive for transparency in how reserves (a budgetary policy) are reflected in the reporting of fund balances in the annual financial report (an accounting mechanism).

Optimize the Combination of Commercial Insurance and Self-Insurance

Commercial insurance is a valuable complement to reserves. A useful analogue is self-insurance programs for employee health care. Self-insurance of employee health care has been shown to provide potential savings for employers compared to commercial insurance.¹⁸ However, few governments would self-insure every last dollar of potential loss. Instead, self-insured governments often purchase “stop loss coverage,” where a commercial insurance policy kicks in after a certain size of loss is reached. Thus, the government is spared: A) the cost of covering extremely large losses and B) the cost of the more expensive premiums that would come with using commercial coverage for more routine losses.

A similar concept can be applied to the risks a reserve is “self-insuring” against. Reserves will be most useful for lower magnitude, higher frequency risks. Commercial insurance is of the greatest value when the losses from catastrophic risk would be unaffordable. Let’s examine some practical applications of this idea.

The most straightforward example is to purchase higher deductible insurance policies for liabilities that are commercially insured. This strategy is useful for insurance policies that have become more expensive due to market conditions. Insurance against cyberattacks is a prime example, with some governments experiencing 100% year-over-year increases in prices as of this writing. For example, because of the increasing cost of policies, Mecklenburg County, North Carolina (covering Charlotte and surrounding areas), went from a \$1 million deductible with \$15 million in coverage to a \$5 million deductible with \$10 million in coverage.* The county has substantial general fund reserves, so it can “self-insure” the larger deductible and the lower limit.

* The county also negotiated several exclusions and limitations to the policy. This means the final price of the new versus the old policy is not comparable.



Another application might be “parametric insurance.” Parametric insurance policies pay out a set sum of money when a given condition comes to pass. For instance, a policy might pay out \$10 million if hurricane wind speeds in the community reach 120 miles per hour. Parametric policies are in wide use in many other sectors but are a relatively new instrument for local governments. Parametric policies might be most useful for catastrophic events where a local government’s reserve would be stretched to respond. Of course, federal and/or state assistance often is available for these kinds of events but also often take over a year to arrive.* Further, some costs of a catastrophic event may not be reimbursable by the state or federal government. For instance, if the tax base is so damaged that tax revenues do not recover quickly, the funds from a parametric policy could help fill the gap. Also, parametric policies provide full coverage on day one after the policy goes into effect, whereas it could take years to build up a reserve sufficient to cover the full impact of a catastrophic event. Parametric policies can also be designed around a specific geographic area. For example, perhaps an area where low-income people live is particularly vulnerable to a certain kind of hazard. A policy could be developed to provide a payout for an occurrence of that hazard in that area. That would allow the local government to provide additional support to the people who live there.†

You can read more about parametric insurance in the GFOA report [“Parametric Insurance: An Emerging Tool for Financial Risk Management.”](#) The report includes case studies of local governments that have purchased parametric policies and how insurance policies complement FEMA reimbursement.



RETHINKING RESERVE CHECKPOINTS

Optimize Commercial Insurance Combined With Reserves

- ☐ Consider if you have commercial insurance policies where a higher deductible could be self-insured by reserves. The highest potential will usually be with policies where premium prices are going up substantially.
- ☐ Consider if a parametric insurance policy could supplement reserves. Parametric insurance might be particularly useful when a government finds that it is underinsured for a catastrophic risk. This is because parametric insurance can provide additional coverage immediately, while it could take years to build an equivalent reserve.

* According to a sample of data obtained by GFOA, it takes 18 months, on average, for a local government to obtain FEMA reimbursement.

† Kousky, C., & Wiley, H. (2021, January). Improving the post-flood financial resilience of lower-income households through insurance. *Wharton Risk Management and Decision Process Center Issue Brief*.

Optimize Investment Strategies

Insurance companies invest the monies collected from premiums to make substantial profits.¹⁹ A government's reserves are basically premiums collected from the community to stabilize their government services against risk. Those monies held in reserves will be idle most of the time, so governments can adopt savvy investment strategies for their reserves.

A risk analysis, like we described earlier, is essential for a savvy investment strategy. A government can divide their idle funds into tranches, where each tranche represents a different likelihood of the government needing to access the money for emergency purposes. As a simple example, let's assume a government has only two investment options: 1) short-term, lower earning; 2) long-term, higher earning, where the term of the investment is three years. Let's assume a government does a risk analysis that suggests that \$10 million is a good ceiling amount for its reserve, and the government has \$10 million in its reserve. The risk analysis also suggests that there is only a 10% chance that the government would need to use more than \$9 million of its reserve in the next three years. Thus, decision-makers conclude that putting \$1 million in

The decision to invest in any combination of assets with different risk/reward profiles will, at some point, depend on the subjective appetite for risk of the decision-maker.

investment option 2 is worth the risk. This leaves \$9 million in the shorter-term, lower-earning investments, but which provides greater ability to access the cash if the need arises. Research by one financial technology firm that helps local governments determine their investable resources suggests that there are large gains in investment returns available by following a more risk-savvy investment strategy, like that described above. Data provided by this firm suggests that the potential improvement in returns are as much as 35% to 40% more than what most governments get currently from the resources that comprise their reserves.²⁰

Our example assumes a probabilistic risk analysis, but a less rigorous risk analysis could still help reach a similar conclusion. For example, if a less rigorous analysis suggests that \$10 million is the ceiling amount for reserves, then we know that amounts closer to the ceiling are far less likely to be used than the "first dollar" that comprises the reserve. Thus, a government would still have the bulk of the \$10 million invested in more liquid assets, while placing a smaller amount in a less liquid, higher return asset.

Our example also reveals a potentially sticky question. The decision to invest in any combination of assets with different risk/reward profiles will, at some point, depend on the subjective appetite for risk of the decision-maker. Going back to our example, who is to say that a 10% chance of needing more than \$9 million is the objectively correct threshold for investing the remaining \$1 million in longer-term securities? Perhaps some people would be comfortable with a 15% or 20% chance, while others may be uncomfortable with as high as 10%. These decisions will have to be discussed with the relevant decision-makers to come to a consensus. GFOA's experience has been that reaching agreement is easier when based on an objective analysis, like a risk assessment. GFOA has done this kind of analysis with its own finances and found that reaching agreement on the preferred investment strategy was not that difficult, as the risk analysis provided objective criteria and data for decision-makers.



RETHINKING RESERVE CHECKPOINTS

Optimize Investment of Reserve Funds

- ☐ Use a risk analysis to identify tranches of funding, ranging from more likely to be needed to cover unplanned, unavoidable needs to less likely. The less likely tranches may be candidates for less liquid, higher return investments.
- ☐ Convene a discussion with the relevant decision-makers to determine the level of risk the government is willing to take on with respect to investment liquidity versus the potential need to draw upon reserves.

Pool Risk

Risk pooling is widely recognized and a time-honored strategy for reducing the cost of risk. The reason pooling works is diversification. Put simply, it is unlikely that a loss event will happen to all the pool participants at the same time. For a more in-depth explanation, you can [watch this video](#).

Local governments often pool risk across multiple local governments (regional insurance pools). Local governments also pool risk inside their own organizations. Let's return to our example of employee self-insurance. Local governments do not set up separate self-insurance pools for each department or for each accounting fund. All employees fall under the same self-insurance program. This saves money because the total amount needed to insure the entire organization is less than you would need if you insured each department separately. We also addressed this concept earlier—that risks don't add up the way you might think. We also explain the concept in more detail [in this video](#).

Similarly, local governments could realize some advantages from pooling reserves. There are many opportunities to apply pooling, though these opportunities have varying degrees of difficulty.

The first and easiest way is to make sure there are no unrealized opportunities for pooling within the general fund. For example, some governments set up one reserve for economic uncertainty (e.g., recessions) and another for extreme events (e.g., natural disasters). These two reserves could be pooled. Because recessions and natural disasters are unlikely to occur at the same time, a combined reserve should be more cost-effective.* The combined reserve could still be labeled as a reserve for extreme events and economic uncertainty to make the intent clear but without keeping the two reserves separate. The most accurate way to judge the potential savings is the probabilistic risk analysis described earlier. Combining reserves in order to make the money in the reserves more fungible could improve cost-effectiveness for the same reasons we described in our employee health plan self-insurance example.

Another possibility is to define policies for emergency interfund borrowing. The idea is that the total reserved across the entire government could be less if each fund did not have to prepare for the most extreme circumstance but could rely upon financial backup from other funds in extreme cases. You can read the GFOA article [“The Last Line of Financial Defense? Internal Loans in Emergency Situations”](#) for more on how to develop a policy.

An option that could present some challenges also presents large potential payoffs—and that is to pool reserves across funds. It has a large potential payoff because the amounts involved will be large. It can be challenging because monies may be segregated into different funds for legal reasons such that there might be practical barriers to operating such a pool. Pooling funds will be most effective when

MENTAL ACCOUNTING AND RESERVES

“Mental accounting” refers to the practice of dividing money into separate buckets in our personal lives, such as the “vacation money” versus “the kids’ college fund.” Economists have shown that mental accounting leads to suboptimal financial decisions, though there is a good argument to be made that mental accounting is useful for navigating life, even if financially suboptimal.²² Mental accounting may not be so different from when local governments place monies into different categories. The trick to avoiding the worst consequences of mental accounting is avoiding excessive limitations on fungibility of money while still being clear about the government’s plans for its funds and why those plans are important. Risk analysis does this by making clear why it is important to have funds in reserve and how much should be kept in reserve.

* For more on this point, see the video that describes pooling.

two conditions are met: 1) the funds involved do not have legal restrictions in place that make pooling impractical; and 2) the risks faced by funds are not overly similar. If the risk profiles of the funds are similar, then pooling will not be of great benefit. This is because each fund will receive a shock when a given risk happens. However, if the funds have substantial differences in their risk profiles, then pooling could be quite valuable. A given risk may give a shock to one fund but not the other. The fund that was not shocked can support the fund that was shocked.

Many local governments may be unwittingly pooling the reserve risks of several funds. In our work with local governments, we found that an important risk for the general fund is that the general fund is often a de facto “backstop” for other funds. If those funds run into unplanned, unavoidable emergency financial needs, then the general fund is on the hook. Rather than building up separate reserves in each fund, it may be better to formalize the current state of affairs and enhance the pooled approach by pulling in the pool of other funds that have their own reserves.

The reason pooling works is diversification. Put simply, it is unlikely that a loss event will happen to all the pool participants at the same time.

We will note that GFOA is not the only one to advocate for the potential of pooling reserves. In Moody’s November 2022 “US Cities and Counties [Bond Rating] Methodology,” Moody’s introduced a governmentwide evaluation of fund balance into its rating methodology. The strength of fund balances and held cash *combined* across all funds is worth 30% the foundational score when Moody’s evaluates a government’s creditworthiness.* Moody’s found that the fund balances in different funds are often flexible enough that different funds can support each other. Moody’s believes that there is enough potential

for interfund support to justify evaluating across the entire government instead of fund by fund. This marks an evolution of Moody’s approach, which used to be focused on specific funds.

Finally, let’s address regional pooling. Local governments often participate in regional insurance pools, so why not regional arrangements for the risks the reserves guard against? The reason this may not provide as much benefit as one might expect is that the types of risks the reserves guard against (e.g., natural catastrophes, recessions) impact the entire region. If all members of a pool are impacted at the same time by the same risk, then a pool loses its value. Another way to think about it is that a pool within government brings together funds that might have *different* exposures. A pool between governments brings together funds (e.g., multiple general funds) that have *the same* exposures.



RETHINKING RESERVE CHECKPOINTS

Apply Risk Pooling to Reserves

- ☐ If you have separate reserves in the general fund for different risks, combine those reserves.
- ☐ Develop a policy for emergency interfund borrowing.
- ☐ Consider pooling reserves across funds within your government. In some cases, you may already be de facto pooling the general fund with financially weaker funds. Improve your risk portfolio by adding other strong funds to the pool.

* We should note that Moody’s separates “fund balance ratio” and “liquidity ratio,” but both cover all funds. Also, it is important to note that the base score is a starting point, and Moody’s analysts may adjust a final rating up or down based on contextual factors particular to the local government being evaluated.

Understand Bond Ratings and Reserves

A rationale for holding a higher amount in reserves is that it will support a strong bond rating, which will translate to lower interest costs on the money a government borrows. Reserves play an important role in the ratings process. We can illustrate with Moody's Investors Service: According to Moody's rating methodology, available *fund balance ratio*^{*} is worth 20% of the rating. Moody's also examines liquidity ratio[†] because fund balance is an accounting term that can include assets not available for current spending. The liquidity ratio constitutes an additional 10% of the rating methodology. Thus, fund balance and cash together comprise 30% of the total ratings methodology.

First, it is worth remembering that “fund balance” and “reserves” aren't the same, though they are related. Fund balance includes a wider scope of resources, so it will be a larger number than reserves. With this in mind, we can see that fund balance/cash plays an important role in the ratings method. But what is considered a good level of fund balance? According to Moody's, the “Aaa” rating (the highest) is associated with fund balances in excess of 35% of revenues. The “Aa” rating is associated with fund balances between 35% and 25%, and the “A” rating with 25% to 15%. That said, it is important to remember that while 30% of ratings evaluation is comprised of fund balances and cash, 70% is not. Further, the Moody's documentation is clear that ratings analysts will consider local factors and other idiosyncrasies to arrive at the final rating. Thus, it is possible to have fund balances/cash below the range for a given rating yet still achieve that rating (or even a better rating).

We also examined rating methodology documentation from S&P Global. Though the specifics of their method are different, the general conclusion is the same: Fund balances play an important, but not decisive, role in arriving at a final rating. A higher amount of fund balance will contribute to a higher rating, but it may not be sufficient to guarantee a higher rating. Similarly, a lower fund balance is not guaranteed to consign a local government to a lower rating. Other factors weigh more heavily, and ratings analysts have some discretion in assigning ratings based on local context.

Now that we know the role of fund balance in bond ratings, the next question to ask is: “Is a higher bond rating ‘worth’ the cost to obtain it?” A bond rating upgrade has a quantifiable benefit, which is the interest savings available at the next highest bond rating. To the extent that higher fund balance (and higher reserves) can move a local government from one bond rating to the next, then it is possible to measure the benefit.



^{*} The formula is: Available Fund Balance ÷ Net Current Assets/Revenue

[†] The formula is: Unrestricted cash/revenue



Let's get a sense of the interest rate differences between bond ratings. Exhibit 1 shows the differences between interest rates (percentage points) at different bond ratings from 1993 to 2022. We show a 90% confidence range, which omits outliers on both the high and low side. It also is notable that the midpoint (median) is closer to the low side of the range. This means, most of the time, the differences between ratings are closer to the low value than the high value.

EXHIBIT 1 | HISTORY OF INTEREST RATE DIFFERENCES BETWEEN BOND RATINGS, 1993 TO 2022²³

Percentage point differences from going from a higher to lower rating →		AAA → AA	AA → A	A → BAA	Notice that the midpoint is closer to the low side of the range. This means most of the time the differences between ratings are closer to the low value than the high value.
90% of the time, the difference is between these points.	Low	0.09%	0.10%	0.12%	
	Mid	0.11%	0.20%	0.38%	
	High	0.25%	0.62%	0.97%	

What are the implications of the differences in interest rates? First, let's get a sense of the differences in the total cost of bond issue due to an interest rate difference. Let's imagine a 30-year, \$200-million bond issue at 3% annual interest with a rating of A. The total cost of interest over the life of the bond issue would be about \$106 million. If that same bond issue were to be issued with a rating of AA, let's assume it would enjoy an interest rate that is better by 0.20% (the midpoint on our table). In that case, the total interest rate paid over the life of the bond would be about \$98 million, or a difference of about \$8 million. This equates to an average of about \$260,000 per year. Conveniently, the midpoint for changes between ratings in the other columns on our table is roughly half or double the midpoint in Exhibit 1, so it is easy to imagine the financial benefit at other bond rating levels.

The question of whether these benefits are worth the cost of accumulating more fund balance depends on several factors, such as:

- **How much debt a government issues.** If a government issues more debt, it will get more benefit from a lower interest rate (assuming it will issue the same amount of debt no matter its rating).
- **The duration of the payback period for the debt.** A longer payback period will result in the government paying more total interest over the life of the bond, making a lower interest rate more impactful.
- **How high a bond rating would be without accumulating a large amount in reserves.** For example, we can see in Exhibit 1 that the interest rate benefit between: 1) AAA and AA is much smaller than 2) A and BAA. This means that, all else being equal, a government that can improve from BAA to A by accumulating fund balance would benefit more than a government that can go from AA to AAA.
- **The opportunity costs of holding fund balances and reserves.** Fund balances/reserves are not costless to hold. Money held by the government is money taken out of the private economy. A less abstract opportunity cost is the public service forgone by not spending this money. In a private firm, the opportunity cost of idle funds is, essentially, the rate of profit that could be made by directing the funds to a business opportunity. Unfortunately, there is not yet a widely accepted, useful way to measure opportunity costs of idle funds in local government. The effect of this has been that the cost of holding idle funds in local government is often underestimated.
- **Secondary benefits of a higher bond rating.** A higher bond rating might confer prestige to the local government, perhaps resulting in greater trust and confidence from the public or making the locality more attractive to businesses.
- **How much additional “coverage” from risk more reserves will buy.** This speaks to the marginal value from accumulating more reserves. If the additional reserves are unlikely to be used, then the potential benefit from the standpoint of risk mitigation is low. That said, we should remember that rating agencies are measuring fund balance and cash. A local government could also accumulate reserves as part of a sinking fund to pay for a special project. The monies in the sinking fund would count positively in the rating agency evaluation.



RETHINKING RESERVE CHECKPOINTS

Understand Bond Ratings and Reserves

- ☐ Fund balances and cash are an important but not an overwhelming determinant of bond ratings.
- ☐ Because fund balances/cash are not costless to accumulate and hold, governments should ask if a higher bond rating is worth the cost of holding. The cost versus benefit of a higher bond rating is a function of the amount and duration of debt the government issues, the likely improvement in interest rates available from a rating increase, the marginal improvement in risk management available from holding more reserves, and the opportunity cost of holding fund balance/cash.

Conclusion

Reserves help local governments manage risks by making resources available for unplanned, unavoidable expenditures and revenue interruptions. This makes reserves a form of self-insurance. We have advocated that local governments treat reserves more like self-insurance, including using insurance metaphors to discuss and plan reserve strategies, using risk analysis to determine the size of the reserve, complementing reserves with commercial insurance strategies, pooling risks that reserves are used to cover, and more. This will help local governments make savvier financial decisions about how to manage risk and make their communities more prepared for a volatile and uncertain world.

ENDNOTES

- ¹ For examples of research examining the relationship between natural disasters and reserves, please see the following journal articles:
 Chen, G. (2019). Assessing the financial impact of natural disasters on local governments. *Public Budgeting & Finance*, 40(1), 22–44.
 Lee, S., & Chen, G. (2022). Disaster experience and governments' savings: The moderating role of organizational capacity. *Journal of Public Administration Research & Theory*, 32(3), 591–609.
 Pope, J. V., & Leland, S. M. (2019). Isn't a flood a "rainy day"? Does the political nature of disasters impact the uses of states' rainy day funds? *Social Science Quarterly*, 100(7), 2555–2565.
- ² For further discussion, see, for example: Stewart, L. M., Hildreth, R. W., & Antwi-Boasiako, K. B. (2017). The fund balance conundrum: An ethical perspective. *Administration & Society*, 47(8), 915–942.
- ³ For data on declining trust in experts, see: Funk, C., Tyson, A., Kennedy, B., & Johnson, C. (2020, September 29). Science and scientists held in high esteem across global publics: 1. Scientists are among the most trusted groups in society, though many value practical experience over expertise. *Pew Research Center*. <https://www.pewresearch.org/science/2020/09/29/scientists-are-among-the-most-trusted-groups-in-society-though-many-value-practical-experience-over-expertise/>
- ⁴ For an example of an analysis of growth rates over time, see the work of economist Robert J. Gordon. <https://gordon.economics.northwestern.edu/>
- ⁵ Pisano, M. A. (2017). *The puzzle of the American economy: How changing demographics will affect our future and influence our politics*. Praeger.
- ⁶ See, for example, empirical research on state governments analyzing time to fiscal recovery following economic recessions:
 Buerger, C. (2020). The effect of economic downturns on state budgets: A counterfactual analysis of the great recession. *Applied Economic Letters*, 28(21), 1852–1859.
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 Rosewicz, B. (2018). Over long term, revenue lags behind expenses in 10 states. *The Pew Center for Charitable Trusts*, Washington, DC. Retrieved from <https://www.pewtrusts.org/en/research-and-analysis/articles/2018/11/19/over-long-term-revenue-lags-behind-expenses-in-10-states>.
- ⁷ See, for example, the following journal articles empirically examining local government expenditure stabilization:
 Marlowe, J. (2005). Fiscal slack and counter-cyclical expenditure stabilization: A first look at the local level. *Public Budgeting & Finance*, 25(3), 48–72.
 Wang, W., & Hou, Y. (2012). Do local governments save and spend across budget cycles? Evidence from North Carolina. *American Review of Public Administration*, 42(2), 152–169.
- ⁸ For research examining the relationship between public pensions and reserves retained in budget stabilization funds, see the following:
 St. Clair, T. (2013). The impact of budget stabilization funds on state pension contributions. *Public Budgeting & Finance*, 33(3), 55–74.
- ⁹ This was the view expressed by an insurance industry expert at a live educational event hosted by GFOA in 2022.
- ¹⁰ From 1960 to the early 1990s, personal savings rates were around or above 10% but then sharply dropped, reaching a low of around 3% to 4% in 2005 to 2008. Savings increased after the 2008 Great Recession, averaging around 7.5% until the COVID-19 pandemic, when it jumped to historically high levels. After the pandemic, savings rates dropped dramatically, plummeting to the all-time lows of 2005 to 2008.
- ¹¹ For a few more recent examples of research analyzing government savings patterns over time, and in relation to the business cycle, please see the following journal articles:
 Arapis, T., & Reitano, V. (2018). A glimmer of optimism in government savings accumulation? An empirical examination of municipal unassigned fund balance in Florida. *Public Finance Review*, 46(3), 389–420.
 Barrett, N., Fowles, J., Jones, P., & Reitano, V. (2019). Forecast bias and fiscal slack accumulation in school districts. *American Review of Public Administration*, 49(5), 601–613.
 Stewart, L. M., Hamman, J. A., & Pink-Harper, S. A. (2017). The stabilization effect of local government savings: The case of Illinois counties. *Public Budgeting & Finance*, 38(2), 23–39.
 Wang, S., & Scorsone, E. (2019). Economic resilience after the Great Recession: An examination of unreserved fund balance in Michigan counties. *Local Government Studies*, 46(5), 716–733.
- ¹² For example, according to a survey conducted by Bankrate in 2021, 46% of Americans are saving for a specific financial goal such as a home purchase, vacation, or education, while only 28% are saving for an emergency fund.
- ¹³ Please see the following research for further related discussion:
 Fenimore, A., & McCue, C. (2021). Are public managers wired for risk aversion? *Public Finance & Management*, 20(1).
 Hildreth, B. W., Yeager, S. J., Miller, G. J., & Rabin, J. (2017). Finance managers' propensity to save. *Journal of Public Budgeting, Accounting & Financial Management*, 24(2), 1–35.
- ¹⁴ See, for example, the following journal articles for examples of how to empirically analyze reserves:
 Marlowe, J. (2005). Fiscal slack and counter-cyclical expenditure stabilization: A first look at the local level. *Public Budgeting & Finance*, 25(3), 48–72.
 Wang, W., & Hou, Y. (2012). Do local governments save and spend across budget cycles? Evidence from North Carolina. *American Review of Public Administration*, 42(2), 152–169.

¹⁵ For a study of the 30 largest U.S. cities, please see the following research:

The Pew Charitable Trusts. (2013). *America's big cities in volatile times: Meeting fiscal challenges and preparing for the future*.

For a study of 600 municipalities, please see the following book chapter:

Marlowe, J. (2014). *Fiscal slack, reserves, and rainy-day funds*. In Levine, H., Justice, J. B., & Scorsone, E. (Eds.), *Handbook of Local Government Fiscal Health* (321–342). Jones & Bartlett Learning.

¹⁶ Boswell, M. R., Deyle, R. E., Smith, R. A., & Baker, E. J. (1999, April). A quantitative method for estimating probable public costs of hurricanes. *Environmental Management*, 23(3), 359–372.

¹⁷ Visit probabilitymanagement.org for resources on how to do this.

¹⁸ Kavanagh, K. (2018, October). Smart practices for self-funded employee health insurance. *Government Finance Review*.

¹⁹ An inquiry with OpenAI's GPT 4.0 replied that “investment income accounts for about 25% to 30% of the profits of a typical property and casualty insurance company.” Further, GPT showed that some insurance companies even derive most of their revenue from investments.

²⁰ Data obtained by GFOA from the firm three+one. We note that three+one sells a software service that helps local governments optimize the amount of money invested in higher return instruments.

²¹ Mental accounting. *BehaviorEconomics.com*. <https://www.behavioraleconomics.com/resources/mini-encyclopedia-of-be/mental-accounting>

²² The positive effects of mental accounting include reduced impulsive spending, increased saving and mental well-being, and support for achieving financial goals. An example of research on this point comes from Behavioral Economics and is known as the “endowment effect,” which, when applied to savings, says people tend to be more cautious about using money labeled specifically as “savings.”

²³ Data sourced from SDC All Municipals, an online data portal from Refinitiv.



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GFOA Recommends Governments Rethink Their Reserve Policies

September 15, 2023

The Government Finance Officers Association (GFOA) recently published a report entitled *Should We Rethink Reserves? A Multimillion Dollar Question* recommending that governments use risk analysis techniques to optimize the use of their reserves beyond adhering to traditional reserve standards. This approach can allow governments to tailor their reserve needs to their particular circumstances rather than following a “one size fits all” policy. The considerations in the report are based on lessons learned from GFOA’s consulting work with governments as well academic research.

Reserves Versus Fund Balance

The terms reserves and fund balances are often used interchangeably, but they have different meanings.

Reserves is a budgetary policy term that describes additional available, liquid resources, such as cash and investments outside the budget, to be used if appropriated funds are insufficient. These funds may be used for contingencies, emergencies or other unplanned events.

Fund balance, however, is an **accounting term referring to the difference between assets and liabilities**, or the net position of governmental funds calculated according to generally accepted accounting principles (GAAP). **GAAP establishes five components of fund balance**. The first two, nonspendable and restricted fund balance, are resources that cannot be spent because of legal or contractual restrictions. The remaining three components—committed, assigned and unassigned fund balance—involve constraints that can be lifted by the government and used for any purpose.

Current GFOA Fund Balance Policy

GFOA has recommended for many years that general purpose governments maintain **unrestricted budgetary fund balance** in their general fund of at least two months of regular general fund operating revenues or regular general fund operating expenditures. A lower unrestricted fund balance may be appropriate for states and larger governments, such as cities and counties, because they can often better predict contingencies and they typically have diverse revenue streams.

GFOA also recommends that governments establish a formal **unrestricted fund balance policy** that considers the government’s specific circumstances. Factors to be considered in fund balance policy include: revenue predictability and expenditure volatility; perceived exposure to one-time disasters or immediate expenses; the potential drain on general fund resources from other funds and the availability of resources in other funds; the potential impact on the government’s bond rating and borrowing costs; and funds that are already committed or assigned for specific purposes.

The **rating agencies** associate the level of ratings with fund balance amounts. For example, Moody’s associates an “AAA” rating with fund balances in excess of 35% of revenues, the “Aa” rating with fund balances between 35% and 25% and the “A” rating with 25% to 15%. However, factors other than fund balance, such as economic conditions, debt management policies, administrative issues and financial performance also contribute to ratings. Overall, a majority of the ratings evaluation is based on factors other than the size of fund balance.

Many Chicago area governments have developed formal unreserved fund balance policies or “rainy day” funds to mitigate financial risks and revenue shortfalls. For example, **Cook County’s reserve policy** maintains an unassigned fund balance in the General Fund of no less than two months (16.67%) or “floor,” and a “ceiling” of three months’ worth (25.0%) of the General Fund’s total expenditures, plus total other financing uses (e.g.

transfers out) from the most recent audit. If the unassigned fund balance drops below the two month “floor” of audited General Fund expenditures, the policy directs the County to develop an action plan to replenish the fund balance in coordination with the annual adopted budget. If the unassigned fund balance exceeds the three-month “ceiling,” the County can use these funds to pay for nonrecurring expenses, an outstanding liability (i.e., pensions or bonded debt) or transfer it to a committed or assigned fund balance in the following fiscal year. The County’s policy indicates that it will also maintain an assigned fund balance for purposes of a Pension Stabilization Fund. This fund is used to offset unanticipated increases in the pension contributions to the Cook County Pension Fund.

Why Rethink Reserves?

The GFOA recognizes that its longstanding best practice guidance on reserve levels may not be individualized enough to optimize a government’s reserves based on local risk factors.

GFOA cites four reasons why governments should rethink their **strategies on reserves**.

1. There is increasing uncertainty and volatility in the world, particularly as related to economic disruptions and severe weather.
2. There is a growing lack of public trust in governments and experts. This can be manifested in opposition to governments holding large reserves rather than using those resources for current expenses.
3. Government increasingly face serious resource constraints, driven by rising employee benefit costs, legal restrictions on revenue increases and stagnant revenue growth. These limits suggest that governments reconsider the use of all resources, including reserves, to meet these financial demands.
4. Advances in information technology allow governments to better analyze and devise optimal reserve strategies.

Risks Governments Face

Governments face a number of risks on an ongoing basis, including risks related to financial and economic disruptions such as a recessions or rising pension costs, public health emergencies such as the COVID 19 pandemic, public safety challenges such as rising crime rates and severe weather events such as hurricanes, fires, flooding and snowstorms.

Reserves are an important tool for helping to manage these risks. However, GFOA believes there are several issues with the traditional model of using reserves as savings accounts, rather than as a risk management tool. Focusing on savings ignores the issue of **opportunity costs**, in which the governments forego potential benefits by choosing one alternative over another. Also, taxpayers may object to governments holding large reserves rather than using funds for current expenses or cutting taxes. Reserve funds might be better used to benefit the current generation of taxpayers if they are used now.

Given these considerations, GFOA suggests that governments consider **using an insurance model** as the basis of determining the appropriate levels of reserves rather than the current focus on a savings account model. They should not discard the traditional model of using reserves as savings accounts for cash flow purposes, contingencies or a sinking fund to accumulate resources to “prepay” for desired capital investments or programs. Rather, they should consider adopting a more comprehensive and nuanced approach that employs reserves as a self insurance strategy and also considers using commercial insurance policies to supplement reserves for events with potentially severe consequences with a lower probability of occurrence. In sum, self insurance and commercial insurance strategies can complement each other to optimize a government’s risk strategy.

Strategies to Rethink Government Reserve Policies

GFOA recommends that governments consider the following strategies to **rethink and adjust their reserve policies**.

Risk-Based Reserve Analysis. Governments should develop a risk-aware reserves policy to help determine the appropriate level of reserves. This requires conducting a qualitative or quantitative risk assessment. GFOA notes that governments should think of a reserve funding target as a range instead of a single point to accommodate some of the uncertainty in risks. While some governments may possess in-house expertise, conducting a risk analysis may require the services of a consultant.

Develop a Comprehensive Reserve Policy. A formal policy should be developed based on the results of the risk analysis that defines the minimum and maximum amount of reserves.

Optimize the Combination of Commercial Insurance and Self-Insurance. Because the risk-based approach can help identify the amount of reserves needed based on the risk potential, the governments can more easily consider whether to hold reserves or purchase private insurance to mitigate risks.

Optimize Investment Strategies. A risk analyzer can more accurately determine how much liquid resources are needed to mitigate risk, thereby freeing up resources for higher yield, less liquid investments.

Develop External Risk Pools. Governments should consider developing intergovernmental risk pools to realize cost savings.

Understand Bond Ratings and Reserves. Governments should use risk analysis to determine if high reserves are worth the cost to maintain bond ratings or if the funds could be better used for other purposes.

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Contributed Gifts Fund
November 30, 2023

FISCAL YEAR 2024	R&P HELMET RODEO DONATIONS	R&P GENERAL DONATIONS	R&P MEMORIAL TREES & BENCHES DONATIONS	R&P FRANCES X. SWEENEY MEMORIAL DONATIONS	R&P DOG PARK DONATIONS	R&P PLAYGROUND DONATIONS	R&P CIVIC TRIANGLE MEMORIAL DONATIONS	R&P TOY BOX DONATIONS	R&P DEIDRICK FIELD PRESS BOX DONATIONS	FINANCE DEPT. AUDITORIUM A/V UPGRADE	POLICE AUSTISM TRAINING	POLICE DEPT. VEHICLE CHALLENGE
REVENUES												
REC & PARKS TOY BOX DONATIONS								\$220.00				
K9 DONATIONS												
POLICE DEPT. GENERAL DONATIONS												
TOTAL REVENUES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$220.00	\$0.00	\$0.00	\$0.00	\$0.00
EXPENDITURES												
07/14/23 EAST COAST K-9 TICO												
08/04/23 JP MORGAN CHASE												
08/04/23 D.DRISCOLL REIMBURSEMENT												
08/18/23 PETTY CASH												
08/18/23 MEDIA HERE& NOW LLC												
08/04/23 JP MORGAN CHASE												
09/04/23 JP MORGAN CHASE												
09/04/23 JP MORGAN CHASE												
10/04/23 JP MORGAN CHASE												
10/04/23 JP MORGAN CHASE												
11/22/23 PO 240394 POSITIVE PROMOT												
11/04/23 JP MORGAN CHASE												
TOTAL EXPENDITURES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NET CURRENT YEAR ACTIVITY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$220.00	\$0.00	\$0.00	\$0.00	\$0.00
PRIOR YEAR BALANCE	\$594.72	\$29.60	\$1,271.39	\$65.00	\$725.97	\$60,486.32	\$1,140.00	\$0.00	\$12,600.00	\$151.00	\$1,700.00	\$780.11
CURRENT YEAR BALANCE	\$594.72	\$29.60	\$1,271.39	\$65.00	\$725.97	\$60,486.32	\$1,140.00	\$220.00	\$12,600.00	\$151.00	\$1,700.00	\$780.11

Contributed Gifts Fund
November 30, 2023

FISCAL YEAR 2024	POLICE DEPT. K-9 PROGRAM	POLICE DEPT. GENERAL DONATIONS	POLICE PUBLIC SAFETY DOCK	TOTAL
REVENUES				
REC & PARKS TOY BOX DONATIONS				
K9 DONATIONS	\$2,000.00			
POLICE DEPT. GENERAL DONATIONS		\$3,323.00		
TOTAL REVENUES	\$2,000.00	\$3,323.00	\$0.00	\$5,543.00
EXPENDITURES				
07/14/23 EAST COAST K-9 TICO	\$9,950.00	\$0.00		
08/04/23 JP MORGAN CHASE	\$1,905.49			
08/04/23 D.DRISCOLL REIMBURSEMENT		\$46.47		
08/18/23 PETTY CASH		\$50.00		
08/18/23 MEDIA HERE& NOW LLC		\$500.00		
08/04/23 JP MORGAN CHASE		\$230.24		
09/04/23 JP MORGAN CHASE	\$709.47			
09/04/23 JP MORGAN CHASE		\$1,701.97		
10/04/23 JP MORGAN CHASE	(\$244.38)			
10/04/23 JP MORGAN CHASE		\$2,958.90		
11/22/23 PO 240394 POSITIVE PROMOT		\$503.27		
11/04/23 JP MORGAN CHASE		\$326.15		
TOTAL EXPENDITURES	\$12,320.58	\$6,317.00	\$0.00	\$18,637.58
NET CURRENT YEAR ACTIVITY	(\$10,320.58)	(\$2,994.00)	\$0.00	(\$13,094.58)
PRIOR YEAR BALANCE	\$14,897.23	\$11,234.78	\$7.04	\$105,683.16
CURRENT YEAR BALANCE	\$4,576.65	\$8,240.78	\$7.04	\$92,588.58

GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET
FOR FISCAL YEAR 2023-2024, THROUGH NOVEMBER 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS
FOR FISCAL YEAR 2022-2023, THROUGH NOVEMBER 30, 2022

	FISCAL YEAR 2024 APPROPRIATED	FISCAL YEAR 2024 ACTUAL	FISCAL YEAR 2024 PERCENT EXPENDED	FISCAL YEAR 2024 VARIANCE FAVORABLE (UNFAVORABLE)	FISCAL YEAR 2022-2023 ACTUAL
GENERAL GOVERNMENT					
Board of Selectmen	\$207,605	\$75,196	36.22%	132,409	\$81,597
Registrar of Voters	\$79,488	\$42,083	52.94%	37,405	\$55,628
Board of Finance	\$70,159	\$68,936	98.26%	1,223	\$69,541
Assessor	\$292,148	\$113,809	38.96%	178,339	\$109,265
Board of Assessment Appeals	\$1,602	\$223	13.93%	1,379	\$314
Tax Collector	\$217,865	\$101,665	46.66%	116,200	\$97,873
Finance Department	\$747,721	\$371,505	49.68%	376,216	\$320,331
Legal Department	\$370,000	\$354,584	95.83%	15,416	\$93,035
Town Clerk	\$252,225	\$110,854	43.95%	141,371	\$153,998
Planning and Zoning	\$661,210	\$242,359	36.65%	418,851	\$268,210
Building Maintenance	\$899,770	\$555,676	61.76%	344,094	\$399,113
Insurance	\$5,105,857	\$1,406,298	27.54%	3,699,559	\$1,245,046
Economic Development Commission	\$27,447	\$9,604	34.99%	17,843	\$2,117
Conservation Commission	\$18,250	\$13,416	73.51%	4,834	\$1,447
Zoning Board of Appeals	\$4,310	3,000	69.61%	1,310	3,009
Retirement Commission	\$7,049,737	\$3,430,597	48.66%	3,619,140	\$3,202,133
R.T.M.	\$18,903	\$13,579	71.83%	5,324	\$14,145
Building Department	\$297,609	\$103,052	34.63%	194,557	\$86,233
Youth Service Bureau	\$239,827	\$115,480	48.15%	124,347	\$95,376
Social Service Grants/Miscellaneous	\$88,182	\$86,975	98.63%	1,207	\$81,991
Contingency Fund	\$142,758	0	0.00%	142,758	0
Emergency Management	\$1,094,563	\$373,645	34.14%	720,918	\$403,928
Fire Services	\$3,531,618	\$1,960,443	55.51%	1,571,175	\$1,835,197
Police Department	\$6,766,554	\$2,549,142	37.67%	4,217,412	\$2,437,267
Public Works Department	\$4,994,798	\$2,676,994	53.60%	2,317,804	\$2,649,602
Conservation of Health	\$148,407	148,407	100.00%	(0)	148,126
Public Health Nursing	\$25,911	10,000	38.59%	15,911	24,000
Senior Citizens Commission	\$484,631	210,984	43.53%	273,647	173,378
Waterford Public Library	\$1,006,837	\$420,590	41.77%	586,247	\$396,949

GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET
FOR FISCAL YEAR 2023-2024, THROUGH NOVEMBER 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS
FOR FISCAL YEAR 2022-2023, THROUGH NOVEMBER 30, 2022

	FISCAL YEAR 2024 APPROPRIATED	FISCAL YEAR 2024 ACTUAL	FISCAL YEAR 2024 PERCENT EXPENDED	FISCAL YEAR 2024 VARIANCE FAVORABLE (UNFAVORABLE)	FISCAL YEAR 2022-2023 ACTUAL
Recreation and Parks	\$1,418,773	\$697,861	49.19%	720,912	\$809,959
Flood and Erosion Control Bd.	\$2,138	62	2.92%	2,076	438
Ethics Commission	\$900	156	17.34%	744	0
Human Resources	\$259,836	\$144,985	55.80%	114,851	\$150,259
Information Technology	\$1,165,181	\$784,036	67.29%	381,145	\$681,172
Transfer to Waterford Special Activity Fund	\$4,750	\$4,750	100.00%	0	\$4,750
Transfer to Waterford Shellfish Fund	\$4,134	\$4,134	100.00%	0	\$1,721
Transfer to Capital Improvement Fund	\$2,514,192	\$2,514,192	100.00%	0	\$2,987,901
Transfer to Capital & Non-Recurring Fund	\$2,564,150	\$2,564,150	100.00%	0	\$1,238,824
Transfer to Dog Fund	\$100,000	\$100,000	100.00%	0	\$60,000
Debt Service	\$8,148,250	\$7,342,768	90.11%	805,482	\$5,447,016
Total General Government	\$51,028,296	\$29,726,189	58.25%	\$21,302,107	\$25,830,889
 Board of Education	 \$54,193,983	 \$14,889,103	 27.47%	 39,304,880	 \$13,686,559
 Total General Fund	 \$105,222,279	 \$44,615,292	 42.40%	 \$60,606,987	 \$39,517,448

TOWN OF WATERFORD
STATEMENT OF REVENUES COMPARED TO ANTICIPATED
FOR FISCAL YEAR 2023-2024, THROUGH NOVEMBER 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS
FOR FISCAL YEAR 2022-2023, THROUGH NOVEMBER 30, 2022

FISCAL YEAR	FISCAL YEAR	FISCAL YEAR	FAVORABLE (UNFAVORABLE)		FISCAL YEAR
			2023-2024	FISCAL YEAR	
2023-2024	2023-2024	PERCENT	2023-2024	2022-2023	
BUDGET	ACTUAL	RECEIVED	VARIANCE	ACTUAL	
STATE OF CONNECTICUT					
EDUCATION					
EQUALIZED COST SHARING	\$326,444	\$81,611	25.00%	(244,833)	\$81,611
HEALTH & WELFARE	\$6,359	\$0	0.00%	(6,359)	\$0
SUB TOTAL	332,803	81,611	24.52%	(251,192)	81,611
GENERAL GOVERNMENT					
PILOT-DISABLED	1,200	0	0.00%	(1,200)	\$0
TIERED PILOT	315,978	347,575	110.00%	31,597	\$316,181
TAX RELIEF-VETERANS	5,000	0	0.00%	(5,000)	\$0
COURT FINES	0	2,323	#DIV/0!	2,323	\$1,460
CIVIL PREPAREDNESS	20,000	0	0.00%	(20,000)	\$19,653
TELECOMMUNICATIONS PROPERTY TAX	58,071	0	0.00%	(58,071)	\$0
TOWN AID ROADS-IMPROVED	321,120	160,680	50.04%	(160,440)	\$160,560
LOCAL CAPITAL IMPROVEMENT (LOCIP)	116,994	0	0.00%	(116,994)	\$0
SDE STATE GRANT	14,000	3,526	25.18%	(10,474)	\$7,000
ENHANCEMENT 911	22,981	11,291	49.13%	(11,690)	\$11,209
MUNICIPAL REVENUE SHARE GRANT	379,498	493,810	130.12%	114,312	\$373,384
GRANTS FOR MUNICIPAL PROJECTS	68,510	0	0.00%	(68,510)	\$0
TOTAL GENERAL GOVERNMENT	1,323,352	1,019,205	77.02%	(304,147)	889,447
TOTAL STATE OF CONNECTICUT	1,656,155	1,100,816	66.47%	(555,339)	971,058
OTHER SOURCES					
EDUCATION					
TUITION	60,000	0	0.00%	(60,000)	9,604
RENT & MISCELLANEOUS	1,500	986	65.73%	(514)	986
SUB TOTAL	61,500	986	1.60%	(60,514)	10,590

TOWN OF WATERFORD
STATEMENT OF REVENUES COMPARED TO ANTICIPATED
FOR FISCAL YEAR 2023-2024, THROUGH NOVEMBER 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS
FOR FISCAL YEAR 2022-2023, THROUGH NOVEMBER 30, 2022

			FAVORABLE (UNFAVORABLE)	
FISCAL	FISCAL	FISCAL	FISCAL	FISCAL
YEAR	YEAR	YEAR	YEAR	YEAR
2023-2024	2023-2024	2023-2024	2023-2024	2022-2023
BUDGET	ACTUAL	PERCENT RECEIVED	VARIANCE	ACTUAL
GENERAL GOVERNMENT				
INTEREST & LIENS	291,306	147,234	50.54%	103,524
INTEREST ON INVESTMENTS	2,500,000	1,490,024	59.60%	692,926
RECREATION & PARKS	165,000	166,570	100.95%	156,586
BUILDING INSPECTOR	400,000	230,759	57.69%	321,215
LICENSE, FEE, PERMIT, FINE	135,309	6,416	4.74%	9,074
LIBRARY	0	608	#DIV/0!	23
WATER MAIN ASSESSMENTS	0	0	#DIV/0!	0
SALE OF VEHICLES	0		#DIV/0!	683
SALE OF EQUIPMENT	1,000	60	5.97%	5,059
SCRRRA REBATE	0	0	#DIV/0!	0
NL RADIO COMM. NETWORK USE FEE	72,000	0	0.00%	0
ALARM PENALTIES	0	0	#DIV/0!	0
BULKY WASTE FEES	110,000	51,324	46.66%	48,977
MISCELLANEOUS	27,582	128,038	464.21%	99,198
CONVEYANCE TAX	200,000	141,379	70.69%	153,443
EMS-REG COMM CTR FEES	6,000	1,500	25.00%	1,500
SEWER ASSESSMENTS	0	0	#DIV/0!	0
PLANNING& ZONING, ZBA, CONSRV COMM	54,183	21,576	39.82%	34,225
TOWN CLERK FEES	175,000	62,677	35.82%	66,885
LIENS -COLLECTED BY UTILITY COMMISSION	0	0	#DIV/0!	0
TIPPING FEES	275,000	44,375	16.14%	67,758
RECYCLING	45,000	17,568	39.04%	27,237
COST SHARING PRR	0	0	#DIV/0!	187,367
TRANSFERS FROM OTHER FUNDS	0.00	0	#DIV/0!	17,177
TRANSFERS IN-PY ENCUMBRANCES	0	3,744	#DIV/0!	0
EUGENE O'NEILL GATE/LEASE REVENUE	10,000	0	0.00%	0
AMBULANCE OPERATING SUBSIDY	0	0	#DIV/0!	0
YSB BOE CLERICAL STIPEND	5,000	5,000	100.00%	5,000
RENTAL OF BUILDINGS	50,000	27,787	55.57%	53,154
SENIOR SERVICES	10,196	8,264	81.05%	5,777
VERSA KART/BLUE BOXES	10,000	4,100	41.00%	3,870
PUBLIC WORKS BOE CUSTODIAL SUBSIDY	73,218	73,218	100.00%	0
SUB TOTAL	4,615,794	2,632,220	57.03%	2,060,658
TOTAL OTHER SOURCES	4,677,294	2,633,206	56.30%	2,071,248
PROPERTY TAXATION				
CURRENT PROPERTY TAX	95,263,203	72,037,141	75.62%	72,101,979
PRIOR YEAR TAXES	476,546	163,791	34.37%	110,768
TOTAL PROPERTY TAXATION	95,739,749	72,200,932	75.41%	72,212,747
TOTAL REVENUES	102,073,198	75,934,954	74.39%	75,255,053

**TOWN OF WATERFORD
CAPITAL PROJECTS FUNDS
NOVEMBER 30, 2023**

<u>FUND</u>	<u>DESCRIPTION</u>	<u>APPROPRIATION</u>	<u>EXPENDED</u>	<u>REMAINING BALANCE</u>	<u>PCT EXP</u>	<u>BALANCE RETURNED</u>
424	DISTRICT MAGNET SCHOOL/EARLY CHLDHD LRN CT	21,248,892.00	21,248,807.19	84.81	100.00%	
432	WATERFORD HIGH SCHOOL BUILDING PROJECT	68,362,787.00	67,786,416.66	576,370.34	99.16%	
TOTALS		89,611,679.00	89,035,223.85	576,455.15	99.36%	0.00
PRIOR YEAR EXPENDITURES			<u>89,035,223.85</u>			
CURRENT YEAR EXPENDITURES			<u>0.00</u>			

TOWN OF WATERFORD
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FLEET MANAGEMENT FUND
AS OF NOVEMBER 30, 2023

Revenues:

Investment Income	93,079
Vehicle Rentals	24,163
Sale of Vehicles	3,063
Insurance Settlement	47,845
Total Revenues	<u>168,149</u>

Expenditures:

Equipment Replacement	97,041
Vehicle Replacement	1,556,645
Total Expenditures	<u>1,653,687</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,485,538)

Other Financing Sources (Uses):

Transfers from other funds	1,000,000
Total Other Financing Sources (Uses)	<u>1,000,000</u>

Net Change in Fund Balances	(485,538)
Fund Balances - Beginning	<u>3,509,747</u>
Fund Balances - Ending	<u><u>3,024,209</u></u>

**TOWN OF WATERFORD
CAPITAL IMPROVEMENT FUND
NOVEMBER 30, 2023**

ACCOUNT	DEPT/YEAR	DESCRIPTION	APPROPRIATED	EXPENDED/		PERCENT EXPENDED	TRANSFERS OUT
				ENCUMBERED	BALANCE		
30124-55738	BOS FY24	FLEET MANAGEMENT PLAN	1,000,000.00	1,000,000.00	0.00	100.0%	1,000,000.00 TO FLEET MANAGEMENT FUND
30716-55793	FINANCE (IT) FY16	FINANCIAL ACCOUNTING SOFTWARE	170,000.00	157,508.18	12,491.82	92.7%	
31117-55803	BLDG MAINT FY17	PARKING LOT -YOUTH SERVICES	300,000.00	21,700.00	278,300.00	7.2%	
31118-55803	BLDG MAINT FY18	PARKING LOT -YSB/POLICE	195,320.00	57,000.00	138,320.00	29.2%	
31120-55851	BLDG MAINT FY20	ADA IMPROVEMENTS YSB/PD	87,000.00	20,800.00	66,200.00	23.9%	
31120-55852	BLDG MAINT FY20	TOWN HALL BATHROOMS	87,500.00	87,500.00	0.00	100.0%	
31121-55851	BLDG MAINT FY21	ADA IMPROVEMENTS YSB/PD	80,700.00	15,139.00	65,561.00	18.8%	
31122-55819	BLDG MAINT FY22	UST REPLACEMENT	250,000.00	247,769.41	2,230.59	99.1%	
31122-55892	BLDG MAINT FY22	AC UNIT REPLACEMENT RADIO SITES	60,500.00	47,089.15	13,410.85	77.8%	
31122-55893	BLDG MAINT FY22	EUGENE O'NEILL ROOF REPLACE	60,767.64	60,767.64	0.00	100.0%	
31123-55904	BLDG MAINT FY23	UST REPLACEMENT EUGENE O'NEILL	260,000.00	79,950.67	180,049.33	30.8%	
31123-55905	BLDG MAINT FY23	UST REPLACEMENT LIBRARY&PUBLIC SAFETY	420,000.00	260,616.00	159,384.00	62.1%	
31123-57857	BLDG MAINT FY23	CIVIC TRIANGLE UPGRADES	1,012,390.00	1,012,386.61	3.39	100.0%	
31124-55912	BLDG MAINT FY24	TOWN DOCK REPLACEMENT	40,000.00	0.00	40,000.00	0.0%	
31124-55913	BLDG MAINT FY24	JORDAN PARKHOUSE REPAIRS	25,000.00	0.00	25,000.00	0.0%	
31124-55915	BLDG MAINT FY24	SEPTIC REPLMT (EUGENE O'NEILL)	43,500.00	39,304.00	4,196.00	90.4%	
32224-55908	EMERGENCY MANAGEMENT FY24	APCO INTELICOM GUIDE CARD SYST	40,000.00	0.00	40,000.00	0.0%	
32224-55909	EMERGENCY MANAGEMENT FY24	EVENTIDE NEXLOGDX RECORDER	88,701.00	0.00	88,701.00	0.0%	
32323-55900	FIRE SERVICES FY23	COHANZIE EMERGENCY GENERATOR	57,000.00	60,000.00	(3,000.00)	105.3%	
32323-55907	FIRE SERVICES FY23	PAGERS UPGRADE/REPLACEMENT	25,000.00	24,179.40	820.60	96.7%	
33020-55850	PUBLIC WORKS FY20	CROSS ROAD	2,754,000.00	1,872,492.97	881,507.03	68.0%	
33020-59300	PUBLIC WORKS FY20	FUNDING OFFSET-CROSS ROAD	(2,754,000.00)	(2,611,641.60)	(142,358.40)	94.8%	
33021-55867	PUBLIC WORKS FY21	REMOVE UST COHANZIE FIRE	348,790.00	336,563.20	12,226.80	96.5%	
33022-55882	PUBLIC WORKS FY22	NORMAN/CONCRETE PANELS	80,100.00	108,584.98	(28,484.98)	135.6%	
33022-55883	PUBLIC WORKS FY22	WILLIAM ST CONCRETE SIDEWALK	42,300.00	65,877.78	(23,577.78)	155.7%	
33022-55884	PUBLIC WORKS FY22	SUMMER STREET/CONCRETE SW	33,420.00	39,600.98	(6,180.98)	118.5%	
33022-55885	PUBLIC WORKS FY22	DAVID STREET/CONCRETE SW	43,680.00	70,110.78	(26,430.78)	160.5%	
33023-55890	PUBLIC WORKS FY23	ROAD RESURFACING EVERSOURCE AF	315,951.00	0.00	315,951.00	0.0%	
33023-55901	PUBLIC WORKS FY23	CURB REPLACEMENT SANDY HOLLOW	319,300.00	10,720.56	308,579.44	3.4%	

**TOWN OF WATERFORD
CAPITAL IMPROVEMENT FUND
NOVEMBER 30, 2023**

ACCOUNT	DEPT/YEAR	DESCRIPTION	APPROPRIATED	EXPENDED/		PERCENT EXPENDED	TRANSFERS OUT
				ENCUMBERED	BALANCE		
33023-55902	PUBLIC WORKS FY23	RD RESURFACING SEC A, AREA 3	325,915.00	199,382.06	126,532.94	61.2%	
33024-55911	PUBLIC WORKS FY24	BLOOMINGDALE/HUNTS BRK CULVERT	15,000.00	0.00	15,000.00	0.0%	
33024-55914	PUBLIC WORKS FY24	ROTARY LIFT REPLACEMENTS	75,000.00	74,972.00	28.00	100.0%	
33121-55871	UTILITY COMM FY21	EVERGREEN PUMP STATION	375,000.00	369,309.92	5,690.08	98.5%	
33122-55894	UTILITY COMM FY22	CONTROL PANEL RETRO-FIT (GORMA	30,000.00	0.00	30,000.00	0.0%	
33123-55019	UTILITY COMM FY23	CONTRACT #1 SEWER INTERCEPTOR EASEMENT ACCESS	250,000.00	75,200.00	174,800.00	30.1%	
33123-55895	UTILITY COMM FY23	ROOF & SIDING REPLACEMENT	50,000.00	5,209.66	44,790.34	10.4%	
33123-55906	UTILITY COMM FY23	WUC BILLING SOFTWARE	130,000.00	130,000.00	0.00	100.0%	
33720-55854	REC & PARKS FY20	LEARY BASKETBALL COURT REBUILD	91,000.00	0.00	91,000.00	0.0%	
33720-55855	REC & PARKS FY20	TOWN HALL BASKETBALL COURT REP	41,000.00	0.00	41,000.00	0.0%	
33722-55896	REC & PARKS FY22	EQUIPMENT STORAGE PLAN	21,000.00	16,750.00	4,250.00	79.8%	
33723-55838	REC & PARKS FY23	CHILDREN'S PLAYGROUND	40,000.00	0.00	40,000.00	0.0%	
34723-55021	INFORMATION TECHNOLOGY FY23	AUDITORIUM MEETING ROOM UPDATES	272,000.00	244.88	271,755.12	0.1%	
34724-55910	INFORMATION TECHNOLOGY FY24	NEXGEN TRANSITION	309,520.00	302,783.90	6,736.10	97.8%	
TOTALS			7,512,354.64	4,257,872.13	3,254,482.51	56.7%	1,000,000.00
PRIOR YEAR EXPENDITURES				1,408,500.81			
CURRENT YEAR EXPENDITURES				<u>2,849,371.32</u>			

TOWN OF WATERFORD CAPITAL AND NON-RECURRING EXPENDITURE FUND FUND BALANCE DESIGNATION AND APPROPRIATION JULY 1,2023 TO JUNE 30,2024 AS OF NOVEMBER 30,2023														
		BEGINNING			FY24 RTM		CLOSED			AVAILABLE				
		BALANCE	XFER IN		FISCAL YEAR 2023-2024			ENCUMBERED/	BAL (REVERTS	INTEREST	TO DATE			
	APPROPRIATIONS	DESIGNATED	UNDESIGNATED	DESIGNATED	APPROPRIATED	DESIGNATED	UNDESIGNATED	EXPENDED	TO FUND)	INC	APPROPRIATED	DESIGNATED	UNDESIGNATED	ENCUMBERED
20501-57639	REVALUATION	(\$6,547.47)	\$332,700.00	\$0.00	\$75,000.00	\$6,547.47		\$17,255.80			(\$17,255.80)	\$407,700.00	\$0.00	
20511-57767	NEVINS COTTAGE STRUCTURAL REPAIRS	\$20,715.00	\$100,000.00	\$0.00							\$20,715.00	\$100,000.00	\$0.00	
20511-57839	TOWN HALL EMERGENCY EGRESS	\$41,275.00	\$0.00	\$0.00							\$41,275.00	\$0.00	\$0.00	
20511-57840	PLAN OF CONSERVATION DEVELOPMENT	\$56,220.07	\$0.00	\$0.00				\$56,220.07			\$0.00	\$0.00	\$0.00	
20511-57856	JORDAN VILLAGE SIDEWALKS	\$87,786.36	\$0.00	\$0.00				\$0.00	\$87,786.36		\$0.00	\$0.00	\$87,786.36	
20502-48043	JORDAN VILLAGE SIDEWALK GRANT	\$0.00	\$280,000.00	\$0.00							\$0.00	\$280,000.00	\$0.00	
20511-57866	TOWN HALL FRONT DOOR	\$18,982.73	\$0.00	\$0.00							\$18,982.73	\$0.00	\$0.00	
20511-57870	MAGO POINT IMPROVEMENTS	\$19,125.00	\$374,500.00	\$0.00				\$19,125.00			\$0.00	\$374,500.00	\$0.00	
20511-57871	PUBLIC SAFETY BLDG HVAC	\$0.00	\$62,045.00	\$0.00							\$0.00	\$62,045.00	\$0.00	
20511-57872	ROOF & HVAC REPLACEMENT PUBLIC SAFETY BUILDING	\$193,274.20	\$0.00	\$0.00				\$178,905.00			\$14,369.20	\$0.00	\$0.00	
20511-57874	RECONDITION ELEVATORS -TOWN HALL/YOUTH SERVICES BLDG	\$239,600.00	\$0.00	\$0.00				\$239,565.00			\$35.00	\$0.00	\$0.00	
20511-57876	SW SCHOOL UNDERGROUND TANK	\$122,732.32	\$0.00	\$0.00				\$33,705.18			\$89,027.14	\$0.00	\$0.00	
20511-57879	TOWN HALL BATHROOM REFURBISHMENT	\$293,871.35	\$0.00	\$0.00		\$125,000.00		\$399,090.00			\$19,781.35	\$0.00	\$0.00	
20511-57885	COMMUNITY CENTER BMS PROJECT	\$0.00	\$0.00	\$0.00	\$300,000.00	\$300,000.00	(\$300,000.00)	\$237,400.00			\$62,600.00	\$0.00	\$0.00	
20522-57794	MOBILE & PORTABLE RADIO REPLACEMENT PROGRAM	\$44,991.50	\$500,436.00	\$0.00				\$44,991.50			\$0.00	\$500,436.00	\$0.00	
20523-57777	FIRE SERVICES -SCBA UPGRADE PROGRAM	\$0.00	\$0.00	\$0.00	\$64,000.00						\$0.00	\$64,000.00	\$0.00	
20523-57791	JORDAN-TRAFFIC LIGHT UPGRADE	\$0.00	\$25,000.00	\$0.00							\$0.00	\$25,000.00	\$0.00	
20523-57792	OSWEGATCHIE-BUILDING RENOVATIONS	\$212,500.00	\$0.00	\$0.00							\$212,500.00	\$0.00	\$0.00	
20523-57836	FIRE SERVICES CARPET REPLACEMENT	\$0.00	\$30,000.00	\$0.00							\$0.00	\$30,000.00	\$0.00	
20523-57838	FIRE SERVICES PRE EMPTION LIGHT REPAIRS	\$0.00	\$50,000.00	\$0.00							\$0.00	\$50,000.00	\$0.00	
20529-57458	EVIDENCE ROOM & ARMORY UPDATE & RENOVATE	\$36,313.33	\$0.00	\$0.00				\$28,709.48			\$7,603.85	\$0.00	\$0.00	
20530-57695	MUNICIPAL COMPLEX RENOVATION	\$372,061.13	\$6,100,833.00	\$0.00				\$17,090.06			\$354,971.07	\$6,100,833.00	\$0.00	
20507-59205	FUNDING OFFSETS DEBT SERVICE-MUNICIPAL COMPLEX	(\$1,251,500.00)	(\$6,000,000.00)	\$0.00							(\$1,251,500.00)	(\$6,000,000.00)	\$0.00	
20530-57696	MUNICIPAL COMPLEX CLEAN UP	\$4,370.23	\$0.00	\$0.00							\$4,370.23	\$0.00	\$0.00	
20530-57880	MAJOR/MINOR COLLECTOR ROAD PAVING	\$1,313,572.12	\$0.00	\$0.00				\$480,276.90			\$833,295.22	\$0.00	\$0.00	
20530-57886	OLD NORWICH ROAD PAVING	\$0.00	\$0.00	\$0.00		\$1,053,000.00					\$1,053,000.00	\$0.00	\$0.00	
20531-55771	HARVEY AVENUE PUMP STATION REHAB	\$503.58	\$0.00	\$0.00							\$503.58	\$0.00	\$0.00	
20531-57685	I/I MITIGATION & CONTROL	\$312,063.86	\$0.00	\$0.00				\$1,078.00			\$310,985.86	\$0.00	\$0.00	
20531-57816	OLD NORWICH/EVERGREEN/HARVEY AVE PUMP STATION REHA	\$554,835.61	\$0.00	\$0.00		\$755,369.00		\$1,098,818.70			\$211,385.91	\$0.00	\$0.00	
20531-57881	PLASTIC WATER SERVICE LINE REPLACEMENT	\$532,846.44	\$0.00	\$0.00	\$100,000.00	\$181,300.00		\$196,978.86			\$517,167.58	\$100,000.00	\$0.00	

TOWN OF WATERFORD
CAPITAL AND NON-RECURRING EXPENDITURE FUND
FUND BALANCE DESIGNATION AND APPROPRIATION
JULY 1,2023 TO JUNE 30,2024
AS OF NOVEMBER 30,2023

		BEGINNING			FY24 RTM				CLOSED		AVAILABLE		
		BALANCE			XFER IN		FISCAL YEAR 2023-2024		ENCUMBERED/ EXPENDED	BAL (REVERTS TO FUND)	INTEREST INC	TO DATE	
		APPROPRIATIONS	DESIGNATED	UNDESIGNATED	DESIGNATED	APPROPRIATED	DESIGNATED	UNDESIGNATED				APPROPRIATED	DESIGNATED UNDESIGNATED
20536-57848	LIBRARY HVAC UPGRADE	\$0.00	\$1,091,200.00	\$0.00								\$0.00	\$1,091,200.00 \$0.00
20500-49000	CT PUBLIC LIBRARY CONSTRUCTION GRANT	\$0.00	(\$250,000.00)	\$0.00								\$0.00	(\$250,000.00) \$0.00
20537-57735	LEARY PARK ROAD /PARKING LOT	\$0.00	\$20,000.00	\$0.00								\$0.00	\$20,000.00 \$0.00
20537-57878	REPAIR OF PLEASURE BEACH SIDEWALK/PATH	\$15,236.00	\$0.00	\$0.00					\$14,980.00			\$256.00	\$0.00 \$0.00
20541-57328	ALEWIFE COVE DREDGING	\$0.00	\$37,500.00	\$0.00								\$0.00	\$37,500.00 \$0.00
20547-47846	FIBER UPGRADE	\$0.00	\$0.00	\$0.00		\$1,126.00	\$0.00		\$1,126.00			\$0.00	\$0.00 \$0.00
20547-57847	TOWN-WIDE CAMERA SYSTEM	\$0.00	\$85,000.00	\$0.00		\$84,914.00	(\$84,914.00)					\$84,914.00	\$86.00 \$0.00
20547-57860	PHONE SYSTEM UPGRADE	\$0.00	\$16,000.00	\$0.00		\$581,700.00			\$537,623.94			\$44,076.06	\$16,000.00 \$0.00
20547-57861	SWITCHES	\$0.00	\$2,258.00	\$0.00								\$0.00	\$2,258.00 \$0.00
20547-57882	COMPUTER REPLACEMENTS	\$0.00	\$0.00	\$0.00	\$42,250.00							\$0.00	\$42,250.00 \$0.00
20500-43600	TURF FIELD RENTAL REVENUES	\$0.00	\$4,815.00	\$0.00								\$0.00	\$4,815.00 \$0.00
20560-55020	CLMS CHILLER REPLACEMENTS	\$788,095.00	\$0.00	\$0.00					\$12,945.00			\$775,150.00	\$0.00 \$0.00
20560-57822	IT LEARNING BOARDS -END OF LIFE	\$50,108.35	\$27,319.88	\$0.00					\$35,906.25			\$14,202.10	\$27,319.88 \$0.00
20560-57828	QH 10-YR RETRO COMMISSIONING	\$0.00	\$30,000.00	\$0.00								\$0.00	\$30,000.00 \$0.00
20560-57833	TENNIS COURTS	\$0.00	\$52,300.00	\$0.00								\$0.00	\$52,300.00 \$0.00
20560-57841	BUS LOT OFFICE	\$0.00	\$150,000.00	\$0.00								\$0.00	\$150,000.00 \$0.00
20560-57842	SCHOOL SECURITY	\$32,175.00	\$0.00	\$0.00	\$1,982,900.00	\$1,982,900.00	(\$1,982,900.00)					\$2,015,075.00	\$0.00 \$0.00
20560-57883	FINANCING ENERGY EFFICIENT EQUIPMENT	\$0.00	\$0.00	\$0.00		\$243,335.00						\$243,335.00	\$0.00 \$0.00
20560-57884	CHROMEBOOK & IPAD EQUIPMENT	\$0.00	\$0.00	\$0.00		\$180,850.00			\$180,242.00			\$608.00	\$0.00 \$0.00
205-31520	UNDESIGNATED FUND BALANCE	\$0.00	\$0.00	\$3,025,793.38				(\$3,128,227.47)			\$243,669.52		\$141,235.43
		\$4,105,206.71	\$3,121,906.88	\$3,025,793.38	\$2,564,150.00	\$5,496,041.47	(\$2,367,814.00)	(\$3,128,227.47)	\$3,832,032.74	\$87,786.36	\$243,669.52	\$5,681,429.08	\$3,318,242.88 \$229,021.79

**TOWN OF WATERFORD
CAPITAL AND NON-RECURRING EXPENDITURE FUND
FUND BALANCE AND APPROPRIATION
AS OF NOVEMBER 30, 2023**

	APPROPRIATED	DESIGNATED	UNDESIGNATED	TOTAL
20501-57639 REVALUATION	(\$17,255.80)	\$407,700.00	\$0.00	\$390,444.20
20511-57767 NEVINS COTTAGE STRUCTURAL REPAIRS	\$20,715.00	\$100,000.00	\$0.00	\$120,715.00
20511-57839 TOWN HALL EMERGENCY EGRESS	\$41,275.00	\$0.00	\$0.00	\$41,275.00
20511-57856 JORDAN VILLAGE SIDEWALKS	\$0.00	\$0.00	\$87,786.36	\$87,786.36
20502-48043 JORDAN VILLAGE SIDEWALK GRANT	\$0.00	\$280,000.00	\$0.00	\$280,000.00
20511-57866 TOWN HALL FRONT DOOR	\$18,982.73	\$0.00	\$0.00	\$18,982.73
20511-57870 MAGO POINT IMPROVEMENTS	\$0.00	\$374,500.00	\$0.00	\$374,500.00
20511-57871 PUBLIC SAFETY BLDG HVAC	\$0.00	\$62,045.00	\$0.00	\$62,045.00
20511-57872 ROOF & HVAC REPLACEMENT PUBLIC SAFETY BUILDING	\$14,369.20	\$0.00	\$0.00	\$14,369.20
20511-57874 RECONDITION ELEVATORS -TOWN HALL/YOUTH SERVICES BLDG	\$35.00	\$0.00	\$0.00	\$35.00
20511-57876 SW SCHOOL UNDERGROUND TANK	\$89,027.14	\$0.00	\$0.00	\$89,027.14
20511-57879 TOWN HALL BATHROOM REFURBISHMENT	\$19,781.35	\$0.00	\$0.00	\$19,781.35
20511-57885 COMMUNITY CENTER BMS PROJECT	\$62,600.00	\$0.00	\$0.00	\$62,600.00
20522-57794 MOBILE & PORTABLE RADIO REPLACEMENT PROGRAM	\$0.00	\$500,436.00	\$0.00	\$500,436.00
20523-57792 OSWEGATCHIE-BUILDING RENOVATIONS	\$212,500.00	\$0.00	\$0.00	\$212,500.00
20523-57777 FIRE SERVICES -SCBA UPGRADE PROGRAM	\$0.00	\$64,000.00	\$0.00	\$64,000.00
20523-57791 JORDAN-TRAFFIC LIGHT UPGRADE	\$0.00	\$25,000.00	\$0.00	\$25,000.00
20523-57836 FIRE SERVICES CARPET REPLACEMENT	\$0.00	\$30,000.00	\$0.00	\$30,000.00
20523-57838 FIRE SERVICES PRE EMPTION LIGHT REPAIRS	\$0.00	\$50,000.00	\$0.00	\$50,000.00
20529-57458 EVIDENCE ROOM & ARMORY UPDATE & RENOVATE	\$7,603.85	\$0.00	\$0.00	\$7,603.85
20530-57695 MUNICIPAL COMPLEX RENOVATION	\$354,971.07	\$6,100,833.00	\$0.00	\$6,455,804.07
20507-59205 FUNDING OFFSETS DEBT SERVICE-MUNICIPAL COMPLEX	(\$1,251,500.00)	(\$6,000,000.00)	\$0.00	(\$7,251,500.00)
20530-57696 MUNICIPAL COMPLEX CLEAN UP	\$4,370.23	\$0.00	\$0.00	\$4,370.23
20530-57880 MAJOR/MINOR COLLECTOR ROAD PAVING	\$833,295.22	\$0.00	\$0.00	\$833,295.22
20530-57886 OLD NORWICH ROAD PAVING	\$1,053,000.00	\$0.00	\$0.00	\$1,053,000.00
20531-55771 HARVEY AVENUE PUMP STATION REHAB	\$503.58	\$0.00	\$0.00	\$503.58
20531-57685 I/I MITIGATION & CONTROL	\$310,985.86	\$0.00	\$0.00	\$310,985.86
20531-57816 OLD NORWICH/EVERGREEN/HARVEY AVE PUMP STATION REHAB	\$211,385.91	\$0.00	\$0.00	\$211,385.91
20531-57881 PLASTIC WATER SERVICE LINE REPLACEMENT	\$517,167.58	\$100,000.00	\$0.00	\$617,167.58
20536-57848 LIBRARY HVAC UPGRADE	\$0.00	\$1,091,200.00	\$0.00	\$1,091,200.00
20500-49000 CT PUBLIC LIBRARY CONSTRUCTION GRANT	\$0.00	(\$250,000.00)	\$0.00	(\$250,000.00)
20537-57735 LEARY PARK ROAD /PARKING LOT	\$0.00	\$20,000.00	\$0.00	\$20,000.00
20537-57878 REPAIR OF PLEASURE BEACH SIDEWALK/PATH	\$256.00	\$0.00	\$0.00	\$256.00
20541-57328 ALEWIFE COVE DREDGING	\$0.00	\$37,500.00	\$0.00	\$37,500.00
20547-57847 TOWN-WIDE CAMERA SYSTEM	\$84,914.00	\$86.00	\$0.00	\$85,000.00
20547-57860 PHONE SYSTEM UPGRADE	\$44,076.06	\$16,000.00	\$0.00	\$60,076.06
20547-57861 SWITCHES	\$0.00	\$2,258.00	\$0.00	\$2,258.00
20547-57882 COMPUTER REPLACEMENTS	\$0.00	\$42,250.00	\$0.00	\$42,250.00
20500-43600 TURF FIELD RENTAL REVENUES	\$0.00	\$4,815.00	\$0.00	\$4,815.00

**TOWN OF WATERFORD
CAPITAL AND NON-RECURRING EXPENDITURE FUND
FUND BALANCE AND APPROPRIATION
AS OF NOVEMBER 30, 2023**

	<u>APPROPRIATED</u>	<u>DESIGNATED</u>	<u>UNDESIGNATED</u>	<u>TOTAL</u>
20560-55020 CLMS CHILLER REPLACEMENTS	\$775,150.00	\$0.00	\$0.00	\$775,150.00
20560-57822 IT LEARNING BOARDS -END OF LIFE	\$14,202.10	\$27,319.88	\$0.00	\$41,521.98
20560-57828 QH 10-YR RETRO COMMISSIONING	\$0.00	\$30,000.00	\$0.00	\$30,000.00
20560-57833 TENNIS COURTS	\$0.00	\$52,300.00	\$0.00	\$52,300.00
20560-57841 BUS LOT OFFICE	\$0.00	\$150,000.00	\$0.00	\$150,000.00
20560-57842 SCHOOL SECURITY	\$2,015,075.00	\$0.00	\$0.00	\$2,015,075.00
20560-57883 FINANCING ENERGY EFFICIENT EQUIPMENT	\$243,335.00	\$0.00	\$0.00	\$243,335.00
20560-57884 CHROMEBOOK & IPAD EQUIPMENT	\$608.00	\$0.00	\$0.00	\$608.00
205-31520 UNDESIGNATED FUND BALANCE	\$0.00	\$0.00	\$141,235.43	\$141,235.43
TOTAL	\$5,681,429.08	\$3,318,242.88	\$229,021.79	\$9,228,693.75

FIFTEEN ROPE FERRY ROAD
WATERFORD, CT 06385-2886



PHONE: 860-442-0553
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Date: December 21, 2023
To: Members of the Board of Finance
From: The Town Accountant
Subject: Status of Contingency Fiscal Year 2024

Contingency Fund, Line item 10121-59010:

07/01/23 Appropriation	265,000
Transferred through 12/13/23	<u>(135,028)</u>
Balance	<u><u>129,972</u></u>


Virginia Bielucki

FISCAL YEAR 2023-2024
CONTINGENCY TRANSFERS & BALANCE

ORG OBJECT	DESCRIPTION	BOARD OF FINANCE	RTM	TRANSFER AMOUNT	BALANCE
	BALANCE 07/01/23				\$265,000.00
10108	52560 LEGAL- MISCELLANEOUS CLAIMS	8/9/2023	N/A	\$75,000.00	\$190,000.00
10129	51420 POLICE PATROL	11/8/2023	N/A	\$35,952.00	\$154,048.00
10138	55867 XFER TO CIF REMOVE UST COLLANZHE FIRE	11/8/2023	N/A	\$11,290.00	\$142,758.00
10129	51420 POLICE PATROL	12/13/2023	N/A	\$12,786.00	\$129,972.00
				(\$135,028.00)	\$129,972.00

FIFTEEN ROPE FERRY ROAD
WATERFORD, CT 06385-2886



PHONE: 860-442-0553
www.waterfordct.org

To: Board of Finance Members

From: Town Accountant *JPB*

Date: December 13, 2023

Subject: Status of General Fund Unassigned Balance

Unassigned Fund Balance:

1) Unassigned balance 06/30/23	26,772,035
Designated for FY24 Budget	0
Applied as additional appropriations through 11/30/23	(3,149,081)
Projected revenues in excess of (less than) budgeted through 11/30/23	(2,360)
Estimated Ending Unassigned Balance	<u>23,620,594</u>

1) Per draft financial statements

**Insurance
Administration Fund
Balance Sheet
November 30, 2023**

Assets

Cash and Cash Equivalents	2,320,308
Accounts Receivable	3,545
Total Assets	<u>2,323,852</u>

Liabilities

Accrued Liabilities (IBNR)	1,007,370
Due to other funds	755,137
Advance Payments	18,745
Total Liabilities	<u>1,781,252</u>

Net Assets

Unrestricted	<u>\$542,600</u>
Total Net Assets	<u><u>\$ 542,600</u></u>

Note: Healthcare entry for FY24 is not posted yet

OPIOID SETTLEMENT

Fund General
Account # 101-21011
Description OPIOID SETTLEMENT FUNDS
As of November 30, 2023

		BALANCE PER	BALANCE PER	
		TRIAL BALANCE	DETAIL	VARIANCE
11/30/2023		(\$73,286.16)	(\$85,972.07)	(\$12,685.91)
DEPOSIT DATE	DEPOSIT AMOUNT	AMOUNT EXPENDED	BALANCE	
BEGINNING BALANCE			\$73,286.16	
JULY	\$0.00	\$0.00	\$73,286.16	
AUGUST	\$12,685.91	\$0.00	\$85,972.07	
SEPTEMBER	\$0.00	\$0.00	\$85,972.07	
OCTOBER	\$0.00	\$0.00	\$85,972.07	
NOVEMBER	\$0.00	\$0.00	\$85,972.07	
DECEMBER			\$85,972.07	
JANUARY			\$85,972.07	
FEBRUARY			\$85,972.07	
MARCH			\$85,972.07	
APRIL			\$85,972.07	
MAY			\$85,972.07	
JUNE			\$85,972.07	
	\$12,685.91	\$0.00	\$85,972.07	

DONATIONS (WATERFORD CARES/COMMUNITY EVENTS)

FIRST SELECTMAN

REVENUE 20600-48007
EXPENDITURE 20601-53326
TOTAL BALANCE 5,788.76

As of: 11/30/2023

FY2024

COMMUNITY EVENTS DONATIONS

DONOR	REVENUE	VENDOR	EVENT	EXPENDITURE	BALANCE
FY232 Balance Forwarded	7,244.28				
Supreme Pizza	1,000.00	Amazon	US Bunting Flags/July 4th	(218.73)	
Michael Buscetto	500.00	Spirit of '76	8/12/2023 Town Parade	(1,000.00)	
Tim Conderino	1,500.00	Westbrook Drum Corps	8/12/2023 Town Parade	(750.00)	
Skip Adams	1,000.00	Casey Carle	8/12/2023 Town Parade	(350.00)	
Pezolesi Masonry	1,000.00	Xen's Critters	8/12/2023 Town Parade	(400.00)	
Charter Oak (Back Pack Drive)	500.00	St. Edmund's Fife & Drum	8/12/2023 Town Parade	(350.00)	
		April's Balloon Creations	8/12/2023 Town Parade	(400.00)	
		Sportee's	8/12/2023 Town Parade	(383.75)	
		Tim Fioravanti Jazz Orchestra	8/12/2023 Town Parade	(1,000.00)	
		JP Morgan (Bj's)	Jody Memorial Service	(147.38)	
		JP Morgan (Filomenas)	Jody Memorial Service	(480.00)	
		JP Morgan (Bj's)	Community Baby Shower	(279.26)	
		Hoelck's Florist	Jody Memorial Service	(319.05)	
		Bert Monton	8/12/2023 Town Parade (Sign)	(71.52)	
		Anne Ogden	8/12/2023 Town Parade (Photos)	(100.00)	
		We Like to Party	8/12/2023 Town Parade	(125.00)	
		JP Morgan (Wal-Mart)	Back Pack School Drive	(498.99)	
		Amazon	Resident Certificates	(39.98)	
		Print Shop	Printing Certificates	(41.86)	

12,744.28

(6,955.52) 5,788.76

NIPS FUNDS

Fund
General
Account #
101-21010
Description
REVENUE FROM SALE OF NIPS
As of
November 30, 2023

	BALANCE PER	BALANCE PER	
	TRIAL BALANCE	DETAIL	VARIANCE
11/30/2023	(\$52,893.01)	(\$72,598.71)	(\$19,705.70)
DEPOSIT DATE	DEPOSIT AMOUNT	AMOUNT EXPENDED	BALANCE
BEGINNING BALANCE			\$52,893.01
JULY	\$0.00	\$0.00	\$52,893.01
AUGUST	\$0.00	\$0.00	\$52,893.01
SEPTEMBER	\$0.00	\$0.00	\$52,893.01
OCTOBER	\$19,705.70	\$0.00	\$72,598.71
NOVEMBER	\$0.00	\$0.00	\$72,598.71
DECEMBER			\$72,598.71
JANUARY			\$72,598.71
FEBRUARY			\$72,598.71
MARCH			\$72,598.71
APRIL			\$72,598.71
MAY			\$72,598.71
JUNE			\$72,598.71
	\$19,705.70	\$0.00	\$72,598.71

RECREATION & PARKS
AS OF 11/30/2023

	20600-49000 TRANSACTIONS IN	20600-44008 DONATIONS	20600-44300 AQUA PROGRAMS	20600-44400 EDUCATIONAL PROGRAMS	20600-44500 FITNESS PROGRAMS	20600-44600 TOT PROGRAMS	20600-44700 PLAYGROUND	20600-44900 SPORTS PROGRAMS	20600-44800 SPECIAL EVENTS	Total
Revenues										
July	\$ 4,750.00		\$ 300.00	\$ 1,350.00	\$ 7,140.00	\$ 700.00	\$ -	\$ 9,127.90		\$ 23,367.90
August			\$ 450.00	\$ 355.00	\$ 6,751.35	\$ (120.00)	\$ -	\$ 2,821.00		\$ 10,257.35
September				\$ 395.00	\$ 2,241.00	\$ -	\$ -	\$ 3,487.01		\$ 6,123.01
October			\$ 1,880.00	\$ 30.00	\$ 525.00	\$ -	\$ -	\$ 225.00		\$ 2,660.00
November			\$ 1,344.00	\$ 455.00	\$ 313.50	\$ -	\$ -	\$ 22.99		\$ 2,135.49
Total	\$ 4,750.00	\$ -	\$ 3,974.00	\$ 2,585.00	\$ 16,970.85	\$ 580.00	\$ -	\$ 15,683.90	\$ -	\$ 44,543.75

	20637-51621/51913 TRANSACTIONS IN	20637-51622/20637-51914 AQUA PROGRAMS	20637-51623/20637-51915 EDUCATIONAL PROGRAMS	20637-51623/20637-51915 FITNESS PROGRAMS	20637-51626/20637-51918 TOT PROGRAMS	20637-51626/20637-51918 PLAYGROUND	20637-51626/20637-51918 SPORTS PROGRAMS	20637-51626/20637-51918 SPECIAL EVENTS	Total
Expenses									
July		\$ 154.48	\$ 163.90	\$ 258.22	\$ 551.37	\$ 109.32	\$ 508.35		\$ 263.80
August		\$ 150.71	\$ 170.09	\$ 960.84	\$ 1,833.18	\$ 245.00	\$ 1,578.30		\$ 1,726.84
September		\$ 238.98	\$ 187.17	\$ 1,576.32	\$ 6,125.60	\$ 354.32	\$ 6,099.88		\$ 3,937.00
October		\$ 1,445.38	\$ 1,008.68	\$ 10,845.25	\$ 225.68	\$ -	\$ 9,584.02		\$ 1,281.21
November		\$ 1,853.45	\$ 497.59	\$ 12,473.12	\$ 900.00	\$ -	\$ 10,055.42		\$ 2,732.02
Total	\$ -	\$ -	\$ 2,120.55	\$ 1,506.27	\$ 23,318.37	\$ 1,125.68	\$ -	\$ 19,639.44	\$ 19,639.44
YTD Balance	\$ 4,750.00	\$ -	\$ 2,120.55	\$ 1,506.27	\$ 23,318.37	\$ 1,125.68	\$ -	\$ 19,639.44	\$ 19,639.44
Beginning balance	\$ 52,500.00	\$ 16,865.64	\$ 2,424.81	\$ 497.59	\$ 12,473.12	\$ 900.00	\$ -	\$ 10,055.42	\$ 10,055.42
Ending Balance	\$ 57,250.00	\$ 16,865.64	\$ 4,545.36	\$ 1,506.27	\$ 23,318.37	\$ 1,125.68	\$ -	\$ 19,639.44	\$ 67,314.37

SENIOR SERVICES SPECIAL REVENUE FUND
FUND # 213

As of November 31, 2023

REVENUES	MISC	TRIPS	(FICA)	DINNERS/ BANQUETS	FITNESS PROGRAMS	BRIDGE	(FROM FUND 212) TRANSFERS IN	SENIOR VIDEO DONATION	COFFEE DONATIONS	LUNCH	FUEL FOR TRANSPORT- ATION	ADA GRANT	EMERGENCY ASSISTANCE DONATION	HISTORICAL MURAL TILE DONATIONS	GENERAL DONATIONS	OPEN DOORS	TOTAL
FISCAL YEAR 2001	\$9,979.00	\$55,482.00		\$8,083.62		\$3,895.70											\$73,544.62
FISCAL YEAR 2002	\$96.35	\$60,160.00		\$5,426.00		\$5,258.00	\$1,830.46								\$3,000.00		\$69,578.05
FISCAL YEAR 2003	\$195.46	\$77,503.00		\$4,428.73											\$1,372.00		\$92,215.65
FISCAL YEAR 2004	\$317.68	\$126,948.00		\$2,514.00		\$6,589.00		\$4,250.00							\$6,450.00		\$137,740.68
FISCAL YEAR 2005	\$131.26	\$119,405.50		\$3,375.00		\$7,103.00									\$80,775.45		\$141,368.76
FISCAL YEAR 2006	\$1,750.25	\$64,562.70		\$5,169.00	\$2,065.50										\$4,945.00		\$88,319.75
FISCAL YEAR 2007	\$1,893.11	\$65,243.14		\$5,373.00	\$3,369.50	\$7,550.00			\$657.80	\$633.67					\$3,390.00		\$96,236.87
FISCAL YEAR 2008	\$821.50	\$78,042.02		\$7,074.55		\$6,251.00			\$849.50	\$758.76					\$7,176.00		\$96,236.87
FISCAL YEAR 2009	\$90.00	\$54,340.68		\$4,293.50		\$8,861.00			\$474.50	\$884.28					\$7,244.35		\$56,244.35
FISCAL YEAR 2010	\$680.00	\$49,631.58		\$4,087.05		\$7,727.00			\$711.00					\$2,684.31	\$2,847.00		\$69,156.70
FISCAL YEAR 2011	\$130.00	\$57,860.45		\$6,081.50		\$7,758.00	\$230.70		\$39.00	\$3,752.39	\$2,390.00			\$5,720.00	\$4,314.00		\$83,222.73
FISCAL YEAR 2012	\$75.00	\$42,998.08		\$5,231.00		\$7,592.00	\$0.10		\$39.00	\$3,095.19	\$2,573.00			\$11,506.00	\$1,270.00		\$75,084.17
FISCAL YEAR 2013	\$355.63	\$49,036.07		\$4,923.50		\$7,427.00			\$0.00	\$2,095.19	\$2,573.00			\$3,900.69	\$25.00		\$70,336.18
FISCAL YEAR 2014	\$290.00	\$39,355.36		\$3,942.00		\$7,987.00				\$3,052.31	\$3,975.00			\$5,784.00	\$30.00		\$64,415.67
FISCAL YEAR 2015	\$749.00	\$40,490.52		\$5,406.56		\$7,534.00	\$1.71			\$3,446.93	\$1,865.00	\$2,500.00		\$6,297.00	\$8,752.00		\$74,848.50
FISCAL YEAR 2016	\$1,109.00	\$47,168.77		\$5,495.94		\$8,433.00				\$3,135.15	\$3,179.00			\$8,632.00	\$165.00		\$72,785.21
FISCAL YEAR 2017	\$560.00	\$43,474.28		\$5,495.94		\$7,250.00				\$2,516.98	\$3,275.00			\$19,309.70	\$100.00		\$80,426.96
FISCAL YEAR 2018	\$548.00	\$41,267.22		\$2,200.00		\$7,408.00				\$2,293.60	\$2,887.00			\$15,182.00	\$50.00		\$76,224.82
FISCAL YEAR 2019	\$1,037.00	\$20,393.33		\$1,653.00		\$4,810.00				\$1,205.52	\$1,930.00			\$13,382.00	\$470.00		\$43,927.85
FISCAL YEAR 2020	\$84.00	\$0.00		\$0.00		\$1,081.00				\$67.89	\$180.00			\$13,076.75	\$364.00		\$14,969.64
FISCAL YEAR 2021	\$200.00	\$8,767.00		\$4,621.00		\$0.00			\$709.50	\$927.58	\$1,785.00			\$3,616.30	\$610.00	\$4,104.92	\$23,762.22
FISCAL YEAR 2022	\$54.50	\$11,331.95		\$9,860.00		\$0.00			\$258.38	\$342.24	\$2,110.00	\$0.00	\$8,200.00		\$579.00	\$720.00	\$58,308.53
FISCAL YEAR 2023	\$2,000.00	\$21,809.00		\$4,055.00	\$11,928.78	\$1,132.00					\$80.00	\$500.00			\$7.00	\$720.00	\$42,832.40
ADJ CLOSED FISCAL YEAR 2009															(\$465.00)		\$0.00
TOTAL REVENUES	\$23,390.74	\$1,216,954.71		\$112,961.00	\$41,179.78	\$135,197.70	\$2,062.97	\$4,250.00	\$3,729.68	\$28,492.73	\$29,674.00	\$500.00	\$10,700.00	\$113,738.10	\$45,920.00	\$5,544.92	\$1,774,296.33
EXPENDITURES																	
FISCAL YEAR 2001	\$10,472.26	\$50,489.55		\$8,254.28		4218.14											\$69,216.09
FISCAL YEAR 2002	\$509.25	\$56,911.00		\$5,306.16		4730.19									\$66,844.55		\$69,578.05
FISCAL YEAR 2003	\$2,501.14	\$70,600.50		\$5,483.35											\$83,315.18		\$92,215.65
FISCAL YEAR 2004	\$3,908.01	\$133,209.49		\$4,037.60		5923.99									\$147,079.09		\$137,740.68
FISCAL YEAR 2005	\$2,487.61	\$114,993.62		\$5,056.96		\$5,598.31									\$128,136.50		\$141,368.76
FISCAL YEAR 2006	\$5,396.30	\$64,620.58		\$7,709.58		\$4,701.69		\$2,015.00							\$85,843.15		\$88,319.75
FISCAL YEAR 2007	\$4,113.81	\$63,437.57		\$6,105.27	\$4,050.00	\$4,580.42			\$424.01	\$611.44					\$84,287.07		\$96,236.87
FISCAL YEAR 2008	\$13,207.73	\$74,545.43		\$10,717.07		\$4,563.20		\$0.00	\$573.69	\$561.78					\$1,082.00	\$104,539.44	\$104,539.44
FISCAL YEAR 2009	\$2,144.19	\$53,071.29		\$5,668.82		\$4,851.94									\$3,591.01	\$70,512.38	\$70,512.38
FISCAL YEAR 2010	\$1,001.50	\$46,757.68		\$7,500.98		\$4,598.07			\$633.61	\$561.78	\$2,809.99				\$5,545.38	\$69,408.99	\$69,408.99
FISCAL YEAR 2011	\$2,055.79	\$54,706.00		\$10,938.68		\$5,317.70		\$465.00	\$888.99	\$1,147.98	\$2,573.87				\$3,805.52	\$78,094.01	\$78,094.01
FISCAL YEAR 2012	\$2,604.60	\$42,704.33		\$7,735.54		\$4,979.28			\$1,292.48	\$3,394.81	\$2,889.83				\$30.90	\$68,937.29	\$68,937.29
FISCAL YEAR 2013	\$1,013.26	\$41,665.75		\$9,507.29		\$4,799.52			\$1,223.63	\$1,684.21	\$3,572.98				\$570.01	\$66,461.36	\$66,461.36
FISCAL YEAR 2014	\$19,141.60	\$39,913.65		\$6,755.58		\$4,458.25			\$1,582.20	\$2,080.50	\$3,975.00				\$6,560.47	\$86,467.25	\$86,467.25
FISCAL YEAR 2015	\$5,643.99	\$39,246.30		\$9,926.22		\$5,076.17			\$1,533.00	\$1,915.06	\$1,865.00				\$2,290.91	\$76,248.65	\$76,248.65
FISCAL YEAR 2016	\$3,488.41	\$39,115.74		\$8,859.89		\$4,112.77			\$1,775.71	\$1,401.26	\$3,178.98		\$0.00		\$1,385.88	\$64,424.71	\$64,424.71
FISCAL YEAR 2017	\$1,679.89	\$44,563.94		\$7,263.66		\$5,566.67			\$1,773.22	\$879.73	\$3,275.00				\$100.00	\$67,161.51	\$67,161.51
FISCAL YEAR 2018	\$414.31	\$40,517.31		\$5,066.26		\$5,669.23			\$917.40	\$1,264.97	\$2,887.00		\$688.25		\$6,864.73	\$67,655.49	\$67,655.49
FISCAL YEAR 2019	\$1,056.12	\$39,215.98		\$410.08	\$42,065.26	\$5,658.94			\$0.00	\$961.31	\$1,930.00		\$431.98		\$49.75	\$38,482.54	\$38,482.54
FISCAL YEAR 2020	\$820.00	\$17,232.15		\$1,780.22		\$4,208.76			\$0.00	\$119.22	\$180.00				\$10,255.15	\$10,754.37	\$10,754.37
FISCAL YEAR 2021	\$200.00	\$0.00		\$0.00		\$0.00											
FISCAL YEAR 2022	\$192.60	\$7,098.30		\$6,007.70		\$18,117.97			\$864.63	\$1573.35	\$1,785.00	\$0.00	\$460.10			\$1,336.24	\$72,777.62
FISCAL YEAR 2023	\$6,954.14	\$12,988.54		\$14,516.77		\$4,800.00			\$334.54	\$177.16	\$2,110.00	\$500.00	\$5,444.63			\$838.95	\$69,408.99
FISCAL YEAR 2024	\$544.12	\$8,650.21		\$2,249.04									\$1,409.99				\$18,665.06
ADJ CLOSED FISCAL YEAR 2008								\$700.00							(\$499.99)		\$0.00
ADJ CLOSED FISCAL YEAR 2009								\$499.99							(\$4,000.00)		\$0.00
ADJ CLOSED FISCAL YEAR 2010																	\$0.00
TOTAL EXPENDITURES	\$90,750.63	\$1,156,254.91	\$1,655.19	\$165,089.19	\$28,367.97	\$93,613.24	\$0.00	\$3,679.99	\$15,404.73	\$19,444.30	\$34,512.65	\$500.00	\$6,434.95	\$113,738.10	\$15,340.06	\$2,175.19	\$1,746,785.91
BALANCE	(\$67,359.89)	\$60,699.80	(\$1,655.19)	(\$52,128.19)	\$12,811.81	\$41,584.46	\$2,062.97	\$570.01	(\$11,675.05)	\$9,048.43	(\$4,838.65)	\$0.00	\$2,265.05	\$0.00	\$30,579.94	\$3,369.73	\$25,335.23

