

**OFFICE OF THE
EXECUTIVE ASSISTANT**



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To: Select Board
Finance Committee

From: Thomas Gregory

Date: February 24, 2022

Re: Request to Revise DPW Track Loader Funding Amount

Included in capital requests that the Board voted to recommend on January 24, 2022 was the DPW request for a Track Loader. The purchase price is \$58,000. My funding recommendation at the time was to appropriate \$8,000 from Free Cash and \$50,000 from the DPW Stabilization Fund. The DPW Stabilization Fund was established several years ago with the intent of capturing unexpended balances from previously closed out DPW capital purchases so that those dollars could stay within the department and be used for future DPW capital purchases.

The initial plan procedurally was, first, to transfer \$50,000 in unexpended DPW capital funds at Town Meeting into the DPW Stabilization Fund. Then the Track Loader acquisition article would draw on both Free Cash and the DPW Stabilization Fund as funding sources. These unexpended capital funds, however, were originally raised via borrowing authorizations at the November 2020 Special Town Meeting (Article 9 – Vehicle Replacement – Heavy Equipment, and Article 10 – Vehicle Replacement – Light Equipment). State statute only allows balances from a capital borrowing to be used toward another capital borrowing; it does not allow these funds to be transferred into a stabilization fund.

My recommendation, now, is that the Select Board amend the vote of the January 24, 2022 meeting by increasing the total Free Cash capital recommendation by \$50,000 with a new total amount of \$1,675,435. The recommendation is to fund the Track Loader entirely out of Free Cash.