



Town of Reading Meeting Posting with Agenda

2023-01-18-06

Board - Committee - Commission - Council:

Finance Committee

Date: 2023-01-18

Time: 6:00 PM

Building: Reading Town Hall

Location: Select Board Meeting Room

Address: 16 Lowell Street

Agenda:

Purpose: General Business

Meeting Called By: Jacquelyn LaVerde on behalf of Chair Ed Ross

Notices and agendas are to be posted 48 hours in advance of the meetings excluding Saturdays, Sundays and Legal Holidays. Please keep in mind the Town Clerk's hours of operation and make necessary arrangements to be sure your posting is made in an adequate amount of time. A listing of topics that the chair reasonably anticipates will be discussed at the meeting must be on the agenda.

All Meeting Postings must be submitted in typed format; handwritten notices will not be accepted.

Topics of Discussion:

This meeting will be held in-person in the Town Hall Select Board Meeting Room, remotely via Zoom, and will be streamed on RCTV.

Join Zoom Meeting

<https://us06web.zoom.us/j/86118065788>

Meeting ID: 861 1806 5788

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Meeting ID: 861 1806 5788

Find your local number: <https://us06web.zoom.us/u/kbQpJQjrLs>

AGENDA:

Liaison Reports
Presentation by Town Accountant and Discussion on the FY2024 Spending Scorecard and Financial Forecast
Approval of Previous Minutes
Future Meeting Agenda Items



FY24 Budget Summary

SELECT BOARD DECEMBER 13, 2022

FY24 General Fund Budget


► Revenues	\$119.2 million	+ 4.0%	(includes \$3.28 mil. Free Cash)
► Accommodated Costs	\$ 43.5 million	+3.8%	
► <u>Operating Budgets</u>	\$ 75.6 million	+3.75%	<u>(63.4% School and 36.6% Town)</u>
► School Operating	\$ 48.2 million	+4.33%	
► Town Operating	\$ 27.7 million	+4.00%	
► <u>Total Budgets</u>			
► School Total	\$ 54.1 million	+4.5%	
► Town Total	\$ 33.6 million	+4.4%	(balanced budgets for Town DH)

FY24 Budget Summary

- ▶ Next Steps
 - ▶ Town Manager will send Select Board overview to solicit input
 - ▶ Schedule FY24 budget review agenda item at SB meeting (1/10/23)
 - ▶ January 31, 2023 - School Committee to deliver FY24 budget to Town Manager
 - ▶ (*Charter requirement*)
 - ▶ Town Manager to send FINCOM balanced FY24 budget late February 2023
 - ▶ (*Charter requirement*)
 - ▶ Town Manager meets with FINCOM March 2023 and prepares April 2023 Annual Town Meeting budget presentations

FY24 Enterprise Fund Budget Summary

- ▶ Next Steps
 - ▶ Schedule Water/Sewer rates preview agenda item at SB meeting (1/24/23)
 - ▶ Discuss remaining uncertainty (MWRA charges; other)
 - ▶ Discuss use of reserves to offset increases
 - ▶ Discuss potentially switching to Tiered Water and Sewer Rates
 - ▶ Schedule Water/Sewer/Storm Water Rates Public Hearing - Town Manager
 - ▶ May 17, 2022; June 1, 2021; June 3, 2020; March 12, 2019; March 13, 2018; March 7, 2017; March 22, 2016; March 24, 2015



FY24 Budget Summary Questions?

SELECT BOARD DECEMBER 13, 2022

FY24 Spending Scorecard

Line	Category	FY23 Budget revised	% Grand Total	FY24 Budget Town Manager	FY24 Budget Finance Committee	FINCOM votes	% chng	% Grand Total
B99	Benefits	\$19,837,500	15.1%	\$20,682,688	\$20,682,688		4.3%	15.2%
C99	Capital	\$2,886,000	2.2%	\$2,963,000	\$2,963,000		2.7%	2.2%
D99	Debt service	\$5,983,550	4.5%	\$6,066,806	\$6,066,806		1.4%	4.5%
E99	Education - Vocational	\$870,000	0.7%	\$904,800	\$904,800		4.0%	0.7%
F99	Finance Committee Reserves	\$200,000	0.2%	\$200,000	\$200,000		0.0%	0.1%
	Total Shared Costs	\$ 29,777,050	22.6%	\$ 30,817,294	\$ 30,817,294		3.5%	22.7%
G91	Administrative Svcs wages	\$1,651,475	1.3%	\$1,664,175	\$1,664,175		0.8%	1.2%
G92	Administrative Svcs expenses	\$2,015,600	1.5%	\$2,102,460	\$2,102,460		4.3%	1.5%
H91	Public Services wages	\$1,497,150	1.1%	\$1,429,100	\$1,429,100		-4.5%	1.1%
H92	Public Services expenses	\$260,500	0.2%	\$302,000	\$302,000		15.9%	0.2%
I91	Finance wages	\$887,050	0.7%	\$931,750	\$931,750		5.0%	0.7%
I92	Finance expenses	\$155,650	0.1%	\$159,150	\$159,150		2.2%	0.1%
J91	Public Safety wages	\$12,759,675	9.7%	\$13,307,475	\$13,307,475		4.3%	9.8%
J92	Public Safety expenses	\$703,250	0.5%	\$728,151	\$728,151		3.5%	0.5%
K91	Public Works wages	\$3,019,925	2.3%	\$3,106,600	\$3,106,600		2.9%	2.3%
K92	Public Works expenses	\$907,200	0.7%	\$950,700	\$950,700		4.8%	0.7%
K93	Public Works Snow & Ice	\$675,000	0.5%	\$675,000	\$675,000		0.0%	0.5%
K94	Public Works Street Lights	\$130,000	0.1%	\$135,000	\$135,000		3.8%	0.1%
K95	Public Works Rubbish	\$1,975,000	1.5%	\$2,034,250	\$2,034,250		3.0%	1.5%
L91	Library wages	\$1,619,850	1.2%	\$1,698,150	\$1,698,150		4.8%	1.2%
L92	Library expenses	\$399,450	0.3%	\$406,875	\$406,875		1.9%	0.3%
M91	Core Facilities	\$3,283,600	2.5%	\$3,633,780	\$3,633,780		10.7%	2.7%
M92	Town Buildings	\$376,550	0.3%	\$369,650	\$369,650		-1.8%	0.3%
	Total Municipal Gov't	\$ 32,316,925	24.6%	\$ 33,634,266	\$ 33,634,266		4.1%	24.8%
U99	School Department	\$51,783,363	39.4%	\$54,006,623	\$54,006,623		4.3%	39.7%
	VOTED GENERAL FUND	\$ 113,877,338	86.5%	\$ 118,458,183	\$ 118,458,183		4.0%	
	State Assessments	\$ 780,054	0.6%	\$ 799,555	\$799,555		2.5%	0.6%
	TOTAL	\$ 114,657,392	87.1%	\$ 119,257,738	\$ 119,257,738		4.0%	
W99	Water Enterprise Fund	\$8,151,447	6.2%	\$7,973,000	\$7,973,000		-2.2%	5.9%
X99	Sewer Enterprise Fund	\$7,332,050	5.6%	\$7,508,425	\$7,508,425		2.4%	5.5%
Y99	Storm Water Enterprise Fund	\$782,325	0.6%	\$470,325	\$470,325		-39.9%	0.3%
Z99	PEG Access Enterprise Fund	\$625,250	0.5%	\$622,000	\$622,000		-0.5%	0.5%
ZZ9	Landfill Enterprise Fund	\$37,000	0.0%	\$37,000	\$37,000		0.0%	0.0%
	TOTAL ENTERPRISE FUNDS	\$16,928,072	12.9%	\$16,610,750	\$16,610,750		-1.9%	12.2%
	GRAND TOTAL VOTED	\$ 130,805,410	99.4%	\$ 135,068,933	\$ 135,068,933		3.3%	99.4%

		3.20%		3.85%		4.00%		3.00%		3.00%	
Town of Reading Budget Summary											
1/4/23 6:36 PM		Final	One Yr	Projected	One Yr	Projected	One Yr	Projected	One Yr	Projected	One Yr
No.		FY22	Chng FY22	FY23	Chng FY23	FY24	Chng FY24	FY25	Chng FY25	FY26	Chng FY26
	Revenues										
A1	Total Property Taxes	81,570,163	4.5%	84,397,951	3.5%	87,348,419	3.5%	89,158,564	2.1%	91,150,836	2.2%
A2	Total Other Local Revenues	6,995,000	-2.6%	7,790,000	11.4%	8,775,000	12.6%	9,480,000	8.0%	9,970,000	5.2%
A3	Total Intergov't Revenues	14,777,471	1.6%	15,165,883	2.6%	15,545,030	2.5%	15,933,656	2.5%	16,331,997	2.5%
A4	Total Transfers & Available	3,882,684	-3.4%	4,178,657	7.6%	4,309,289	3.1%	4,332,480	0.5%	4,394,635	1.4%
A98	Revs before Free Cash	\$107,225,318	3.28%	\$111,532,491	4.02%	\$115,977,738	3.99%	\$118,904,700	2.52%	\$121,847,468	2.47%
A5	Free Cash	2,640,052	26.8%	2,539,000	-3.8%	2,580,000	1.6%	2,750,000	6.6%	2,850,000	3.6%
A6	Extra for Capital	760,000	0.0%	686,000	-9.7%	700,000	2.0%	750,000	7.1%	0	-100%
A99	Net Available Revenues	\$110,625,370	4.46%	\$114,757,491	3.74%	\$119,257,738	3.92%	\$122,404,700	2.64%	\$124,697,468	1.87%
	Accommodated Costs										
B	Benefits	19,088,534	3.6%	19,837,500	3.9%	20,682,688	4.3%	21,762,666	5.2%	22,917,330	5.3%
C	Capital	3,955,000	71.6%	3,086,000	-22.0%	2,963,000	-4.0%	3,009,500	1.6%	2,994,000	-0.5%
	Debt (inside levy)	1,963,844	-8.5%	3,250,958	65.5%	3,380,694	4.0%	3,538,338	4.7%	2,958,275	-16.4%
D	Debt (excluded)	2,792,043	-2.0%	2,727,408	-2.3%	2,686,112	-1.5%	1,279,700	-52.4%	0	-100.0%
E	Energy	2,010,550	0.5%	2,035,000	1.2%	2,290,500	12.6%	2,561,218	11.8%	2,657,939	3.8%
F	Financial	1,010,000	-1.9%	1,092,000	8.1%	1,132,000	3.7%	1,157,000	2.2%	1,182,000	2.2%
G	Education - Out of district	5,446,250	2.3%	5,580,000	2.5%	5,803,200	4.0%	6,035,328	4.0%	6,276,741	4.0%
H	Education - Vocational	788,000	43.3%	870,000	10.4%	904,800	4.0%	1,140,992	26.1%	1,186,632	4.0%
J	Miscellaneous	3,340,650	-5.6%	3,430,054	2.7%	3,508,805	2.3%	3,589,822	2.3%	3,698,169	3.0%
K	Community Priorities	150,000	0.0%	0	0.0%	150,000	0.0%	150,000	0.0%	150,000	0.0%
L1	Accommodated Costs	\$ 40,544,871	3.72%	\$ 41,908,920	3.36%	\$ 43,501,799	3.80%	\$ 44,224,564	1.66%	\$ 44,021,086	-0.46%
L2	Net Accommodated Costs	\$ 40,544,871	3.72%	\$ 41,908,920	3.36%	\$ 43,501,799	3.80%	\$ 44,224,564	1.66%	\$ 44,021,086	-0.46%
				\$ 9,229		\$ 3,022		\$ 1,610		\$ 2,500	
	Operating Costs										
OC1	Municipal Gov't Operating	23,888,374	3.20%	25,262,939	3.85%	26,457,537	4.00%	27,251,263	3.00%	28,069,931	3.00%
	adjustments	438,000		177,000				1,097			
	adjustments (EF+RF)	1,150,727	3.20%	1,196,040	3.94%	1,243,882	4.00%	1,281,199	3.00%	1,319,635	3.00%
	TOTAL Muni Govt OPER	25,477,101	5.01%	26,635,979	4.55%	27,701,419	4.00%	28,533,558	3.00%	29,389,565	3.00%
OC2	School Operating	44,249,748	3.20%	45,953,363	3.85%	48,051,498	4.00%	49,493,042	3.00%	51,134,317	3.00%
	adjustments			250,000				151,925		150,000	
	TOTAL School OPER	44,249,748	3.20%	46,203,363	4.41%	48,051,498	4.00%	49,644,968	3.32%	51,284,317	3.30%
OC4	Operating Budgets	\$ 69,726,849	3.85%	\$ 72,839,343	4.46%	\$ 75,752,916	4.00%	\$ 78,178,526	3.20%	\$ 80,673,882	3.19%
	Municipal Gov't Operating	36.5%		36.6%		36.6%		36.5%		36.4%	
	School Operating	63.5%		63.4%		63.4%		63.5%		63.6%	
	TOTAL SPENDING	\$110,271,719	3.80%	\$114,748,263	4.06%	\$119,254,715	3.93%	\$122,403,090	2.64%	\$124,694,968	1.87%
	Muni Govt OPER	\$ 25,477,101	5.01%	\$ 26,635,979	4.55%	\$ 27,701,419	4.00%	\$ 28,533,558	3.00%	\$ 29,389,565	3.00%
	Muni Govt ACCOM	\$ 5,401,050	-2.41%	\$ 5,577,000	3.26%	\$ 5,931,750	6.36%	\$ 6,288,495	6.01%	\$ 6,498,075	3.33%
	Muni Govt TOTAL	\$ 30,878,151	3.63%	\$ 32,212,979	4.32%	\$ 33,633,169	4.41%	\$ 34,822,053	3.53%	\$ 35,887,640	3.06%
	School OPER	\$ 44,249,748	3.20%	\$ 46,203,363	4.41%	\$ 48,051,498	4.00%	\$ 49,644,968	3.32%	\$ 51,284,317	3.30%
	School ACCOM	\$ 5,446,250	2.28%	\$ 5,580,000	2.46%	\$ 5,803,200	4.00%	\$ 6,035,328	4.00%	\$ 6,276,741	4.00%
	School TOTAL	\$ 49,695,998	3.10%	\$ 51,783,363	4.20%	\$ 53,854,698	4.00%	\$ 55,680,296	3.39%	\$ 57,561,058	3.38%

A	Town of Reading		One Yr		One Yr		One Yr		One Yr		One Yr
	Revenues - Details	Projected	Chng	Projected	Chng	Projected	Chng	Projected	Chng	Projected	Chng
No.	1/4/23 6:36 PM	FY22	FY22	FY23	FY23	FY24	FY24	FY25	FY25	FY26	FY26
	Property Taxes										
	Tax levy (within levy limit)	77,955,852	3.9%	81,558,766	4.6%	84,536,301	3.7%	87,623,459	3.7%	90,941,545	3.8%
	New Growth	\$ 1,613,676	66.8%	\$ 915,674	-43.3%	950,000	3.7%	1,100,000	15.8%	1,075,000	-2.3%
	Tax levy (debt exclusion)	2,784,925	-2.2%	2,727,408	-2.1%	2,686,112	-1.5%	1,279,700	-52.4%	-	-100.0%
	Abatements and exemptions	(784,290)	4.7%	(803,897)	2.5%	(823,995)	2.5%	(844,595)	2.5%	(865,709)	2.5%
A1	Total Property Taxes	81,570,163	4.5%	84,397,951	3.5%	87,348,419	3.5%	89,158,564	2.1%	91,150,836	2.2%
	Other Local Revenues										
	Motor Vehicle Excise	3,750,000	1.4%	\$ 3,945,000	5.2%	4,180,000	6.0%	4,480,000	7.2%	4,675,000	4.4%
	Meals Tax	365,000	46.0%	\$ 440,000	20.5%	515,000	17.0%	560,000	8.7%	585,000	4.5%
	Penalties/interest on taxes	200,000	25.0%	\$ 270,000	35.0%	325,000	20.4%	355,000	9.2%	380,000	7.0%
	Payments in lieu of taxes	375,000	-2.6%	\$ 400,000	6.7%	435,000	8.7%	465,000	6.9%	475,000	2.2%
	Charges for services	1,870,000	-6.5%	\$ 2,125,000	13.6%	2,300,000	8.2%	2,475,000	7.6%	2,650,000	7.1%
	Licenses & permits	125,000	-10.7%	\$ 165,000	32.0%	180,000	9.1%	195,000	8.3%	215,000	10.3%
	Fines	30,000	-60.0%	\$ 80,000	166.7%	100,000	25.0%	110,000	10.0%	125,000	13.6%
	Interest Earnings	200,000	-46.7%	\$ 235,000	17.5%	585,000	148.9%	675,000	15.4%	700,000	3.7%
	Medicaid Reimbursement	80,000	-20.0%	\$ 130,000	62.5%	155,000	19.2%	165,000	6.5%	165,000	0.0%
A2	Total Other Local Revenues	6,995,000	-2.6%	7,790,000	11.4%	8,775,000	12.6%	9,480,000	8.0%	9,970,000	5.2%
	Intergovernmental Revenue										
	State Aid	\$ 14,777,471	1.6%	15,165,883	2.6%	15,545,030	2.5%	15,933,656	2.5%	16,331,997	2.5%
A3	Total Intergov't Revenues	14,777,471	1.6%	15,165,883	2.6%	15,545,030	2.5%	15,933,656	2.5%	16,331,997	2.5%
	Operating Transfers and Available Funds										
	Cemetery sale of lots	25,000	0.0%	25,000	0.0%	25,000	0.0%	25,000	0.0%	25,000	0.0%
	RMLD payment	2,300,000	-6.8%	2,527,442	9.9%	2,587,000	2.4%	2,575,000	-0.5%	2,600,000	1.0%
	Enterprise Fund Support	1,150,727	3.2%	1,196,040	3.9%	1,243,882	4.0%	1,281,199	3.0%	1,319,635	3.0%
	School Revolving Funds	100,000	100%	100,000	0.0%	100,000	0.0%	100,000	0.0%	100,000	0.0%
	Premiums Reserve for Debt	6,957	-20%	5,175	-26%	3,407	-34%	1,281	-62%	0	-100%
	Overlay surplus	300,000	-14.3%	325,000	8.3%	350,000	7.7%	350,000	0.0%	350,000	0.0%
A4	Total Transfers & Available	3,882,684	-3.4%	4,178,657	7.6%	4,309,289	3.1%	4,332,480	0.5%	4,394,635	1.4%
	OPERATING REVENUES	107,225,318	3.28%	111,532,491	4.02%	115,977,738	3.99%	118,904,700	2.52%	121,847,468	2.47%
A5	Free Cash	3,400,052	63.3%	3,225,000	-5.1%	3,280,000	1.7%	3,350,000	2.1%	2,600,000	-22.4%
	TOTAL REVENUES	110,625,370	4.46%	114,757,491	3.74%	119,257,738	3.92%	122,254,700	2.51%	124,447,468	1.79%
	Town of Reading										
	Acc. Costs - Summary		One Yr		One Yr		One Yr		One Yr		One Yr
No.	1/4/23 6:36 PM	Projected	Chng	Projected	Chng	Projected	Chng	Projected	Chng	Projected	Chng
		FY22	FY22	FY23	FY23	FY24	FY24	FY25	FY25	FY26	FY26
B	Benefits	19,088,534	3.6%	19,837,500	3.9%	20,682,688	4.3%	21,762,666	5.2%	22,917,330	5.3%
C	Capital	3,955,000		3,086,000		2,963,000		3,009,500		2,994,000	
	Debt (inside levy)	1,963,844	33.0%	3,250,958	7.1%	3,380,694	0.1%	3,538,338	3.2%	2,958,275	-9.1%
D	Debt (excluded)	2,791,882		2,727,408		2,686,112		1,279,700		-	
E	Energy	2,010,550	0.5%	2,035,000	1.2%	2,290,500	12.6%	2,561,218	11.8%	2,657,939	3.8%
F	Financial	1,010,000	-1.9%	1,092,000	8.1%	1,132,000	3.7%	1,157,000	2.2%	1,182,000	2.2%
G	Education - Out of district	5,446,250	2.3%	5,580,000	2.5%	5,803,200	4.0%	6,035,328	4.0%	6,276,741	4.0%
H	Education - Vocational	788,000	43.3%	870,000	10.4%	904,800	4.0%	1,140,992	26.1%	1,186,632	4.0%
J	Miscellaneous	3,340,650	-5.6%	3,430,054	2.7%	3,508,805	2.3%	3,589,822	2.3%	3,698,169	3.0%
K	Community Priorities	\$ 150,000				\$ 150,000		\$ 150,000		\$ 150,000	
	TOTAL Accomm. COSTS	\$ 40,544,710	3.7%	\$ 41,908,920	3.4%	\$ 43,501,799	3.8%	\$ 44,224,564	1.7%	\$ 44,021,086	-0.5%

	Town of Reading Acc. Costs - Details	One Yr		One Yr		One Yr		One Yr		One Yr	
		Projected	Chng	Projected	Chng	Projected	Chng	Projected	Chng	Projected	Chng
		FY22	FY22	FY23	FY23	FY24	FY24	FY25	FY25	FY26	FY26
B1	Contributory Retirement	5,568,534	6.5%	\$ 5,785,500	3.9%	6,140,000	6.1%	6,539,100	6.5%	6,964,142	6.5%
B3	OBRA fees & OPEB study	40,000	0.0%	\$ 40,000	0.0%	40,000	0.0%	40,000	0.0%	40,000	0.0%
B4	OPEB contribution	100,000	0%	\$ 500,000	400.0%	500,000	0.0%	500,000	0.0%	500,000	0.0%
B5	Workers Compensation	375,000	6.5%	\$ 385,000	2.7%	390,000	1.3%	400,000	2.6%	405,000	1.3%
B6	Unemployment Benefits	75,000	-21.1%	\$ 75,000	0.0%	75,000	0.0%	80,000	6.7%	85,000	6.3%
B7	Group Health / Life Ins.	11,800,000	2.7%	\$ 11,922,000	1.0%	12,397,688	4.0%	13,048,566	5.3%	13,753,189	5.4%
B8	Medicare / Social Security	1,000,000	1.3%	\$ 1,000,000	0.0%	1,005,000	0.5%	1,015,000	1.0%	1,025,000	1.0%
B9	Police / Fire Indemnification	130,000	1.6%	\$ 130,000	0.0%	135,000	3.8%	140,000	3.7%	145,000	3.6%
B99	Acc. Costs - Benefits	\$ 19,088,534	3.6%	\$ 19,837,500	3.9%	\$ 20,682,688	4.3%	\$ 21,762,666	5.2%	\$ 22,917,330	5.3%
C99	Acc. Costs - Capital	\$ 3,955,000	71.6%	\$ 3,086,000	-22.0%	\$ 2,963,000	-4.0%	\$ 3,009,500	1.6%	\$ 2,994,000	-0.5%
D1	Debt Service - Principal	4,085,000	-1.7%	\$ 4,919,000	20.4%	5,220,000	6.1%	3,900,000	-25.3%	2,200,000	-43.6%
D2	Debt Service - Interest	670,726	-19.2%	\$ 1,059,366	57.9%	846,806	-20.1%	918,038	8.4%	758,275	-17.4%
D3	Excluded debt	(2,791,882)	-2.0%	(2,727,408)	-2.3%	(2,686,112)	-1.5%	(1,279,700)	-52.4%	-	-100.0%
	Total Included Debt	\$ 1,963,844	-8.1%	\$ 3,250,958	65.5%	\$ 3,380,694	4.0%	\$ 3,538,338	4.7%	\$ 2,958,275	-16.4%
	Premiums for general fund	\$ -	-100%	\$ -	#DIV/0!	\$ -	#DIV/0!	\$ -	#DIV/0!	\$ -	#DIV/0!
D99	Acc. Costs - Debt	\$ 4,755,726	-4.8%	\$ 5,978,366	25.7%	\$ 6,066,806	1.5%	\$ 4,818,038	-20.6%	\$ 2,958,275	-38.6%
E1	Street Lighting (DPW)	150,000	3.4%	\$ 130,000	-13.3%	135,000	3.8%	140,000	3.7%	145,000	3.6%
E2	Electricity (FacCORE)	873,000	-0.2%	\$ 890,000	1.9%	1,080,000	21.3%	1,112,400	3.0%	1,156,896	4.0%
E3	Natl Gas (FacCORE)	635,000	0.0%	\$ 650,000	2.4%	676,000	4.0%	899,080	33.0%	935,043	4.0%
E4	Water/Sewer (FacCORE)	187,550	4.2%	\$ 200,000	6.6%	209,500	4.8%	214,738	2.5%	221,000	2.9%
E6	Fuel - vehicles (DPW)	165,000	0.0%	\$ 165,000	0.0%	190,000	15.2%	195,000	2.6%	200,000	2.6%
E99	Acc. Costs - Energy	\$ 2,010,550	0.5%	\$ 2,035,000	1.2%	\$ 2,290,500	12.6%	\$ 2,561,218	11.8%	\$ 2,657,939	3.8%
F1	Casualty Ins (AD SVC)	660,000	17.9%	\$ 767,000	16.2%	787,000	2.6%	807,000	2.5%	827,000	2.5%
F2	Vet's Assistance (PUB SVC)	150,000	-11.8%	\$ 125,000	-16.7%	\$ 145,000	16.0%	\$ 150,000	3.4%	\$ 155,000	3.3%
F3	FINCOM Reserve Fund	200,000	-33.3%	\$ 200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000	0.0%
F99	Acc. Costs - Financial	\$ 1,010,000	-1.9%	\$ 1,092,000	8.1%	\$ 1,132,000	3.7%	\$ 1,157,000	2.2%	\$ 1,182,000	2.2%
G1	SPED transp OOD (Sch)	1,391,250	5.0%	\$ 1,035,000	-25.6%	1,076,400	4.0%	1,119,456	4.0%	1,164,234	4.0%
G2a	SPED tuition OOD (Sch)	5,355,000	5.0%	\$ 5,575,000	4.1%	5,798,000	4.0%	6,029,920	4.0%	6,271,117	4.0%
G2b	SPED contingency			\$ 470,000	100.0%	488,800	4.0%	508,352	4.0%	528,686	4.0%
G3	SPED offsets OOD (Sch)	(1,300,000)	18.2%	\$ (1,500,000)	15.4%	(1,560,000)	4.0%	(1,622,400)	4.0%	(1,687,296)	4.0%
G99	Acc. Costs - OOD SPED	\$ 5,446,250	2.3%	\$ 5,580,000	2.5%	\$ 5,803,200	4.0%	\$ 6,035,328	4.0%	\$ 6,276,741	4.0%
H1	Voc School - NERMVS	572,000	25.7%	\$ 640,000	11.9%	665,600	4.0%	892,224	34.0%	927,913	4.0%
H2	Voc School - Minute Man	46,000	31.4%	\$ 50,000	8.7%	52,000	4.0%	54,080	4.0%	56,243	4.0%
	Voc School - Essex North	170,000	183.3%	\$ 180,000	5.9%	187,200	4.0%	194,688	4.0%	202,476	4.0%
H99	Acc. Costs - Vocational	\$ 788,000	43.3%	\$ 870,000	10.4%	\$ 904,800	4.0%	\$ 1,140,992	26.1%	\$ 1,186,632	4.0%
J1	Rubbish (DPW)	1,905,500	3.0%	\$ 1,975,000	3.6%	2,034,250	3.0%	2,095,278	3.0%	2,158,136	3.0%
J2	Snow and Ice Control (DPW)	675,000	0.0%	\$ 675,000	0.0%	675,000	0.0%	675,000	0.0%	700,000	3.7%
J3	State Assessments	760,150	3.4%	\$ 780,054	2.6%	799,555	2.5%	819,544	2.5%	840,033	2.5%
	Cemetery (DPW)										
J99	Acc. Costs - Misc.	\$ 3,340,650	-5.6%	\$ 3,430,054	2.7%	\$ 3,508,805	2.3%	\$ 3,589,822	2.3%	\$ 3,698,169	3.0%



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

Finance Committee

Date: 2022-10-19

Time: 7:00 PM

Building: Reading Town Hall

Location: Select Board Meeting Room

Address: 16 Lowell Street

Session: Open Session

Purpose: General Business

Version: Draft

Attendees: **Members - Present:**

Chair Ed Ross, Vice Chair Jeanne Borawski, Joe Carnahan, Geoffrey Coram, Marianne Downing, Joe McDonagh (remote), Emily Sisson, Mark Zarrow (remote)

Members - Not Present:

Others Present:

Town Manager Fidel Maltez, Town Accountant Sharon Angstrom (remote), Assistant Town Manager Jean Delios (remote)

Minutes Respectfully Submitted By: Jacquelyn LaVerde

Topics of Discussion:

This meeting was held in-person at Town Hall in the Select Board Meeting Room, and remotely via Zoom.

Chair Ed Ross called the meeting to order at 7:00 pm.

Liaison Reports:

Marianne Downing shared that the Reading ARPA Advisory Committee (RAAC) completed its work on October 12th. The Select Board should be taking their final votes at their meeting on October 25th. She noted the many things learned from all of the requests, and many unmet needs of the Town.

Emily Sisson stated that she attended all of the Killam School Building Committee meetings and yesterday's Recreation Committee meeting. The pickleball community is forming a 501c3 organization so that they can start fundraising to get pickleball courts built.

Vote on Recommendations/Guidance for FY24 Budget:

Town Accountant Sharon Angstrom shared that she expects Free Cash to be certified in time for November Town Meeting, and estimates that it will be \$19.8 million. She reviewed the presentation shared at the Financial Forum, which included figures using different amounts of free cash, sources of revenue, sustainable and not-sustainable revenue, regeneration, and past free cash use. Following a lengthy discussion, the Finance Committee agreed that 3.75% was an appropriate amount of Free Cash to use to support the upcoming budget.

On a motion by Jeanne Borawski, and seconded by Joe Carnahan, the Finance Committee voted 8-0-0 to instruct the Town Accountant to move forward building the FY24 budget using \$3.28 million in Free Cash, which represents 3.75% increase to the operating budget, with the assumption that \$700,000 is directed at extra Capital over and above the 5% minimum FINCOM policy.

Roll Call Vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Vote on Warrant Articles for November Town Meeting:

Article 3: Amend the FY23 Capital Plan. Ms. Angstrom and Mr. Maltez reviewed proposed changes to the current FY23 Capital Plan.

On a motion by Jeanne Borawski, and seconded by Marianne Downing, the Finance Committee voted 8-0-0 to recommend Article 3 to Town Meeting as presented.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Finance Committee report to Town Meeting assigned to Mark Zarrow.

Article 4: Amend the FY23 Budget. Ms. Angstrom reviewed the proposed amendments to the current FY23 budget.

On a motion by Jeanne Borawski, and seconded by Emily Sisson, the Finance Committee voted 8-0-0 to recommend the subject matter of Article 4 to Town Meeting.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Finance Committee report to Town Meeting assigned to Joe McDonagh.

Article 5: Prior Years' Bills. Mr. Maltez stated that the article will be tabled, as there are no prior years' bills.

Article 6: Affordable Trust Fund. Mr. Maltez reviewed the instructional motion from April Town Meeting to update the Affordable Housing Trust Fund. This article proposes to repeal the special act approved in 2001, create a new affordable trust fund in accordance with MGL, and adopt a new bylaw.

On a motion by Jeanne Borawski, and seconded by Joe Carnahan, the Finance Committee voted 8-0-0 to recommend the substance of Article 6 as presented to Town Meeting.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Finance Committee report to Town Meeting assigned to Joe Carnahan.

Article 3: Ms. Angstrom requested that the Committee revote Article 3, to correct some figures presented earlier in the meeting.

On a motion by Jeanne Borawski, and seconded by Emily Sisson, the Finance Committee voted 8-0-0 to reconsider Article 3.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

On a motion by Jeanne Borawski, and seconded by Emily Sisson, the Finance Committee voted 8-0-0 to recommend the subject matter of Article 3 as presented with corrections by Town Accountant Sharon Angstrom to Town Meeting.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Article 7: Feasibility Study for Killam Elementary School. Mr. Maltez reviewed the request for \$2.2 million from Free Cash to fund a feasibility study to build a new Killam Elementary School, as voted on by the School Committee.

On a motion by Jeanne Borawski, and seconded by Marianne Downing, the Finance Committee voted 8-0-0 to recommend the subject matter of Article 7 to Town Meeting.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Finance Committee report to Town Meeting assigned to Marianne Downing.

Article 9: Senior Tax Exemptions. This article renews the version approved in 2019.

On a motion by Jeanne Borawski, and seconded by Emily Sisson, the Finance Committee voted 8-0-0 to recommend Article 9 to Town Meeting.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Finance Committee report to Town Meeting assigned to Jeanne Borawski.

Article 14: Upgrade water mains. Mr. Maltez explained that the article seeks approval for a no-interest loan from the MWRA to upgrade water mains.

On a motion by Jeanne Borawski, and seconded by Joe McDonagh, the Finance Committee voted 8-0-0 to recommend Article 14 to Town Meeting.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Finance Committee report to Town Meeting assigned to Emily Sisson.

Article 15: Maillet Sommes Morgan stormwater project. Mr. Maltez stated that the Town received a \$2.1 million grant from the Municipal Vulnerability Preparedness (MVP) grant, which requires a 25% match. The Town is waiting to hear whether it will receive a federal earmark toward the project. This article requests authorization to borrow \$1 million for the project.

On a motion by Jeanne Borawski, and seconded by Marianne Downing, the Finance Committee voted 8-0-0 to recommend the subject matter of Article 15 to Town Meeting as presented.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Finance Committee report to Town Meeting assigned to Geoffrey Coram.

Article 16: Haven Street design. This article seeks \$750,000 to bring the design to 100% completion for an Economic Development project to improve Haven Street with wider sidewalks, pedestrian lighting, and congregation space. Getting this approved enables the Town to meet MBTA communities guidelines to qualify for MassWorks Grants.

Ms. Downing expressed concern about the timing on this article, as there are a lot of other ongoing and upcoming development projects that may impact this project after the design is completed.

On a motion by Jeanne Borawski, and seconded by Emily Sisson, the Finance Committee voted 7-1-0 to recommend Article 16 to Town Meeting.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – No, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Finance Committee report assigned to Ed Ross.

Article 17 for replacement of the Parker Middle School roof will be tabled, as it is no longer needed.

Article 18: Smart Growth Stabilization Fund. There is currently \$503,000 from funds received from 2008 through 2015. This article seeks to transfer \$414,000 from Free Cash from funds received from Postmark Square, Ace Flats, Rise 475, and 14 Chapin Avenue Smart Growth developments. The money from the Smart Growth Stabilization fund can be used only for capital expenditures.

On a motion by Jeanne Borawski, and seconded by Joe Carnahan, the Finance Committee voted 8-0-0 to recommend Article 18 to Town Meeting.

Roll call vote: Mark Zarrow – Yes, Joe McDonagh – Yes, Joe Carnahan – Yes, Marianne Downing – Yes, Jeanne Borawski – Yes, Emily Sisson – Yes, Geoffrey Coram – Yes, Ed Ross – Yes.

Mr. Maltez explained that Article 19, for the purchase the former Walgreens property, and Article 22, for Green Communities, are expected to be tabled by the Select Board and will not be presented.

Financial Forum II and Future Meeting Agendas:

Topics that will be discussed at the upcoming Financial Forum include: RAAC recommendations and summary of unfunded requests and other Town needs, reimbursement rates for the Killam School, update on Reading Center for Active Living Committee (ReCALC) study, and discussion on creating a Capital Improvement Committee.

Approve 9/21 Meeting Minutes:

Jeanne Borawski made a motion to approve the meeting minutes of September 21st, 2022, which was seconded by Ed Ross. Language indicating the RAAC was called to order was stricken from the draft of the minutes, as RAAC was not posted, it could not be called to order, and RAAC members present did not engage in RAAC relevant discussion. **On said motion, and duly seconded, the Finance Committee voted 8-0-0 to approve the meeting minutes of September 21st, 2022 as amended.**

On a motion by Emily Sisson, and seconded by Joe Carnahan, the Finance Committee voted 8-0-0 to adjourn at 10:11 pm.



Town of Reading Meeting Minutes

2016-09-23 1:45

Board - Committee - Commission - Council:

Finance Committee

Date: 2020-10-26

Time: 7:00 PM

Building: School - Memorial High

Location: School Library

Address: 62 Oakland Road

Session: Open Session

Purpose: Financial Forum

Version: Draft

Attendees: **Members - Present:**

Emily Sisson, Mark Zarrow, Joe McDonagh, Jeanne Borawski, Marianne Downing, Joe Carnahan

Members - Not Present:

Ed Ross, Geoffrey Coram

Others Present:

Town Manager Fidel Maltez, Town Accountant Sharon Angstrom, Mark Dockser, Chris Haley, John O'Neil, Tom Wise, Sue Botton, Dr. Milaschewski, Carla Nazarro, Erin Gaffen, Jackie McCarthy, Karen Herrick

Minutes Respectfully Submitted By: Executive Assistant Caitlin Nocella

Topics of Discussion:

This meeting was held in person and remotely via Zoom.

Free Cash/ Budget Guidance Update

Town Accountant Sharon Angstrom noted last week FINCOM met and discussed free cash and voted to use \$3.28 M to keep a 3.75% operating budget increase. \$700,000 would be used for Capital exclusively. She has now begun building the salary predictions based on this guidance.

Reading ARPA Advisory Committee Update

Marianne Downing gave a presentation on RAAC. The Select Board formed the RAAC to give guidance to on how to distribute over \$7M in ARPA grant money the town received. The advisory committee is set to sunset in December, and they have completed their work. They conducted surveys and heard presentations and requests for the money. The full presentation with more details about the exact requests and payouts can be found in the FINCOM packet on the Town website.

The School Committee called to order at 7:22 PM.

Jeanne Borawski thanked RAAC for all their work and Chris Haley thanked Marianne Downing specifically for all her time and effort on the committee as well.

Reading Center for Active Living (ReCalc) Update

John O'Neill, Chair of ReCalc, gave an update and presentation on ReCalc and their work thus far. You can find the presentation in the FINCOM packet located on the town website.

The Select Board called to order at 7:43 PM.

Jean Delios then shared some preliminary results to the ReCalc survey. The presentation can be found in the FINCOM packet on the town website.

Killam Funding & Reimbursement Discussion

Jeanne Borawski noted that at the last FINCOM meeting the committee voted unanimously to support the use of \$2.2M out of free cash to do a feasibility study in moving forward with the MSBA process.

Dr. Milaschewski was hoping to discuss what a presentation should look like to town meeting to explain this process.

There are three scheduled tours of the Killam School for Town Meeting members and the first one was held earlier tonight.

Susan Bottan gave a presentation on what they believe the presentation to Town Meeting should include. This can be found in the FINCOM packet on the town website. They discussed, historically, how the reimbursement process works.

Capital Improvement Committee Discussion

The current process in place includes the Town Manager driving the process. This Committee could include members from various town boards to help with the priorities. It was noted staff still needs to be driving this, but it would be helpful to have some outside input.

Marianne Downing noted this may need to be a Charter change for this to be a permanent committee. They will need to consult counsel for how to create this board.

Tom Wise feels this can easily be accomplished with a designated financial forum about capital.

Mark Dockser feels this is not just a once-a-year meeting, this should be a year-round conversation.

Members agreed it would be helpful to hear from legal on their options and come back to this at a later date as this would be for next calendar year at this point anyway.

Tom Wise moved to adjourn the School Committee at 10:16PM; with a second from Carla Nazzaro, the motion passed unanimously.

Chris Haley moved to adjourn the Select Board at 10:16 PM; with a second from Karen Herrick, the motion passed unanimously.

Marianne Downing moved to adjourn Finance Committee at 10:16PM. The motion was seconded by Joe Carnahan and approved unanimously.