



## Town of Reading Meeting Minutes

### **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

Session: Open Session

Purpose: General Business

Version: Final

#### Attendees: **Members - Present:**

Chair Ed Ross, Vice Chair Jeanne Borawski, Joe Carnahan, Geoffrey Coram, Marianne Downing, Joe McDonagh (6:05 pm), Emily Sisson (remote), Mark Zarrow

#### **Members - Not Present:**

#### **Others Present:**

Town Accountant Sharon Angstrom, Town Manager Fidel Maltez

**Minutes Respectfully Submitted By:** Jacquelyn LaVerde

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### **Topics of Discussion:**

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

Chair Ed Ross called the meeting to order at 6:02 pm.

Roll Call: Jeanne Borawski, Geoffrey Coram, Joe Carnahan, Mark Zarrow, Marianne Downing, Emily Sisson (remote), and Ed Ross.

#### **Liaison Reports:**

Jeanne Borawski shared that the School Committee has held their budget meetings over the last few weeks, and held a public hearing as part of their budget process.

Joe Carnahan noted that the Reading Municipal Light Department Board of Commissioners and Advisory Board are holding a joint meeting to decide on rates for next year.

Emily Sisson stated that Recreation is getting quotes for Birch Meadow Phase I, which are coming in higher than budgeted.

Marianne Downing stated that the Reading Center for Active Living Committee (ReCALC) voted 7-0 to create a multigenerational center. All options for its location are back on the table and the former Walgreens is not yet off the table.

Joe McDonagh joined the meeting at 6:05 pm.

#### **Presentation by Town Accountant and Discussion on the FY2024 Spending Scorecard and Financial Forecast:**

Town Accountant Sharon Angstrom explained that it is unusual to make changes to Accommodated Costs so late in the budget process, but Finance is working hard with the Schools to get full-day kindergarten funded as soon as possible. The Schools had \$250,000 in their budget, there was \$150,000 budgeted for Community Priorities, but the School

Superintendent asked for another \$100,000. Ms. Angstrom explained that she reviewed accommodated costs and was able to adjust the natural gas line item. Gas rates are expected to increase in May, for only one month of the fiscal year. But to prepare for the 36% increase, the line item was budgeted for a whole year of increased rates to bring up the base. By adjusting the line, approximately \$117,000 was made available, as it would have gone back to Free Cash if not spent or reallocated at a future Town Meeting. But as a result, it increased the operating budget for both Town and Schools. Ms. Angstrom asked the Committee if they were still comfortable with using \$3.28 million of Free Cash to support the FY2024 budget, even though it now represents 4% of the operating budget, instead of 3.75%, as they previously voted.

The Finance Committee members discussed and agreed with the change to the accommodated costs, and that the use of \$3.28 million of free cash was still appropriate. They also expressed concern about the sustainable costs of free full-day kindergarten, and the future use of free cash.

**Future Meeting Agenda Items:**

The Committee requested to preview the projected use of free cash at their first budget meeting prior to hearing the School Department budget presentation. The upcoming budget meetings will kick off on March 1<sup>st</sup> with the School presentation, and continue March 8<sup>th</sup> for the first half of the Town Budget, March 15<sup>th</sup> for the second half of the Town Budget and possible votes on Annual Town Meeting warrant articles, and March 22<sup>nd</sup> if needed to complete budget discussions and vote on the Town Meeting articles.

**Approval of Previous Minutes:**

**On a motion by Jeanne Borawski, and seconded by Mark Zarrow, the Finance Committee voted 8-0-0 to approve the meeting minutes of October 19, 2022. Roll call vote: Emily Sisson – Yes, Marianne Downing – Yes, Mark Zarrow – Yes, Jeanne Borawski – Yes, Geoffrey Coram – Yes, Joe Carnahan – Yes, Joe McDonagh – Yes, Ed Ross – Yes.**

**On a motion by Jeanne Borawski, and seconded by Joe Carnahan, the Finance Committee voted 6-0-2 to approve the meeting minutes of October 26, 2022, with Geoffrey Coram and Ed Ross abstaining, as they were not present at that meeting. Roll call vote: Emily Sisson – Yes, Joe McDonagh – Yes, Marianne Downing – Yes, Mark Zarrow – Yes, Jeanne Borawski – Yes, Geoffrey Coram – Abstain, Joe Carnahan – Yes, Ed Ross – Abstain.**

**On a motion by Jeanne Borawski, and seconded by Emily Sisson, the Finance Committee voted 8-0-0 to adjourn at 6:57 pm. Roll call vote: Emily Sisson – Yes, Joe McDonagh – Yes, Marianne Downing – Yes, Mark Zarrow – Yes, Jeanne Borawski – Yes, Geoffrey Coram – Yes, Joe Carnahan – Yes, Ed Ross – Yes.**