

**Town of
Reading
Massachusetts**



**2018 Annual Town Meeting
Report on the Warrant
April 23, 2018**

**ANNUAL TOWN MEETING
APRIL 23, 2018
TABLE OF CONTENTS**

<u>Article</u>	<u>Title</u>	<u>Sponsor</u>	<u>Page #</u>
1	Election		2
2	Reports	Board of Selectmen	3
3	Instructions	Board of Selectmen	3
4	Amend the FY2018-28 Capital Improvement Program	Board of Selectmen	4
5	Amend Operating Budget	Finance Committee	5
6	Approve Payment of Prior Year's Bills	Board of Selectmen	7
7	Declare Surplus Materials	Board of Selectmen	7
8	Fund OPEB	Board of Selectmen	8
9	Amend General Bylaws – Section 6.6.2	Board of Selectmen	8
10	Amend General Bylaws – Section 6.6.4	Board of Selectmen	11
11	Approve Revolving Funds	Board of Selectmen	12
12	Approve Affordable Housing Trust Fund Allocation Plan	Board of Selectmen	14
13	Authorize Digital Curriculum Contracts	Board of Selectmen	15
14	Amend General Bylaws – Section 1.10	Board of Selectmen	16
15	Amend Zoning Bylaw – Section 6.0 Intensity Regulations	CPDC	17
16	Authorize FY19 Chapter 90 Expenditures	Board of Selectmen	25
17	Adopt FY19 Budget	FINCOM	25 & 28
18	Removal of Town Meeting Members pursuant to the Reading Home Rule Charter	Board of Selectmen	25

	APPENDIX		
	Table of Organization		202
	Capital Improvement Plan and Debt Schedule		203
	School Finance & Budget Laws, Regulations, and Policies		212
	School Finance and Accounting		219
	Conduct of Town Meeting		225
	Town Meeting Handout Guidelines		232

COMMONWEALTH OF MASSACHUSETTS

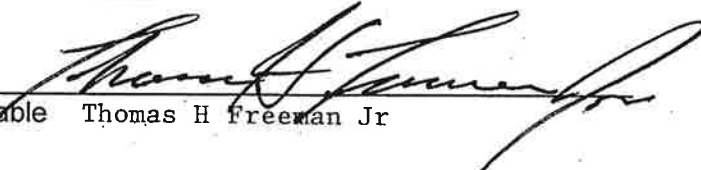
Middlesex, ss. Officer's Return, Town of Reading:

By virtue of this Warrant, I Thomas H Freeman Jr, on March 12, 2018 notified and warned the inhabitants of the Town of Reading, qualified to vote on Town affairs, to meet at the place and at the time specified by posting attested copies of this Town Meeting Warrant in the following public places within the Town of Reading:

- Precinct 1 J. Warren Killam School, 333 Charles Street
- Precinct 2 Reading Police Station, 15 Union Street
- Precinct 3 Reading Municipal Light Department, 230 Ash Street
- Precinct 4 Joshua Eaton School, 365 Summer Avenue
- Precinct 5 Reading Public Library, 64 Middlesex Avenue
- Precinct 6 Barrows School, 16 Edgemont Avenue
- Precinct 7 Birch Meadow School, 27 Arthur B Lord Drive
- Precinct 8 Wood End School, 85 Sunset Rock Lane
- Town Hall, 16 Lowell Street

The date of posting being not less than fourteen (14) days prior to April 3, 2018, the date set for Town Meeting in this Warrant.

I also caused a posting of this Warrant to be published on the Town of Reading website on March 12, 2018.



Constable Thomas H Freeman Jr

A true copy Attest:



Laura Gemme, Town Clerk

TOWN WARRANT



COMMONWEALTH OF MASSACHUSETTS

Middlesex, ss.

To any of the Constables of the Town of Reading, Greetings:

In the name of the Commonwealth of Massachusetts, you are hereby required to notify and warn the inhabitants of the Town of Reading, qualified to vote in the Local Elections and Town affairs, to meet in the following place designated for the eight precincts in said Town, namely:

Precincts 1, 2, 3, 4, 5, 6, 7 and 8
Reading Memorial High School, Hawkes Field House, Oakland Road

TUESDAY, the THIRD DAY OF APRIL, A.D., 2018
from 7:00 a.m. to 8:00 p.m. to act on the following Articles, viz:

ARTICLE 1 To elect by ballot the following Town Officers:

A Moderator for one year;
One member of the Board of Selectmen for three years;
Two members of the Board of Library Trustees for three years;
One member of the Board of Library Trustees for two years;
Two members of the Municipal Light Board for three years;
Two members of the School Committee for three years;

Seventy-Six Town Meeting Members shall be elected to represent each of the following precincts:

Precinct 1 Eight members for three years;
One member for two years
One member for one year;
Precinct 2 Eight members for three years;
Two members for one year;
Precinct 3 Eight members for three years;
Three members for one year;
Precinct 4 Eight members for three years;
Precinct 5 Eight members for three years;
Two members for one year;
Precinct 6 Eight members for three years;
Three members for one year;
Precinct 7 Eight members for three years; and
Precinct 8 Eight members for three years

and to vote on the following question:

Shall the Town of Reading be allowed to assess an additional \$4.15 million in real estate and personal property taxes for the purposes of the general operation of the Public Schools for Classroom Teachers (\$1,802,484); Teaching, Learning and Classroom Support (\$821,429); and Athletics (\$31,056); for 5 Police Officers and 4 Firefighter/paramedics (\$1,050,311); for General Government including Public Works, Finance, Technology, Human/Elder Services and Inspections (\$317,391); and for increased hours and staffing for the Public Library (\$127,329) for the fiscal year beginning July 1, 2018?

Yes ____ No ____

and to meet at the Reading Memorial High School, 62 Oakland Road, in said Reading on

MONDAY, the TWENTY-THIRD DAY of APRIL A.D., 2018

at seven-thirty o'clock in the evening, at which time and place the following Articles are to be acted upon and determined exclusively by Town Meeting Members in accordance with the provisions of the Reading Home Rule Charter.

ARTICLE 2 To hear and act on the reports of the Board of Selectmen, School Committee, Library Trustees, Municipal Light Board, Finance Committee, Bylaw Committee, Town Manager, Town Accountant and any other Town Official, Board or Committee.

Board of Selectmen

Background: This article appears on the Warrant for all Town Meetings. At this Annual Town Meeting, the following reports are anticipated:

- Updates on RMLD Instructional Motion (BOS member)
- Updates on Gender Neutral Instructional Motion (Bylaw Committee Chair)
- State of the Town (BOS Chair)
- Financial Update (FINCOM Chair)

ARTICLE 3 To choose all other necessary Town Officers and Boards or Committees and determine what instructions shall be given Town Officers and Boards or Committees, and to see what sum the Town will vote to appropriate by borrowing or transfer from available funds, or otherwise, for the purpose of funding Town Officers and Boards or Committees to carry out the instructions given to them, or take any other action with respect thereto.

Board of Selectmen

Background: This Article appears on the Warrant of all Town Meetings. There are no known Instructional Motions at this time. The Town Moderator requires that all proposed Instructional Motions be submitted to the Town Clerk in advance so that Town Meeting Members may be "warned" as to the subject of an Instructional Motion in advance of the motion being made. Instructional Motions are normally held until the end of all other business at Town Meeting.

ARTICLE 4 To see if the Town will vote to amend the FY 2018-28 Capital Improvements Program as provided for in Section 7-7 of the Reading Home Rule Charter and as previously amended, or take any other action with respect thereto.

Board of Selectmen

Background: This Article is included in every Town Meeting Warrant. The Reading General Bylaw (section 6.1.3) states "... No funds may be appropriated for any capital item unless such item is included in the Capital Improvements Program (CIP), and is scheduled for funding in the Fiscal Year in which the appropriation is to be made." Bond ratings agencies also want to ensure that changes to a long-term CIP are adequately described.

The following changes are proposed to the FY2018 – FY2028 CIP (current year plus ten years):

General Fund

FY18: no changes

- +\$33,000 School Technology (District-wide Technology Network projects)
- \$33,000 School Technology (wireless access points)

FY19: no net changes

- +\$500,000 Facilities/Town Buildings (Dispatch Center – moved up from FY21)
- \$450,000 Facilities CORE (Building Security – defer all to two part project)
- \$50,000 DPW Parks (-\$25,000 fence replacement; -\$25,000 parking lot improvements)

FY20 no net changes

- +\$800,000 Replace Pumper Engine #4 (2001; move up from FY21)
- \$475,000 Facilities CORE Parker Roof (defer to FY21)
- \$200,000 DPW Front End Loader (2009; defer to FY21)
- \$125,000 Facilities Town Hall Generator (defer to FY21)

FY21+

Various other changes made

Enterprise Funds - Water

FY18: no changes

FY19: -\$50,000

- +\$100,000 Downtown Infrastructure Assessment
- \$150,000 Truck #6 (defer to FY20)

FY20: -\$70,000

- +\$155,000 Truck #6 (moved from FY19 and increased by \$5,000)
- \$225,000 Well abandonment (moved out to FY23)
- FY20 debt increased +\$240,000 for possible downtown infrastructure improvements*
- FY20 debt decreased -\$490,000 as Auburn Water tank moved out one year to FY21*

FY21+

Various changes made

Enterprise Funds - Sewer

FY18: no changes

FY18 MWRA debt increased +\$63,000

FY19: +\$58,000

+\$100,000 Downtown Infrastructure Assessment

-\$42,000 Pickup #6 (2011; deferred to FY21)

FY19 MWRA debt increased +\$39,000

FY20: +\$150,000

+\$150,000 Sturges Sewer Station Design (advanced from project debt in FY21)

FY20 debt increased +\$240,000 for possible downtown infrastructure improvements

FY21+

Various changes made

Enterprise Funds – Storm Water

FY18: no changes

FY19: +\$350,000

+\$250,000 Sturges Park project

+\$100,000 Downtown Infrastructure Assessment

FY19 debt decreased -\$411,250 by splitting up Sturges, Main St, Minot St projects

FY20: no changes

FY20 debt increased +\$240,000 for possible downtown infrastructure improvements

FY20 debt decreased -\$399,000 by splitting up Sturges, Main ST, Minot St projects

FY21+

Various changes made

Finance Committee Report: The Finance Committee recommends the proposed amendments to the FY 2018 – FY 2028 Capital Improvements Program by a vote of 7-0-0 at their meeting on March 7, 2018. Placing items in the Capital Improvement Program is a prerequisite but in itself does not authorize spending funds towards these items.

Bylaw Committee Report: No report.

ARTICLE 5 To see if the Town will vote to amend the Town's Operating Budget for the Fiscal Year commencing July 1, 2017, as adopted under Article 16 of the Annual Town Meeting of April 4, 2017 and amended under Article 4 of the Subsequent Town Meeting of November 13, 2017; and to see if the Town will vote to raise and appropriate, borrow or transfer from available funds, or otherwise provide a sum or sums of money to be added to the amounts appropriated under said Article, as amended, for the operation of the Town and its government, or take any other action with respect thereto.

Finance Committee

Background:**General Fund – Wages and Expenses**

Account Line	Description	Decrease	Increase
B91 – Benefits wages	111F Retirement		\$47,500
B99 – Benefits expenses	Retirement Actuarial Services -\$25,000 Health Insurance Premiums -\$175,000	\$200,000	
C99-Capital	Excess available from capital items (often due to high trade-in values): DPW: \$19,500 screener; \$7,500 car; \$6,000 roller; \$6,000 sanding truck; \$5,500 mower; \$3,000 dump truck; \$1,500 leaf vac. Facilities: \$17,000 Killam Flooring; West Side Fire roof \$14,000; RMHS carpet \$2,500; Pickup \$1,000	\$83,500	
E99 – Vocational Education	NEMRVS +\$27,000 Essex North +\$38,000 Minuteman -\$60,000		\$5,000
G92 – Administrative Services Expenses	Prop & Casualty Ins Premiums +\$31,000 Rugged laptops (2) for DPW \$10,000		\$41,000
H91 - Public Services Wages	Vacant positions -\$25,000 *Vacant Ec. Devel. positions -\$40,000	\$65,000	
H91 - Public Services Expenses	40R Plan Review(s) \$25,000 Veteran's Benefits -\$25,000 *Ec Dev expenses -\$12,500	\$12,500	
I91 – Finance Wages	Overlap for transition to new Treasurer		\$7,500
J91 – Public Safety Wages	Fire Alarm Technicians +\$5,000 Fire Sick/Vacation buyback \$40,500 Police Sick/Vacation Buyback \$17,500 Fire OT +\$180,000 Police OT +\$25,000		\$268,000
J92 – Public Safety expenses	Animal Control -\$50,000 Uniforms/equipment +\$10,000 Training +\$10,000	\$30,000	
K91 – Public Works Wages	Civil Engineer vacancy -\$40,000	\$40,000	
K92 – Public Works Expenses	Trailer for Cemetery mowers \$9,500		\$9,500
K93 – Public Works Snow & Ice			
	Subtotals	\$431,000	\$368,500
	Net Operating Expenses	\$52,500	
	*From Inspections Revolving Fund <i>Reduce the Planning wage offset previously budgeted - \$40,000; Reduce the Planning expense offset -\$12,500</i>	\$52,500	
	From Free Cash		-none-

Enterprise Funds – Wages and Expenses

<u>Account Line</u>	<u>Description</u>	<u>Decrease</u>	<u>Increase</u>
X99 - Sewer Expenses	MWRA debt +\$63,000 MWRA Assessment +\$72,000		\$135,000
	Subtotals		\$135,000
	Net Operating Expenses		\$135,000
	From Sewer Reserves		\$135,000
Y99 – Storm Water Expenses	Drainage work in the Haven Street area \$100,000		\$100,000
	Subtotals		\$100,000
	Net Operating Expenses		\$100,000
	From Storm Water Reserves		\$100,000

Finance Committee Report: At their meeting on March 7, 2018 the Finance Committee voted 7-0-0 to recommend this Article to Town Meeting.

Bylaw Committee Report: No report.

ARTICLE 6 To see if the Town will vote to raise and appropriate, transfer from available funds, borrow or otherwise provide a sum or sums of money to pay bills remaining unpaid from prior fiscal years for goods and services actually rendered to the Town, or take any other action with respect thereto.

Board of Selectmen

Background: There are as yet no prior years' bills, and this Article is expected to be tabled.

ARTICLE 7 To see if the Town will vote to authorize the Board of Selectmen to sell, exchange, or dispose of, various items of Town tangible property, upon such terms and conditions as they may determine; or take any other action with respect thereto.

Board of Selectmen

Background: The following DPW equipment is scheduled for disposal:

<i>Division</i>	<i>Year</i>	<i>Make</i>	<i>Model</i>	<i>Estimated Value \$</i>
Water	2011	Ford	350	6,000
Highway	1989	Trail King Trailer	11000 GVW	2,500
Highway	1990	Baker	11 foot	500
Highway	1990	Baker	10 foot	500
Highway	1990	Baker	10 foot	500
Engineering	2005	Ford	Taurus	1,200
Forestry	1989	Morbark	Eager Beaver	500

Finance Committee Report: At their meeting on March 7, 2018 the Finance Committee voted 7-0-0 to recommend this Article to Town Meeting.

Bylaw Committee Report: No report.

ARTICLE 8 To see if the Town will vote to raise and appropriate, transfer from available funds, borrow or otherwise provide a sum or sums of money for the purpose of funding the irrevocable trust for "Other Post-Employment Benefits Liabilities" or take any other action with respect thereto..

Board of Selectmen

Background: Last year, Town Meeting took advantage of recent state legislation and adopted the provisions of Section 20 of Chapter 32B of the *Massachusetts General Laws*, as amended by Section 15 of the Chapter 218 of the Acts of 2016, placing the Town's OPEB Trust Fund under this new legal structure.

This year Town Meeting is only requested to make the annual transfers of funds previously budgeted and held for the OPEB Trust Fund. This practice is followed each year in case health insurance costs are higher than budgeted, and therefore may be needed to fund a deficit. In FY18, as demonstrated under Article 5, a small surplus exists in that account so the annual OPEB transfers should be completed as originally designed: \$500,000 in the general fund, \$50,000 in the water fund, \$20,000 in the sewer fund and \$6,000 in the storm water fund. This Article will therefore move the total \$576,000 of all these OPEB contributions to the trust for Other Post Employment Benefit liabilities.

The most recent OPEB valuation shows the Town's OPEB liability at \$67.2 million, though this figure will be updated before June 30, 2018. The three Enterprise Funds and the Light Department are on an aggressive twenty year funding schedule, and the General Fund is on a partial funding schedule projected over thirty years. The latter will transition to a full funding schedule as soon as possible, as is required by law or after the Pension Fund is fully funded.

Finance Committee Report: At their meeting on March 7, 2018 the Finance Committee voted 7-0-0 to recommend this Article to Town Meeting.

Bylaw Committee Report: No report.

ARTICLE 9 To see if the Town will vote to amend Section 6.6.2 of the General Bylaw, establishing the Inspection Revolving Fund as shown below, with additions being shown in bold and deletions being struck through:

6.6.2 Inspection Revolving Fund

Funds held in the Inspection Revolving Fund shall be used for legal costs, oversight and inspection, plan review, property appraisals and appeals, public services general management, pedestrian safety improvements, records archiving, and other costs related to building, plumbing, wiring, gas and other permits required for large construction projects and shall be expended by the Town Manager. Receipts credited to this fund shall include building, plumbing, wiring, ~~and gas~~ **and other permit fees for the**

Schoolhouse Commons, Reading Village, Postmark Square, 20-24 Gould Street, 467 Main Street, Oaktree, Addison-Wesley/Pearson and Johnson Woods developments.

or take any other action with respect thereto.

Board of Selectmen

Background: This revolving fund was established by Town Meeting in 2002 to accept permit fees associated with the development of the landfill at 'Walker's Brook Crossing', and a few larger projects (Johnson Farms/Woods and Archstone in 2004; Addison Wesley/Pearson in 2008; and Oaktree in 2010) have been added by Town Meeting since then.

Previous to the state's recent Municipal Modernization Act (MMA), Town Meeting annually voted revolving funds in the format shown below:

Revolving Account	Spending Authority	Revenue Source	Allowed Expenses	Expenditure Limits	Year End Balance
Inspection Revolving Fund	Town Manager	Building, Plumbing, Wiring, Gas and other permits for Oaktree, Addison-Wesley/Pearson and Johnson Woods developments	Legal, oversight and inspection, plan review, initial property appraisals and appeals, Public Services planning and general management, curb, sidewalks and pedestrian safety improvements, records archiving and other project related costs.	\$200,000	Available for expenditure next year

Under MMA, Town Meeting now annually only adopts the Expenditure Limits, which will be the subject matter of Article 11 of this Annual Town Meeting.

Because Town Meeting could previously change any element of that table shown above, the accompanying General Bylaw was not specific, for example for the Inspection Revolving Fund:

6.6.2 Inspection Revolving Fund

Funds held in the Inspection Revolving Fund shall be used for legal costs, oversight and inspection, plan review, property appraisals and appeals, public services general management, pedestrian safety improvements, records archiving, and other costs related to building, plumbing, wiring, gas and other permits required for large construction projects and shall be expended by the Town Manager. Receipts credited to this fund shall include building, plumbing, wiring, and gas fees.

In order to add new projects to that list, first the older projects must be added to the General Bylaw. These include Oaktree, Addison-Wesley/Pearson and the Johnson Woods projects. Then five new projects are requested to be added, and will be described below. They include Schoolhouse Commons, Reading Village, Postmark Square, 20-24 Gould Street, and 467 Main Street.

Schoolhouse Commons: a 20-unit multifamily residential rental housing project at 172 Woburn Street (next to St. Agnes Catholic Church) to be built under MGL Chapter 40B was approved by the Reading Zoning Board of Appeals during the summer 2017 after about a six month public process. Full project details may be found on the Town's website under the Planning division, at this link:

<https://www.readingma.gov/public-services/planning-division/pages/schoolhouse-commons-40b>

Reading Village: a 68-unit multifamily residential rental project at 31-41 Lincoln Street and 2-12 Prescott Street (near the train depot) to be built under MGL Chapter 40B was approved by the Reading Zoning Board of Appeals during the winter 2017 also after about a one year public process. Full project details may be found here:

<https://www.readingma.gov/planning-division/pages/reading-village>

Postmark Square: a mixed use project to be built under MGL Chapter 40R, consisting of 50 condominium (for sale) units and approximately 8,500 square feet of commercial space at 136 Haven Street and 0 Sanborn Street (the former Post Office site) was approved by the Reading Community Planning and Development Commission during the early Fall 2017 after a public process that took the better part of one year because of federal historic requirements. Full project details may be found here:

<https://www.readingma.gov/planning-division/community-planning-and-development-commission/pages/postmark-square-136-haven-st>

20-24 Gould Street: a mixed use project built under MGL Chapter 40R, consisting of a 55 rental units and approximately 3,500 square feet of commercial space at 20 and 24 Gould Street (the former EMARC building) was approved by the Reading Community Planning and Development Commission during the late fall 2017 after a public process that required about 4 months because of historic requirements. Full project details may be found here:

<https://www.readingma.gov/planning-division/community-planning-and-development-commission/pages/20-24-gould-street>

467 Main Street: a mixed use project to be built under MGL Chapter 40R, consisting of 31 rental units and approximately 2,500 square feet of commercial space at 467 Main Street (the former Sunoco gas station) was approved by the Reading Community Planning and Development Commission during the winter 2018 after a public process that took 4 months. Full project details may be found here:

<https://www.readingma.gov/planning-division/community-planning-and-development-commission/pages/467-main-street>

Town Meeting established this revolving fund many years ago, based on the fact that large building projects bring significant but temporary costs for the Town in the planning and implementation phases, that then lead to new growth revenues for the Town and Schools. It should be noted that the last three of these projects above are a direct consequence of Town Meeting's 2009 adoption of the Downtown Smart Growth 40R zoning (overlay) district and 2017 adoption of the expanded district. The extensive efforts of town staff to facilitate economic development and streamlined permitting have played an important role in promoting growth in "Priority Development Areas" such as Downtown.

As was shown by a budget transfer request in Article 5, Plan Review funds allow the Town to protect the interests of abutters and neighbors, and at the same time move these large building projects forward efficiently. The use of the Inspection Revolving Funds ensures that a bi-annual

Town Meeting schedule does not cause bottlenecks in the process, and allows town staff and volunteer boards to react flexibly as new projects arrive.

The Assessors estimate that there is about \$90 million of construction underway in Reading, which will lead to over \$1.0 million of new growth revenues when the projects are completed. These five projects above are just over \$50 million of this total.

Finance Committee Report: At their meeting on March 7, 2018 the Finance Committee voted 7-0-0 to recommend this Article to Town Meeting.

Bylaw Committee Report: At their meeting on March 12, 2018 the Bylaw Committee voted 4-0-0 to recommend this Article to Town Meeting.

ARTICLE 10 To see if the Town will vote to amend Section 6.6.4 of the General Bylaw, establishing the Library Materials Replacement Revolving Fund as shown below, with additions being shown in bold and deletions being struck through:

Library Materials ~~Replacement~~ **Fines and Fees** Revolving Fund.

Funds held in the Library ~~Materials Replacement~~ **Fines and Fees** Revolving Fund shall be used for the acquisition of library materials to replace lost and damaged materials, **or for the maintenance, upkeep and supplies for supplementary fee-based services.** ~~and Funds~~ shall be expended by the Library Director under the supervision of the Library Trustees. Receipts credited to this fund shall include charges for lost and damaged library materials, **and fees from printing, faxing or similar supplementary fee-based services.**

or take any other action with respect thereto.

Board of Selectmen

Background: During the course of a year, the Library recovers funds from patrons who have lost or damaged books or other materials. Previously, those funds went into the Town's General Fund and at the end of the year went into Free Cash. Once this Revolving Fund was adopted (beginning in FY 2010), those funds recovered from patrons for lost or damaged materials were available directly to the Library for expenditure to purchase replacement materials and processing supplies.

The Library currently offers printing as a supplemental service and natural extension of our public computer and wifi services. The fees, \$0.20 pp for black/white and \$0.25 pp for color are minimal and necessary to maintain the printers, replace toner, and purchase paper so the Library can continue to offer this service. The print fees have averaged \$3800 per year. However FY18 has seen over a 50% increase of use and, consequently, an increased need for toner and equipment service.

Similarly, the Library provides a regularly used fax service that incurs both equipment and communications costs, therefore patrons are currently charged a fee of \$1.00 pp. This service averages \$1400 in fees.

To more easily manage the collection and use of these fees, the Board of Library Trustees and

the Library Director recommend rename and amend the current Materials Replacement revolving account to accommodate receipt and expenditure of fees from these current or future supplemental services such as printing and faxing.

Finance Committee Report: At their meeting on March 7, 2018 the Finance Committee voted 7-0-0 to recommend this Article to Town Meeting.

Bylaw Committee Report: At their meeting on March 12, 2018 the Bylaw Committee voted 4-0-0 to recommend this Article to Town Meeting.

ARTICLE 11 To see if the Town will vote to establish the limit on the total amount that may be expended from each revolving fund established by Article 9 of the Town of Reading General Bylaw pursuant to Section 53E½ of Chapter 44 of the *Massachusetts General Laws* for the fiscal year beginning July 1, 2018, or take any other action with respect thereto.

Board of Selectmen

Background:

Revolving Account	Spending Authority	Revenue Source	Allowed Expenses	Expenditure Limits	Year End Balance
Conservation Commission Consulting Fees	Conservation Commission	Fees as provided for in Reading General Bylaws Section 5.7, Wetlands Protection	Consulting and engineering services for the review of designs and engineering work for the protection of wetlands.	\$25,000	Available for expenditure next year
Inspection Revolving Fund	Town Manager	Building, Plumbing, Wiring, Gas and other permits for Schoolhouse Commons, Reading Village, Postmark Square, 20-24 Gould Street, 467 Main Street, Oaktree, Addison-Wesley/Pearson and Johnson Woods developments	Legal, oversight and inspection, plan review, initial property appraisals and appeals, Public Services planning and general management, curb, sidewalks and pedestrian safety improvements, records archiving and other project related costs.	\$200,000	Available for expenditure next year
Public Health Clinics and Services	Board of Health	Clinic fees, charges and third party reimbursements	Materials and costs associated with clinics and public health programs	\$25,000	Available for expenditure next year

Library Fines and Fees Materials Replacement	Library Director and Trustees	Charges for lost or damaged Library materials and fees from printing, faxing or similar supplementary fee-based services.	Acquire Library materials to replace lost or damaged items	\$15,000	Available for expenditure next year
Mattera Cabin Operating	Facilities Director	Rental Fees	Utilities and all other maintenance and operating expenses	\$10,000	Available for expenditure next year
Town Forest	Director of Public Works upon the recommenda tion of the Town Forest Committee	Sale of timber; fees for use of the Town Forest	Planning and Improvements to the Town Forest	\$10,000	Available for expenditure next year

- **Conservation Consulting Revolving Fund** - These funds are used to receive payments from applicants, hire expert consultants where required, and return the balance to the applicant. The balance in the Conservation Consulting Revolving Fund as of February 2018 is \$14.
- **Inspections Revolving Fund** – Please see Article 9 of this Annual Town Meeting Warrant Report for more details. The balance available as of February 2018 in this fund is \$781,351 and of that total \$180,000 is proposed by the Town Manager as part of the FY19 budget {\$130,000 to support Economic Development wages and expenses; and \$50,000 to offset Building division wages}.
- **Health Clinic Revolving Fund** - The Reading Health Division contracts for third party payments for a number of immunizations. The funds are used to augment the influenza vaccine supply from the State Department of Public Health to insure vaccine for the homebound clients and first responders. The Division also uses these funds for materials for other screening clinics. Clinic client fees are also deposited into this fund to offset vaccine and clinical supply costs. The balance available as of February 2018 in this fund is \$82,711. The State has been cutting back on the free flu and other vaccines to be distributed to cities and towns, and the Town therefore needs to purchase extra doses. The necessary amounts used for clinic vaccine, supplies and staff salaries related to the clinics each year directly from the revolving fund is therefore approximately \$25,000.
- **Library Fines and Fees Materials Replacement Fund** – Please see Article 10 of this Annual Town Meeting Warrant Report for more details. The balance available as of February 2018 in this fund is \$15,740.
- **Mattera Cabin Operating Fund** – The log cabin on the Mattera conservation land was purchased several years ago, and was renovated by the Vocational School. Some of the use is revenue generating, and it is anticipated that over time the site will generate enough funding to pay the operating costs of the cabin – primarily utilities. This Article allows those

revenues that are generated to be used directly for the operating expenses of the cabin. The balance available as of February 2018 in this fund is \$848. In response to an instructional motion by Town Meeting, the Town Manager has moved the responsibility for both the Mattera Cabin and Cemetery garages to be moved to the Facilities department.

- **Town Forest Revolving Fund** was created in 2011. The purpose is to allow revenues from controlled timber harvesting and permit fees to then be spent by the DPW Director upon the recommendation of the Town Forest Committee, on improvements to the Town Forest, including planning efforts. The Town Forest Committee has had a forest stewardship plan created (through a grant) to make recommendations on forest management including controlled timber harvesting. The balance available as of February 2018 in this fund is \$0. It is anticipated that timber harvesting on a limited basis could begin at any time, and therefore there will be future proceeds which can be used for the purposes of the revolving fund.

Finance Committee Report: At their meeting on March 7, 2018 the Finance Committee voted 7-0-0 to recommend this Article to Town Meeting.

Bylaw Committee Report: No report.

ARTICLE 12 To see if the Town will vote to approve an Affordable Housing Trust Fund Allocation Plan pursuant to Chapter 140 of the Acts of 2001 entitled "AN ACT AUTHORIZING THE TOWN OF READING TO ESTABLISH AN AFFORDABLE HOUSING TRUST FUND", or take any other action with respect thereto.

Board of Selectmen

Background: Chapter 140 of the Acts of 2001 authorized the Town of Reading to establish a separate fund known as the Affordable Housing Trust Fund (AHTF). The AHTF requires Town Meeting approval of an annual allocation plan submitted by the Board of Selectmen.

AHTF expenditures require approval by a majority vote of the full combined membership of the Board of Selectmen and the Reading Housing Authority. AHTF uses include:

- ◆ Create or preserve affordable housing;
- ◆ Maintain or operate affordable housing;
- ◆ Develop new or rehabilitate existing housing as affordable homeownership or rental units;

The purpose of the Affordable Housing Allocation Plan is to provide a framework for the Town to expend funds on affordable housing. The current AHTF balance of \$266,222 reflects revenue generated through the actions of the CPDC, as well as proceeds from the loss of an affordable unit. There are no Town tax generated funds in the AHTF. The only expenditure to date from the AHTF, in the amount of \$200,000, was to assist Oaktree development with financing affordable housing at 30 Haven Street.

In 2017 the Town hired a consultant to assist a staff initiative to update the Town's Housing Production Plan (HPP). This effort is important as a defense against unfriendly 40B developments in the community, and requires the Town to develop a phased plan to produce

housing to reach the 10% threshold as required by MGL Ch. 40B. The updated 2018 HPP has been approved by the Board of Selectmen and filed with the Commonwealth of Massachusetts, pending approval by the Department of Housing and Community Development.

Several years ago, the Town commissioned and received a supplemental report on how the AHTF can best be used to support the "Planned Production" goals of the Housing Plan. This report was received in late winter 2012, and a presentation was made in April of 2013 to the Board of Selectmen and the Reading Housing Authority. The report recommends a significant restructuring of the Town's AHTF efforts. The Board of Selectmen considered these recommendations, but decided against any changes. Therefore, the current recommendation is to adopt the AHTF Allocation Plan as shown below as the framework for the use of Affordable Housing Trust Fund in FY 2019.

Note that Reading as lead community is part of a regional effort (along with North Reading, Wilmington and Saugus) to share a Regional Housing Services Office (RHSO). The RHSO monitors and administers affordable housing requirements including tracking and updating the Subsidized Housing Inventory (SHI) and maintaining ready buyer and ready renter lists, among other responsibilities.

**Affordable Housing Trust Fund Allocation Plan
FY 2019**

Pursuant to Article 12 of the 2018 Annual Town Meeting, an Affordable Housing Trust Fund Allocation Plan for the Fiscal Year 2019 in accordance with the provisions of Chapter 140 of the Acts of 2001 is as follows:

Available Balance – <u>Unrestricted Funds</u> :	\$266,222
Available Balance – <u>Restricted Funds</u>	\$ 0

Unrestricted funds shall be used for the following purposes:

5% up to a maximum of \$10,000	for administration of Affordable Housing
Remainder	for constructing affordable housing (including loan and grant programs); or for maintaining and improving affordability of existing housing stock; or for the purchase of existing housing stock to add it to or maintain it as a part of the existing affordable housing inventory

Finance Committee Report: At their meeting on March 7, 2018 the Finance Committee voted 7-0-0 to recommend this Article to Town Meeting.

Bylaw Committee Report: No report.

ARTICLE 13 To see if the Town will vote to authorize the Superintendent of Schools, or a designee thereof, to enter into a contract or contracts for Digital Curriculum for a term in excess of three years but not to exceed six years, including any extension or renewal thereof or option under an existing contract, upon such terms and conditions determined by the Superintendent or designee to be in the best interests of the Town; provided, however, that, prior to executing a contract for a term in excess of three years, the Superintendent or designee shall certify in writing to the School Committee that such longer term will enable the Town to secure more favorable terms, considering price, expected useful life of the technology and any

other relevant factors, that would otherwise be available under a contract with a three-year term; and provided further that any such contract with a total value in excess of \$25,000 shall require the concurrence of the Town Manager; or take any other action with respect thereto.

Board of Selectmen

Background: In accordance with Chapter 30B of the *Massachusetts General Laws*, there is a three-year restriction on the length of leases or agreements that can be entered into by the School Department. Given the recent trend toward digital curriculum and the market pricing for three-year terms of service being high and longer terms (up to six-years) contracts being more reasonable, this Article is being brought forth to allow the Superintendent, or designee, to enter into leases for digital curriculum for up to six-years in length.

Finance Committee Report: At their meeting on March 7, 2018 the Finance Committee voted 7-0-0 to recommend this Article to Town Meeting.

Bylaw Committee Report: No report.

ARTICLE 14 To see if the Town will vote to amend the General Bylaw as follows:

A. By inserting, after Section 1.10.2, the following definition:

1.10.3 Executive Board

The Board of Selectmen established by Section 3.2 of the Reading Home Rule Charter. The Executive Board shall have all of the powers and duties granted to Boards of Selectmen by the Constitution and General Laws of the Commonwealth of Massachusetts, and such additional powers and duties as may be provided by the Charter, by this bylaw, by the Zoning Bylaw or by Town Meeting vote.

B. By renumbering subsequent provisions of Section 1.10 accordingly;

and

C. By striking the term "Board of Selectmen," wherever it may currently appear in said Bylaw, and inserting, in place thereof, the term "Executive Board;"

or take any other action with respect thereto.

Board of Selectmen

Background: At November 2017 Town Meeting, the following Instructional Motion was approved:

"Direct the Bylaw Committee in Conjunction with the Board of Selectmen to remove gendered language from the General Bylaw and the Charter. Provide progress and projected finish date to Town Meeting in the April 2018 session. By the April 2018 Town Meeting have a motion for changing Board of Selectmen to Select Board or recommended gender neutral title."

Several attempts to convene a meeting of the Bylaw Committee as of this writing have not been successful, so in order to fulfill part of this request, the Town Manager and Town Counsel have provided the above Article which will serve as a basis for discussion on the topic for Town Meeting.

Select Board is one choice that has been adopted by some communities. Often it works fine, but there have been examples of board members requesting that a reference to them should then be as either a Selectman or a Selectwoman, which is a natural fit, but one that seems to defeat the spirit of the Instructional Motion. Thus the terms Executive Board and Executive Board member would seem to be a stronger gender-neutral choice, and it accurately reflects the legal role filled by this board. Neighboring Wakefield has chosen to rename their Board of Selectmen to be Town Council, and members are Town Councilors. While gender neutral, we think this term is too easily confused with Town Counsel.

Some communities have changed only the public reference to their Board of Selectmen, without making any changes to their Bylaws or Charter. Again in keeping with the spirit of the request of the Instructional Motion we believed a formal legal change was the best choice, and this suggested Article will make such a change. A more expensive and time consuming process would be to change the Charter, which could not happen in time for April 2018 Town Meeting. Certainly this topic should be placed on the Bylaw Committee's list of things to review for the next scheduled Charter change. The Charter specifies that a formal Charter Review Committee must occur at least every ten years.

Note that any local changes must make reference to the term Board of Selectmen, which is the legal term used by the Commonwealth of Massachusetts.

Finance Committee Report: No report.

Bylaw Committee Report: At their meeting on March 12, 2018 the Bylaw Committee voted 4-0-0 to recommend this Article to Town Meeting.

ARTICLE 15 To see if the Town will vote to amend Section 6.0 Intensity Regulations of the Zoning Bylaw as shown below, with additions being shown in bold and deletions being struck through:

6.0 INTENSITY REGULATIONS

No use shall be established, nor building or structure erected in any district unless it conforms to the dimensional regulations of the Zoning Bylaw. No existing lot, building or structure shall be changed in size or shape so that the height, area, yard or coverage provisions herein prescribed are exceeded.

6.1 General Requirements

6.1.1 Dimensional Requirements

Dimensional requirements for all uses and buildings shall be as set forth in Section 6.3, the "Table of Dimensional Controls." The letters "NA" in this table denote that specific dimensional controls are not applicable to a particular use. Additional requirements shall be as set forth in Sections 6.2 and 6.3.

6.2 Supplementary Requirements

All buildings, structures and uses shall be subject to the following additional requirements:

6.2.1 Lot Shape

6.2.1.1 Minimum Lot Width Specified

Any newly created lot in a Residential District for which a minimum lot width is specified shall satisfy the following requirements:

- a Each lot shall have, in addition to the required frontage, the required minimum lot width at all points between the required frontage and the nearest point on the front wall of any dwelling on such lot; and
- b The angles formed by the intersection of the side lot lines and the right-of-way providing the minimum frontage shall not be less than 45 degrees.

6.2.1.2 Minimum Lot Width Not Specified

Any newly created lot in any Zoning District for which a minimum lot width is not specified shall satisfy the following requirement:

The angles formed by the intersection of the side lot lines and the right-of-way providing the minimum frontage shall not be less than 45 degrees.

~~6.2.2 Lot Frontage~~

~~In a Single Family 20 District, the required frontage shall be reduced to not less than eighty (80) feet if the street line is a curve having a radius of not more than two hundred (200) feet, and the lot has a width of not less than one hundred twenty (120) feet, measured at the rear of the required front yard.~~

6.2.32 Yards

~~6.2.3.1 In all Residence Districts, irrespective of the requirements set forth in Section 6.3 of the Zoning Bylaw, the required front yard for any building other than a multi-family dwelling shall be ten (10) feet or the average of the actual front setbacks of the buildings on the adjacent lots on either side, whichever is greater. For the purposes of Section 6.2, if an adjacent lot is vacant, it shall be deemed to be occupied by a building with a required front yard.~~

~~6.2.3.2.21 In Residence Districts, yard requirements shall not apply to projecting eaves, cornices, chimneys, steps, bow or bay windows, windowsills and belt courses that do not increase the gross floor area of the building.~~

~~6.2.3.3 In Business A and C Districts, the required yard on a street on which the building does not have frontage shall be twenty (20) feet for any building other than a multi-family dwelling.~~

~~6.2.3.4 In an Industrial District, required front yards shall be five (5) feet for canopies over any drive-through facility.~~

6.2.34 Height

~~6.2.4.1 Maximum height regulations shall not apply to chimneys, elevators, poles, spires, tanks, towers or similar structures not used for human occupancy.~~

~~6.2.34.12 In the Industrial District, a hotel or motel may have a maximum height of eighty-four (84) feet if the following conditions are satisfied:~~

- a ~~Between the hours of 9:00 a.m. and 3:00 p.m. from February 21 to October 21, No~~ hotel or motel building may cast an **unacceptable shadow, as determined by CPDC based on shadow studies submitted by the Applicant**, on any building containing a dwelling unit in existence at the time of the building permit application;
- b Along a major street, the hotel or motel building shall be set back ~~seventy-five~~ **a minimum of (75) fifty (50)** feet or the height of the building, whichever is greater, and a landscaped or naturally vegetated buffer at least ~~fifty (50)~~

twenty (20) feet wide shall be provided along the major street, except where there are curb cuts. ~~and~~

~~e The hotel or motel building shall be located on a lot of at least twenty-five (25) acres.~~

6.2.54 Gross Floor Area

6.2.54.1 In Apartment 40 and Business A Districts, the gross floor area of a multi-family dwelling shall not exceed forty percent (40%) of the lot area.

6.2.54.2 In **the** Apartment 80 Districts, the gross floor area of a multi-family dwelling shall not exceed the lot area.

6.2.65 Landscaped Area

6.2.65.1 In Apartment 40 and Business A Districts, not less than twenty-five percent (25%) of the area of a lot containing a multi-family dwelling shall be a landscaped area.

6.2.65.2 In Apartment 80 Districts, not less than thirty-five percent (35%) of the area of a lot containing a multi-family dwelling shall be a landscaped area.

6.2.76 Buildings Per Lot

6.2.76.1 ~~In all districts other than the Apartment 80, and Business C, Industrial and PUD-I Districts, a lot may have more than one principal building. not more than one principal building shall be erected on a lot.~~

6.2.76.2 Where two or more principal buildings are permitted on the same lot:

a ~~T, they shall be located at least fifty (50) feet apart. minimum distance between the buildings shall be determined, at the discretion of the Building Inspector, as follows:~~

1 **The total distance between the proposed building(s) and any proposed or existing building(s) on the lot is adequate to meet Building Code and Fire Code requirements, accounting for fire-rating and other fire prevention/suppression features; and**

2 **The Fire Department has sufficient access between the buildings.**

b **The area between the buildings shall be maintained and kept clear by the property owner.**

6.2.87 Upland Requirement

Any portion of a lot lying within a delineated wetlands resource area, as determined by the Reading Conservation Commission, may be credited to the minimum lot area requirements set forth in Section 6.3 ~~of the Zoning Bylaw~~ only if the portion outside such wetlands resource area is of at least the following size:

Zoning District	Minimum Area Outside of Wetlands Resource Area
Single Family 15	12,000 square feet
Single Family 20	12,000 square feet
Single Family 40	20,000 square feet

6.3 Table of Dimensional Controls

Use	Minimum Lot Width (Feet)	Minimum Area (Square Feet)	Minimum Frontage (Feet)	Required Front Yard ¹ (Feet)	Required Side Yard (Feet)	Required Rear Yard (Feet)	Maximum Coverage % of Lot	Maximum Building Height ² (Feet)
One or Two Family Dwelling								
In S-15 District	60	15,000	100	20	15	20	25	35
In S-20 Districts	80	20,000	120 ³	20	15	20	25	35
In S-40 Districts	80	40,000	200	20	15	20	25	35
In A-40 Districts		10,000	80	20	15	20	25	40
In Bus-A Districts		NA	NA	15 ⁴	10 ⁴	20 ⁴	25	45
Multi-Family Dwelling								
In A-40 Districts		40,000	80	30	30	30	25	40
In A-80 Districts		80,000	NA	60	60	60	12.5	60
In Bus-A Districts		40,000	NA	15	30	30	25	40
In S-15 Districts		100,000+	100	20	15	20	25	35
In S-20 Districts		100,000+	120	20	15	20	25	35
In S-40 Districts		100,000+	200	20	15	20	25	35
In A-40 Districts		100,000+	80	20	15	20	25	40
In A-80 Districts		100,000+	NA	20	NA	NA	NA	60
Hotel or Motel								
In Bus-A Districts		NA	NA	50 ⁴	10 ⁴	20 ⁴	60	45
In Bus-B Districts		NA	NA	NA	NA	20	85	45
In Bus-C Districts		NA	NA	10 ⁴	10 ⁴	10 ⁴	60	55** ⁵
In Ind Districts		NA	NA	50 ^{6 & 8}	20 ⁶	20 ⁶	60 ²⁵	60* ⁷
Other Permitted Principal Use								
In S-15 Districts		15,000	100	20	15	20	25	35
In S-20 Districts		20,000	120	20	15	20	25	35
In S-40 Districts		40,000	200	20	15	20	25	35
In A-40 Districts		10,000	80	20	NA	NA	NA	40
In A-80 Districts		80,000	NA	20	NA	NA	NA	60
In Bus-A Districts		NA	NA	15 ⁴	10 ⁴	20 ⁴	60	45
In Bus-B Districts		NA	NA	NA	NA	20	85	45
In Bus-C Districts		NA	NA	10 ⁴	10 ⁴	10 ⁴	60	55** ⁵
In Ind Districts		NA	NA	20 ^{6 & 8} ⁵⁰	20 ⁶	20 ⁶	60	60
Exempt Uses - School and Church								
In S-15 Districts		15,000	100	15	30	30	25	35
In S-20 Districts		20,000	120	15	30	30	25	35
In S-40 Districts		40,000	200	15	30	30	25	35
In A-40 Districts		10,000	80	NA	30	30	NA	40
In A-80 Districts		80,000	NA	NA	30	30	NA	60
In BUS-A Districts		NA	NA	10 ⁴	30 ⁴	30 ⁴	60	45
In BUS- B Districts		NA	NA	NA	30	30	85	45
In BUS-C Districts		NA	NA	10 ⁴	30 ⁴	30 ⁴	60	55
In Ind Districts		NA	NA	20 ^{6 & 8} ⁵⁰	20 ⁶ ³⁰	20 ⁶ ³⁰	60	60

Use	Minimum Lot Width (Feet)	Minimum Area (Square Feet)	Minimum Frontage (Feet)	Required Front Yard ¹ (Feet)	Required Side Yard (Feet)	Required Rear Yard (Feet)	Maximum Coverage % of Lot	Maximum Building Height ² (Feet)
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* Except as provided in Section 6.2.4.2 of the Zoning Bylaw.

1. In ~~all~~ Residence Districts, irrespective of the requirements set forth in Section 6.3 of the Zoning Bylaw this Table, the required front yard for any building other than a multi-family dwelling shall be ten (10) feet or the average of the actual front setbacks of the buildings on the adjacent lots on either side, whichever is greater. For the purposes of Section 6.2 this requirement, if an adjacent lot is vacant, it shall be deemed to be occupied by a building with a required front yard as specified in this Table.

2. Maximum height ~~regulations~~ limits shall not apply to appurtenances such as: chimneys, elevators, poles, spires, tanks, towers or similar structures not intended to be used for human occupancy.

3. In a Single Family 20 Districts, the required frontage shall be reduced to not less than eighty (80) feet if the street line is a curve having a radius of not more than two hundred (200) feet, and the lot has a width of not less than one hundred twenty (120) feet, measured ~~at~~ along the rear of the required front yard.

4. In Business A and C Districts, the required yard measured from ~~on~~ a street which is not designated as the front lot line ~~on which the building does not have frontage~~ shall be twenty (20) feet for any building other than a multi-family dwelling.

~~**~~ 5. Fifty-five (55) feet, except ninety-five (95) feet if the structure is located within four hundred (400) feet of the property line adjacent to Route 128, as the property line exists on May 1, 2000, including ramps, and south of Jacob Way and excluding areas within two hundred (200) feet of the residential zoning district to the west, all as more specifically shown on a plan entitled: "Plan Showing Height Limitation and Setback Areas, Business C District in Reading, Mass.," dated March 27, 2000, Scale 1" = 60', by Hayes Engineering, Inc., on file with the Reading Town Clerk.

6. Where an Industrial District lot directly adjoins another Industrial District lot, the applicable Required Side Yard or Required Rear Yard where the adjacency occurs can be reduced or eliminated, at the discretion of the Building Inspector, if the following conditions are met:

- a. The total distance between the proposed building(s) and existing building(s) on adjacent lots is adequate to meet Building Code and Fire Code requirements, accounting for fire-rating and other fire prevention/suppression features; and
- b. The Fire Department has sufficient access between the proposed building(s) and existing building(s) on adjacent lots.

The area(s) between any proposed building(s) and the lot line(s) shall be maintained and kept clear by the property owner.

7. Except as provided in Section 6.2.3.1.

8. In an Industrial District, the Required Front Yards shall be five (5) feet for canopies over any drive-through facility.

6.4 Special Cases

6.4.1 Transitional Areas

The following additional requirements shall apply to buildings in Business A₇ or Business B and ~~Industrial~~ Districts located within one hundred fifty (150) feet of a Residence District; ~~and to buildings in a Business C District located within one hundred (100) feet of a Residence District;~~ **and to buildings in Industrial Districts whose lots share a lot line with a Residence District:**

6.4.1.1 Table of Additional Dimensional Controls for Transitional Areas

District	Distance From Residence District	Required Yards		
		Front Feet	Side Feet	Rear Feet
Business A and B	Adjoining	5	10	NA
	Sharing a lot line with	5	NA	NA
	Within 150 feet	5	NA	NA
Business C	Within 100 feet	5	NA	NA
Industrial	Adjoining	NA	±0050	±0050
	Sharing a lot line with	NA	±00	±00
	Within 150 feet	NA	±00	±00

6.4.1.2 In an Industrial District, the required side and rear yard shall be fifty (50) feet where the lot line is a street line, and the opposite side of the street is in a Residence District.

6.4.1.32 In an Industrial District, as part of all new construction of any building, parking lot, structure, or any extension or addition to a preexisting building, parking lot or structure on a lot that shares a lot line with or is across a street from a within one hundred fifty (150) feet of any Residence District, a buffer strip with a minimum depth and visual screen is required and may include any combination of the following at the discretion of the CPDC: landscaping, fencing, or other structures. to be established subject to the following requirements:

- a Said buffer strip shall have a twelve (12) foot minimum depth and contain a curb to prevent parking within the strip, a six (6) foot high fence which shall be located a maximum of two (2) feet from the abutting Residential and/or Industrial lot line and contain an evergreen hedge on the Industrial side of the fence which is to be at least three (3) feet in height at the time of planting and will provide a year round dense visual screen and attain a height of at least seven (7) feet within five years of planting.
- b Said buffer strip shall be constructed along the full abutting length of any Residence District lots so affected and lie entirely within the Industrial District.

6.4.1.3 In an Industrial District, as part of all new construction of any building or any extension or addition to a preexisting building, on a lot that shares a lot line with a Residence District, any building wall facing a Residence District shall be stepped back such that the maximum building envelope is bounded by a line projected from the property line at a 3 to 5 ratio.

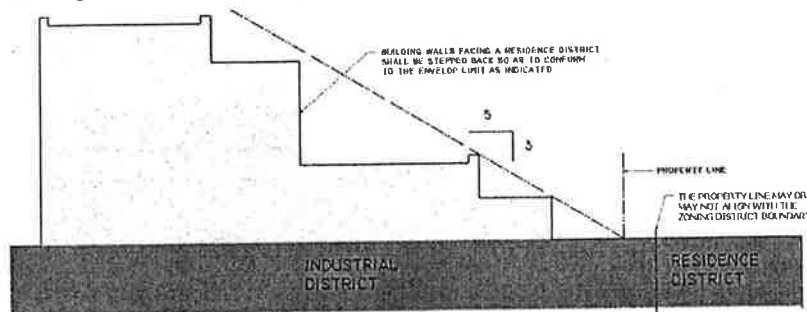


FIGURE 6.XXX

6.4.1.4 In the Business C District, all new construction of any building, parking lot, structure, or any extension or addition to a preexisting building, parking lot or structure shall be subject to the following requirements:

- a No building shall be located within one hundred (100) feet of a Residence District.

- b There shall be a landscaped buffer strip of a minimum width of twenty-five (25) along the full abutting length of a Residence District. Said buffer shall be a densely planted staggered double row of a seventy/thirty (70/30) mixture of evergreen/deciduous trees. Plant material shall be such that a minimum of seven (7) feet in height is reached within the first five (5) years of planting. Plant material shall be maintained in a healthy condition or replaced to attain previously noted height. Buffer edge shall be planted a minimum of two (2) feet off of the property line abutting residential property.
- c No parking area shall be located within twenty-five (25) feet of the Residence District, and no parking area or building shall be allowed in Restricted Area "A" as shown on the plan entitled: "Plan Showing Height Limitation and Setback Areas, Business C District in Reading, Mass.", dated March 27, 2000, Scale 1" = 60', by Hayes Engineering, Inc., on file with the Reading Town Clerk."
- d Maximum Allowable Development – Senior Housing and Townhouses. The plan entitled: "Business C Planning Subdistricts", dated October 2, 2007, on file with the Building Inspector and the Town Clerk, and incorporated herein by reference, establishes four (4) Planning Subdistricts within the Business C District. The boundaries of a Planning Subdistrict may be modified by the CPDC based upon Site Plan Review applications submitted by the landowner or its agents for proposed developments within the Business C District. Within such Planning Subdistricts, the following restrictions shall be applicable:
 - 1 Townhouses shall be permitted only within Planning Subdistrict A and shall be limited to no more than sixteen (16) dwelling units.
 - 2 Age-restricted dwellings, assisted living facilities and nursing homes shall be permitted only in Planning Subdistricts B and D; provided, however that (a) no more than one hundred sixty (160) units shall be permitted in any Planning Subdistrict, (b) no more than three hundred ten (310) units shall be permitted within the entire Business C District, and (c) no more than two (2) Planning Subdistricts may contain age-restricted dwellings, assisted living facilities or nursing home units.
 - 3 Within any Planning Subdistrict, an increase of one hundred sixty thousand (160,000) square feet in the total authorized gross floor area of all office or other allowed principal uses shall be permitted; provided, however, that the amount of such increase shall be reduced by one thousand (1000) square feet for each age-restricted dwelling, assisted living or nursing home unit constructed within the Planning Subdistrict.
- e For purposes of determining compliance with the foregoing requirements and the height limitations set forth in Table 6.3, all yards and buffer areas shall be measured from the boundary line between the Business C District and the adjoining S-20 District and the S-15 District.

6.5 Landscape Standards

- 6.5.1 Appropriate landscaping and design shall be incorporated into new nonresidential development and redevelopment projects within nonresidential districts and into new multi-family dwelling projects. Landscape design plans shall be prepared by a registered landscape architect; provided, however, that the CPDC may accept a plan prepared by one other than a landscape architect if it believes the plan meets the landscaping standards of this Section and is in concert with the intent thereof. Wherever possible, naturally occurring vegetation shall be incorporated into the landscape plan, which shall show the limits of work, existing tree lines, and all

proposed landscape features and improvements including screening, planting areas, size and type of stock for shrubs and trees, and proposed erosion control measures.

- 6.5.2** Side yards required by the Intensity Regulations set forth in Section 6.0 of the Zoning Bylaw shall be landscaped. Such side yards shall be planted with a combination of grass, shrubs of appropriate height and shade trees. If there is not an adequate amount of side yard area to landscape, a fence may be allowed as an alternative; provided, however, that chain link fencing shall not be permitted. No parking area or driveway shall be allowed within such side yard.
- 6.5.3** Exposed storage areas, machinery, garbage dumpsters, service areas, truck loading areas, utility buildings, and structures shall be screened from the view of abutting properties and streets using plantings, fences, and other appropriate methods.
- 6.5.4** A landscaping maintenance plan shall be prepared and submitted as part of the landscape design plan. All landscaped areas shall be properly maintained. Any tree or shrub that dies shall be replaced within one (1) growing season. Replacement trees or shrubs shall be of similar type and size to what was approved as part of the original approval.
- 6.5.5** Trees are to be planted where necessary, as determined by the CPDC. Trees shall be well-rooted nursery-grown stock, free of injury, harmful insects, and diseases. They shall be well-branched, and the branching structure shall be sound. Trees shall be planted only after April 15 and before September 30. The **Tree Warden** ~~Director of the Forestry Division~~ shall approve any planting outside of those dates.
- 6.5.6** No more than 50 percent (50%) of the trees, approved to be planted, shall be of any one species and no less than 25 percent (25%) of the total trees planted shall be of any one species. Trees shall be chosen from a list provided by the **Tree Warden** ~~Director of the Forestry Division~~, unless an alternative is specifically approved by the CPDC.
- 6.5.7** Trees along a public way shall be spaced at intervals of fifty (50) feet; provided, however, that no trees shall be planted within fifty (50) feet of an intersection or future intersection. Trees on one (1) side of a street may be set either opposite or diagonally to trees on the opposite side. Trees shall be planted two and a half (2½) feet behind the sidewalk or six (6) feet behind the gutter line and always within the right-of-way. The location of all the proposed trees must be reviewed by the ~~Director of the Forestry Division~~ **Tree Warden** on site and approved prior to installation.
- 6.5.8** The minimum acceptable size of tree to be planted along a public way shall be three (3) inch trunk caliper at four (4) feet above the grade. At the time of delivery, the ~~Director of the Forestry Division~~ **Tree Warden** must approve the proposed trees. Evergreen trees shall be at least eight (8) feet tall at the time of planting.
- 6.5.9** Specifications for planting operations and for support stakes, guy wire and cable, ground anchors, hose, and strapping material shall be as specified in the American Standard Specifications for Nursery Stock published by the American Association of Nurserymen.

or take any other action with respect thereto.

Community Planning and Development Commission

Background: This proposed amendment to the Zoning Bylaw is designed to allow more flexibility for development and growth on industrially zoned-lots, especially those that are directly adjacent to other industrially zoned-lots. In addition, some existing regulations were moved to Table 6.3 and clarified for ease of use of the bylaw.

Finance Committee Report: No report.

Bylaw Committee Report: No report.

ARTICLE 16 To see if the Town will vote to raise and appropriate, transfer from available funds, borrow or otherwise provide a sum or sums of money for highway projects in accordance with Chapter 90 of the *Massachusetts General Laws*, or take any other action with respect thereto.

Board of Selectmen

Background: Reading expects about \$600,000 in FY19 Chapter 90 funding for local road repairs. The motion made at Town Meeting will be to accept the Chapter 90 state assistance at whatever level is ultimately available, a trend in other communities in order to avoid any uncertainty of the timing of the final state budget process.

Finance Committee Report: At their meeting on March 7, 2018 the Finance Committee voted 7-0-0 to recommend this Article to Town Meeting.

Bylaw Committee Report: No report.

ARTICLE 17 To see if the Town will vote to raise and appropriate, transfer from available funds, borrow or otherwise provide a sum or sums of money for the operation of the Town and its government for Fiscal Year 2019 - beginning July 1, 2018, or take any other action with respect thereto.

Finance Committee

Background: Please see the budget pages of this document for the full details of the FY19 FINCOM Budget.

Finance Committee Report: Please see Spending Scorecard of this document for the votes of the Finance Committee online items in the FY19 budget. The Finance Committee recommends the subject matter of Article 17 as explained by these votes at their meeting on February 27, 2018.

Bylaw Committee Report: No report.

ARTICLE 18 To see if the Town will vote, pursuant to Section 2-6 of the Reading Home Rule Charter, to declare the seats of certain Town Meeting Members to be vacant and remove certain described persons from their position as Town Meeting Members for failure to take the oath of office within 30 days following the notice of election or for failure to attend one-half or more of the Town Meeting sessions during the previous year, or take any other action with respect thereto.

Board of Selectmen

Background: The Reading Home Rule Charter provides for the removal of Town Meeting members who attend less than one-half of the sessions through this required Article:

“... If any person elected as a Town Meeting Member fails to attend one-half or more of the total Town Meeting sessions within one year preceding the most recent Annual Town Election, his seat may be declared vacant by a majority vote of the Town Meeting.

The Board of Selectmen shall place an Article on the Annual Town Meeting Warrant to remove any such Town Meeting Member from office. At least seven (7) days prior to the Annual Town Meeting, the Town Clerk shall notify any such Town Meeting Member that he may be removed from office, provided, however, that such notice shall be deemed adequate if mailed postage prepaid to the Town Meeting Member’s last known address ...”

Total of 2 Town Meetings resulting in 6 evenings of attendance

Listed below are those who attended less than 3 evenings

Precinct	First Name	Middle	Last Name	Term	Total	Precinct Vote
1	Michelle	Grenier	Mini	2019	2	
2	Sean	P	Kelly	2019	0	
4	Robert	M	Connors	2019	1	
6	Michael	Allen	Mandell	2019	0	

82 Town Meeting Members had perfect attendance in 2017

and you are directed to serve this Warrant by posting an attested copy thereof in at least one (1) public place in each precinct of the Town not less than fourteen (14) days prior to April 3, 2018, or providing in a manner such as electronic submission, holding for pickup or mailing, an attested copy of said Warrant to each Town Meeting Member.

Hereof fail not and make due return of this Warrant with your doings thereon to the Town Clerk at or before the time appointed for said meeting.

Given under our hands this 27th day of February, 2018.



John Arena, Chair



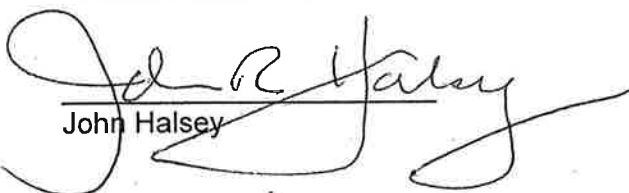
Barry Berman, Vice Chair



Daniel Ensminger, Secretary



Andrew Friedmann



John Halsey

SELECTMEN OF READING



Thomas H. Freeman Jr. Constable

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Town of Reading

Fiscal Year 2019

**Finance Committee's
Recommended Budget**

July 1, 2018 to June 30, 2019

Finance Committee Finance@ci.reading.ma.us

Peter Lydecker, Chair (February 2014)

Paula Perry, Vice Chair (July 2010)

Vanessa Alvarado (February 2015)

Eric Burkhart (June 2016)

Mark Dockser (July 2010)

Anne Johnson Landry (July 2014)

Paul McNeice (November 2012)

Marc Moll (July 2014)

David Neshat (July 2015)

Table of Contents

I.	Town Accountant's Recommended Revenues	30
II.	Town Accountant's Budget Summary	32
III.	Town Manager's FY19 Budget Message	35
IV.	FY19 Spending Scorecard	47
V.	FY19 Shared Costs	50
VI.	FY19 Town Budget Detail by Department	
	a. Administrative Services	56
	b. Public Services	61
	c. Finance Department	69
	d. Public Safety	71
	e. Public Works	90
	f. Public Library	96
	g. Facilities	99
VII.	FY19 School Committee Budget	104
VIII.	FY19 Enterprise Fund Budgets	191
IX.	Appendix	
	a. Table of Organization	202
	b. FY19 Capital Plan	203
	c. FY19 Debt Schedule	210
	d. School Information	212

TOWN ACCOUNTANT'S RECOMMENDED

FY19 REVENUES

Summary of Revenues – The total FY19 estimated revenues for general government will be \$94.4 million, plus the use of \$1.2 million of Free Cash, a 3.0% increase from FY18.

	FY19	Change	Share
Property Taxes	\$ 68.6	3.2%	72%
Local Revenues	\$ 7.3	3.6%	8%
State Aid	\$ 14.5	2.5%	15%
Transfers	\$ 4.0	2.2%	4%
Free Cash	\$ 1.2	0.0%	1%
	\$ 95.6	3.0%	100%

Between 1982 (the beginning on Proposition 2½) and 2009 statewide municipal revenue growth averaged 5.2% annually, according to the Massachusetts Taxpayers Foundation (MTF) in a report issued in December 2015. Reading has historically lagged these statewide figures, for two significant reasons. First, there is not much land left to develop – either for commercial or residential purposes. According to the MTF, Reading derives 60.5% of annual revenue (including the Enterprise Funds) from the tax levy, a figure that is well below the Peer Communities average of 66.6%. Second, state aid in real terms is down 50% since 2001 according to the Massachusetts Budget & Policy Center. Reading today derives 13.5% of annual revenues (including the Enterprise Funds) from state aid, a figure higher than the 11.0% average of Peer Communities, so this real decline in state aid has impacted Reading more than most communities. In large part this is due to the fact that Reading has an above average amount of students.

Property Taxes (\$68.6 million or 72% of revenues) – The forecast 3.2% increase in FY19 includes a 2.5% increase over the FY18 tax levy plus new growth. As the next table shows, recent new growth has trended higher (5yr average \$811k and 10yr average \$643k). The Town has made significant progress on Economic Development so we are increasing future estimates by \$50,000 annually, to \$550,000 in FY19. On the one hand are development projects in the pipeline and recent success, but on the other are rising interest rates and the specter of a top in the overheated construction market.

Actual New Growth (000s)

FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10	FY09
\$842	717	912	844	741	579	325	363	553	556

The assessor's overlay account was increased to \$713,211 in FY19. This amount is set aside for the Board of Assessors to handle abatements and exemptions. The actual amount may vary from the budgeted amount when the final calculation of the tax rate is made by the Town Accountant in November 2019. If the overlay account is not used for abatements, it is released to Free Cash. (See "Operating transfers/Available Funds" below.)

Local Revenues (\$7.3 million or 8% of revenues) – Local revenues are forecast at a 3.6% increase, in the middle of a volatile <0% to 8% typical range. Below are the largest components of these revenues

Motor Vehicle Excise (\$3.8 million) – This revenue source is especially difficult to forecast, as we have been both over and under budget by \$100,000+ in recent years, although the longer term average has been in line. For next year we forecast a 4.1% increase to \$3.8 million as collections are coming in ahead of projections in FY18.

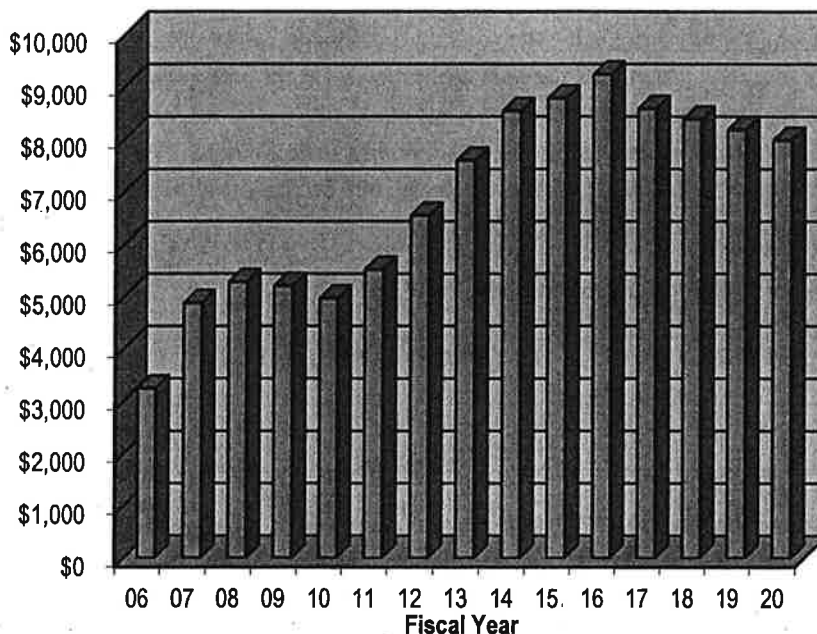
Charges For Services (\$1.9 million) – A forecast of +2.7% to \$1.9 million

Meals Tax (\$0.4 million) – This local option tax has modestly added to revenues.

Intergovernmental Revenue (\$14.5 million or 15% of revenues) – The final figure for State Aid for FY19 is still unknown at this point. We use an assumption of +2.5%, which is higher than recent disappointing trends. FINCOM has agreed to make up any shortfall from +2.5% with use of Free Cash – this adjustment would typically happen at a November Town Meeting after the fiscal year begins. In January 2018 the Governor released a budget that would increase state aid by only +1.2%. About 15 years ago, State Aid was over 20% of the annual revenues available for the town.

Operating Transfers/Available Funds (\$4.0 million or 4% of revenues) – The amount of money available from cemetery sale of lots has remained constant. The earnings distribution from the Light Department has been budgeted at a 2.5% increase although the CPI baseline has been trending lower. An Instructional Motion from Town Meeting to study this formula has led to very little discussion despite efforts by the Town. The Board of Assessors released \$400,000 from the overlay surplus last year and is again planning on releasing \$400,000 for use in FY19, though this figure is expected to decline in future years.

A figure of \$1.2 million is being used from Free Cash in order to balance the FY19 budget. The Chart below shows Free Cash history and a projection for FY19 and forward:



**Town Accountant's
FY19 Budget Summary**

	1.25%		2.50%		1.70%		1.95%		1.95%	
Town of Reading Budget Summary		One Yr		One Yr		One Yr		One Yr		One Yr
2/23/18 2:19 PM	Projected FY18	Changes FY18	Projected FY19	Changes FY19	Projected FY20	Changes FY20	Projected FY21	Changes FY21	Projected FY22	Changes FY22
Revenues										
Total Property Taxes	66,511,130	3.6%	68,610,019	3.2%	70,809,862	3.2%	73,103,247	3.2%	75,503,323	3.3%
Total Other Local Revenues	7,030,000	6.3%	7,280,000	3.6%	7,537,500	3.5%	7,800,000	3.5%	8,062,500	3.4%
Total Intergov't Revenues	14,109,667	1.8%	14,462,409	2.5%	14,823,969	2.5%	15,194,568	2.5%	15,574,432	2.5%
Total Transfers & Available	3,954,947	2.2%	4,043,196	2.2%	4,100,212	1.4%	4,161,736	1.5%	4,250,247	2.1%
Revs before Free Cash	\$ 91,605,744	3.45%	\$ 94,395,623	3.05%	\$ 97,271,543	3.05%	\$ 100,259,551	3.07%	\$ 103,390,502	3.12%
Free Cash	1,200,000	-44.2%	1,200,000	0.0%	1,200,000	0.0%	1,200,000	0.0%	1,200,000	0.0%
Net Available Revenues	\$ 92,805,744	2.32%	\$ 95,595,623	3.01%	\$ 98,471,543	3.01%	\$ 101,459,551	3.03%	\$ 104,590,502	3.09%
Accommodated Costs										
Benefits	16,496,047	4.3%	17,605,850	6.7%	18,785,547	6.7%	20,042,107	6.7%	21,388,784	6.7%
Capital	2,259,400		2,925,600	29.5%	3,014,500	3.0%	3,216,000	6.7%	3,525,000	9.6%
Debt (inside levy)	1,884,811		1,526,876	-19.0%	1,721,457	12.7%	1,657,726	-3.7%	1,501,044	-9.5%
Debt (excluded)	2,983,582		2,944,282	-1.3%	2,902,482	-1.4%	2,848,182	-1.9%	2,791,882	-2.0%
Energy	1,989,950	1.3%	2,016,575	1.3%	2,097,034	4.0%	2,180,733	4.0%	2,267,804	4.0%
Financial	840,000	1.1%	852,250	1.5%	881,488	3.4%	912,040	3.5%	943,970	3.5%
Education - Out of district	4,033,670	-2.3%	4,520,834	12.1%	4,746,875	5.0%	4,984,219	5.0%	5,233,430	5.0%
Education - Vocational	386,000	0.4%	415,000	7.5%	431,600	4.0%	448,864	4.0%	466,819	4.0%
Miscellaneous	3,183,799	4.6%	3,280,751	3.0%	3,379,742	3.0%	3,480,829	3.0%	3,584,073	3.0%
Community Priorities	0	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Accommodated Costs	\$ 34,057,259	2.3%	\$ 36,088,018	6.0%	\$ 37,960,725	5.2%	\$ 39,770,700	4.8%	\$ 41,702,805	4.9%
Net Accommodated Costs	\$ 34,057,259	2.3%	\$ 36,088,018	6.0%	\$ 37,960,725	5.2%	\$ 39,770,700	4.8%	\$ 41,702,805	4.9%
Operating Costs										
Municipal Gov't Operating	19,708,476	1.25%	20,252,268	2.50%	20,596,556	1.70%	20,998,189	1.95%	21,407,654	1.95%
adjustments	49,834									
adjustments (EF+RF)	1,021,432	1.25%	1,046,968	2.50%	1,064,767	1.70%	1,085,529	1.95%	1,106,697	1.95%
TOTAL Muni Govt OPER	20,779,742	1.49%	21,299,236	2.50%	21,661,323	1.70%	22,083,719	1.95%	22,514,351	1.95%
School Operating	37,067,981	1.25%	38,302,191	2.50%	38,851,628	1.70%	39,609,235	1.95%	40,381,615	1.95%
adjustments	300,010		(100,000)							
TOTAL School OPER	37,367,991	2.07%	38,202,191	2.23%	38,851,628	1.70%	39,609,235	1.95%	40,381,615	1.95%
Operating Budgets	\$ 58,147,733	1.86%	\$ 59,501,427	2.33%	\$ 60,512,951	1.70%	\$ 61,692,954	1.95%	\$ 62,895,966	1.95%
Municipal Gov't Operating	35.7%		35.8%		35.8%		35.8%		35.8%	
School Operating	64.3%		64.2%		64.2%		64.2%		64.2%	
TOTAL SPENDING	\$ 92,204,993	2.0%	\$ 95,589,445	3.7%	\$ 98,473,676	3.0%	\$ 101,463,654	3.0%	\$ 104,598,771	3.1%
	FY18	FY18	FY19	FY19						
Muni Govt OPER	\$ 20,779,742	1.49%	\$ 21,299,236	2.50%	\$ 21,661,323	1.70%	\$ 22,083,719	1.95%	\$ 22,514,351	1.95%
Muni Govt ACCOM	\$ 5,151,450	2.74%	\$ 5,269,470	2.29%	\$ 5,459,905	3.61%	\$ 5,656,534	3.60%	\$ 5,859,602	3.59%
Muni Govt TOTAL	\$ 25,931,192	1.74%	\$ 26,568,706	2.46%	\$ 27,121,228	2.08%	\$ 27,740,253	2.28%	\$ 28,373,953	2.28%
School OPER	\$ 37,367,991	2.07%	\$ 38,202,191	2.23%	\$ 38,851,628	1.70%	\$ 39,609,235	1.95%	\$ 40,381,615	1.95%
School ACCOM	\$ 4,033,670	-2.27%	\$ 4,520,834	12.08%	\$ 4,746,875	5.00%	\$ 4,984,219	5.00%	\$ 5,233,430	5.00%
School TOTAL	\$ 41,401,661	1.63%	\$ 42,723,025	3.19%	\$ 43,598,504	2.05%	\$ 44,593,454	2.28%	\$ 45,615,045	2.29%

**Town Accountant's
FY19 Budget Summary**

Town of Reading Revenues - Details 2/23/18 2:17 PM	One Yr Changes		One Yr Changes		One Yr Changes		One Yr Changes		One Yr Changes	
	FY18	FY18	FY19	FY19	FY20	FY20	FY21	FY21	FY22	FY22
Property Taxes										
Tax levy (within levy limit)	63,381,392	3.6%	65,828,948	3.9%	68,038,422	3.4%	70,354,382	3.4%	72,779,492	3.4%
New Growth	841,972	17.5%	550,000	-34.7%	600,000	9.1%	650,000	8.3%	700,000	7.7%
Tax levy (debt exclusion)	2,983,582	-1.0%	2,944,282	-1.3%	2,902,482	-1.4%	2,848,182	-1.9%	2,791,882	-2.0%
Abatements and exemptions	(695,816)	2.5%	(713,211)	2.5%	(731,042)	2.5%	(749,318)	2.5%	(768,051)	2.5%
Total Property Taxes	66,511,130	3.6%	68,610,019	3.2%	70,809,862	3.2%	73,103,247	3.2%	75,503,323	3.3%
Other Local Revenues										
Motor Vehicle Excise	3,650,000	7.8%	3,800,000	4.1%	3,950,000	3.9%	4,100,000	3.8%	4,250,000	3.7%
Meals Tax	375,000	7.1%	385,000	2.7%	400,000	3.9%	420,000	5.0%	440,000	4.8%
Penalties/interest on taxes	230,000	2.2%	200,000	-13.0%	205,000	2.5%	210,000	2.4%	215,000	2.4%
Payments in lieu of taxes	345,000	1.5%	370,000	7.2%	380,000	2.7%	390,000	2.6%	400,000	2.6%
Charges for services	1,850,000	4.2%	1,900,000	2.7%	1,950,000	2.6%	2,000,000	2.6%	2,050,000	2.5%
Licenses & permits	165,000	3.1%	170,000	3.0%	175,000	2.9%	180,000	2.9%	185,000	2.8%
Fines	110,000	4.8%	95,000	-13.6%	97,500	2.6%	100,000	2.6%	102,500	2.5%
Interest Earnings	180,000	2.9%	200,000	11.1%	210,000	5.0%	220,000	4.8%	230,000	4.5%
Medicaid Reimbursement	125,000	25.0%	160,000	28.0%	170,000	6.3%	180,000	5.9%	190,000	5.6%
Total Other Local Revenues	7,030,000	6.3%	7,280,000	3.6%	7,537,500	3.5%	7,800,000	3.5%	8,062,500	3.4%
Intergovernmental Revenue										
State Aid	14,109,667	1.8%	14,462,409	2.5%	14,823,969	2.5%	15,194,568	2.5%	15,574,432	2.5%
Total Intergov't Revenues	14,109,667	1.8%	14,462,409	2.5%	14,823,969	2.5%	15,194,568	2.5%	15,574,432	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%
Sale of real estate funds	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
RMLD payment	2,408,515	1.0%	2,468,728	2.5%	2,530,446	2.5%	2,593,707	2.5%	2,658,550	2.5%
Enterprise Fund Support	1,021,432	1.3%	1,046,968	2.5%	1,064,767	1.7%	1,085,529	2.0%	1,106,697	2.0%
School Revolving Funds	100,000	0.0%	102,500	2.5%	105,000	2.4%	107,500	2.4%	110,000	2.3%
Overlay surplus	400,000	33.3%	400,000	0.0%	375,000	-6.3%	350,000	-6.7%	350,000	0.0%
Total Transfers & Available	3,954,947	2.2%	4,043,196	2.2%	4,100,212	1.4%	4,161,736	1.5%	4,250,247	2.1%
OPERATING REVENUES	91,605,744	3.45%	94,395,623	3.05%	97,271,543	3.05%	100,259,551	3.07%	103,390,502	3.12%
Free Cash & Savings	1,200,000	-44.19%	1,200,000	0.00%	1,200,000	0.00%	1,200,000	0.00%	1,200,000	0.00%
TOTAL REVENUES	92,805,744	2.32%	95,595,623	3.01%	98,471,543	3.01%	101,459,551	3.03%	104,590,502	3.09%
Town of Reading Acc. Costs - Summary										
2/23/18 2:17 PM										
	FY18	FY18	FY19	FY19	FY20	FY20	FY21	FY21	FY22	FY22
Benefits	16,496,047	4.3%	17,605,850	6.7%	18,785,547	6.7%	20,042,107	6.7%	21,388,784	6.7%
Capital	2,259,400		2,925,600		3,014,500		3,216,000		3,525,000	
Debt (inside levy)	1,884,811		1,526,876	7.4%	1,721,457	6.4%	1,657,726	2.9%	1,501,044	3.1%
Debt (excluded)	2,983,582		2,944,282		2,902,482		2,848,182		2,791,882	
Energy	1,989,950	1.3%	2,016,575	1.3%	2,097,034	4.0%	2,180,733	4.0%	2,267,804	4.0%
Financial	840,000	1.1%	852,250	1.5%	881,488	3.4%	912,040	3.5%	943,970	3.5%
Education - Out of district	4,033,670	-2.3%	4,520,834	12.1%	4,746,875	5.0%	4,984,219	5.0%	5,233,430	5.0%
Education - Vocational	386,000	0.4%	415,000	7.5%	431,600	4.0%	448,864	4.0%	466,819	4.0%
Miscellaneous	3,183,799	4.6%	3,280,751	3.0%	3,379,742	3.0%	3,480,829	3.0%	3,584,073	3.0%
Community Priorities										
TOTAL Accomm. COSTS	\$ 34,057,259	2.3%	\$ 36,088,018	6.0%	\$ 37,960,725	5.2%	\$ 39,770,700	4.8%	\$ 41,702,805	4.9%

**Town Accountant's
FY19 Budget Summary**

Town of Reading Acc. Costs - Details	One Yr Changes		One Yr Projected Changes		One Yr Projected Changes		One Yr Projected Changes		One Yr Projected Changes	
	FY18	FY18	FY19	FY19	FY20	FY20	FY21	FY21	FY22	FY22
Contributory Retirement	3,731,547	1.6%	3,930,850	5.3%	4,140,797	5.3%	4,361,957	5.3%	4,594,929	5.3%
OBRA fees & OPEB study	50,000	100.0%	50,000	0.0%	50,000	0.0%	50,000	0.0%	50,000	0.0%
OPEB contribution	500,000	0.0%	525,000	5.0%	550,000	4.8%	575,000	4.5%	600,000	4.3%
Workers Compensation	309,000	3.0%	325,000	5.2%	341,250	5.0%	358,313	5.0%	376,228	5.0%
Unemployment Benefits	140,000	40.0%	140,000	0.0%	143,500	2.5%	147,088	2.5%	150,765	2.5%
Group Health / Life Ins.	10,810,500	4.3%	11,625,000	7.5%	12,500,000	7.5%	13,437,500	7.5%	14,450,000	7.5%
Medicare / Social Security	850,000	12.6%	900,000	5.9%	945,000	5.0%	992,250	5.0%	1,041,863	5.0%
Police / Fire Indemnification	105,000	5.0%	110,000	4.8%	115,000	4.5%	120,000	4.3%	125,000	4.2%
Acc. Costs - Benefits	\$ 16,496,047	4.3%	\$ 17,605,850	6.7%	\$ 18,785,547	6.7%	\$ 20,042,107	6.7%	\$ 21,388,784	6.7%
5% of net available revs	4,431,108		4,572,567		4,718,453		4,870,568		5,029,931	
less debt (net, inside levy)	(1,870,711)		(1,514,551)		(1,710,932)		(1,648,976)		(1,494,044)	
Available for cash capital	2,560,397		3,058,016		3,007,521		3,221,592		3,535,887	
Temp shift to OPERATING	(300,997)		(132,416)		6,979		(5,592)		(10,887)	
Acc. Costs - Capital	\$ 2,259,400	1.8%	\$ 2,925,600	29.5%	\$ 3,014,500	3.0%	\$ 3,216,000	6.7%	\$ 3,525,000	9.6%
Debt Service - Principal	3,800,000	1.5%	3,550,000	-6.6%	3,800,000	7.0%	3,830,000	0.8%	3,765,000	-1.7%
Debt Service - Interest	1,054,293	-8.7%	908,833	-13.8%	813,414	-10.5%	667,158	-18.0%	520,926	-21.9%
Excluded debt	(2,983,582)	-1.0%	(2,944,282)	-1.3%	(2,902,482)	-1.4%	(2,848,182)	-1.9%	(2,791,882)	-2.0%
Total Included Debt	\$ 1,870,711	-0.8%	\$ 1,514,551	-19.0%	\$ 1,710,932	13.0%	\$ 1,648,976	-3.6%	\$ 1,494,044	-9.4%
Premiums for general fund	\$ 14,100		\$ 12,325	-12.6%	\$ 10,525	-14.6%	\$ 8,750	-16.9%	\$ 7,000	-20.0%
Acc. Costs -Debt	\$ 4,868,393	-0.6%	\$ 4,471,158	-8.2%	\$ 4,623,939	3.4%	\$ 4,505,908	-2.6%	\$ 4,292,926	-4.7%
Town of Reading										
Accom Costs - Detail										
2/23/2018										
	FY18	FY18	FY19	FY19	FY20	FY20	FY21	FY21	FY22	FY22
Street Lighting (DPW)	180,000	0.0%	160,000	-11.1%	164,800	3.0%	169,744	3.0%	174,836	3.0%
Electricity (FacCORE)	845,325	4.9%	879,250	4.0%	914,420	4.0%	950,997	4.0%	989,037	4.0%
Natl Gas (FacCORE)	626,775	5.0%	652,725	4.1%	678,834	4.0%	705,987	4.0%	734,227	4.0%
Water/Sewer (FacCORE)	132,850	5.0%	139,600	5.1%	146,580	5.0%	153,909	5.0%	161,604	5.0%
Fuel - vehicles (DPW)	205,000	-19.6%	185,000	-9.8%	192,400	4.0%	200,096	4.0%	208,100	4.0%
Acc. Costs - Energy	\$ 1,989,950	1.3%	\$ 2,016,575	1.3%	\$ 2,097,034	4.0%	\$ 2,180,733	4.0%	\$ 2,267,804	4.0%
Casualty Ins (AD SVC)	445,000	0.0%	467,250	5.0%	490,613	5.0%	515,143	5.0%	540,900	5.0%
Vet's Assistance (PUB SVC)	245,000	3.8%	235,000	-4.1%	240,875	2.5%	246,897	2.5%	253,069	2.5%
FINCOM Reserve Fund	150,000	0.0%	150,000	0.0%	150,000	0.0%	150,000	0.0%	150,000	0.0%
Acc. Costs - Financial	\$ 840,000	1.1%	\$ 852,250	1.5%	\$ 881,488	3.4%	\$ 912,040	3.5%	\$ 943,970	3.5%
SPED transp OOD (Sch)	1,017,000	2.0%	1,142,850	12.4%	1,199,993	5.0%	1,259,992	5.0%	1,322,992	5.0%
SPED tuition OOD (Sch)	4,036,175	-3.3%	4,237,984	5.0%	4,449,883	5.0%	4,672,377	5.0%	4,905,996	5.0%
SPED offsets OOD (Sch)	(1,019,505)	-2.3%	(860,000)	-15.6%	(903,000)	5.0%	(948,150)	5.0%	(995,558)	5.0%
Acc. Costs - OOD SPED	\$ 4,033,670	-2.3%	\$ 4,520,834	12.1%	\$ 4,746,875	5.0%	\$ 4,984,219	5.0%	\$ 5,233,430	5.0%
Voc School - NERMVS	259,650	1.0%	310,000	19.4%	322,400	4.0%	335,296	4.0%	348,708	4.0%
Voc School - Minute Man	87,950	5.0%	43,000	-51.1%	44,720	4.0%	46,509	4.0%	48,369	4.0%
Voc School - Essex North	38,400	-11.7%	62,000	61.5%	64,480	4.0%	67,059	4.0%	69,742	4.0%
Acc. Costs - Vocational	\$ 386,000	0.4%	\$ 415,000	7.5%	\$ 431,600	4.0%	\$ 448,864	4.0%	\$ 466,819	4.0%
Rubbish (DPW)	1,596,500	3.0%	1,644,395	3.0%	1,693,727	3.0%	1,744,539	3.0%	1,796,875	3.0%
Snow and Ice Control (DPW)	625,000	0.0%	650,000	4.0%	675,000	3.8%	700,000	3.7%	725,000	3.6%
State Assessments	712,299	10.8%	730,106	2.5%	748,359	2.5%	767,068	2.5%	786,245	2.5%
Cemetery (DPW)	250,000	10.9%	256,250	2.5%	262,656	2.5%	269,223	2.5%	275,953	2.5%
Acc. Costs - Misc.	\$ 3,183,799	4.6%	\$ 3,280,751	3.0%	\$ 3,379,742	3.0%	\$ 3,480,829	3.0%	\$ 3,584,073	3.0%

TOWN MANAGER'S BUDGET MESSAGE

FY19 BUDGET

The following document constitutes the Town Manager's recommended Fiscal Year 2019 Budget for the Town of Reading, beginning July 1, 2018.

Given that the financial challenges faced by the Town and Schools have begun to reach a wider audience than has been typical, I will spend the beginning of my remarks outlining the budget process in Reading, as it has evolved over the past twenty years.

The Budget Process

First, following state law and the Town Charter, the budget authorities are as follows and in chronological order: Superintendent & School Committee (School budget); Town Manager (balanced School and Town budgets); Finance Committee (balanced School and Town budgets); and Town Meeting (final approval of balanced School and Town budgets). Note that the Board of Library Trustees and the Board of Selectmen are advisory to the Town Manager.

There is one bottom line budget for the School department. Only the School Committee or Superintendent may decide how funds are spent. Other budget authorities listed above may only change (up or down) the bottom line figure for the Schools.

There are over 20 individual lines for the Town budget. All budget authorities listed above (aside from the Superintendent/School Committee) may change these lines, for example almost every Town department has one line for wages and another for expenses. Only the Town Manager has the authority to determine how the components of each voted line are spent.

Both the Town and Schools begin the annual budget process by September each year, for the fiscal year that begins in the following July. Typically the three elected boards (School Committee, Library Trustees and Selectmen) and staff attend a Finance Committee meeting in October called a Financial Forum in order to have a preliminary budget discussion. At that meeting the Town Accountant projects what revenues will look like for that future budget year, and also gives an estimate of what cash is on hand, called Free Cash. Financial actions expected at the upcoming November Town Meeting are also discussed. Note that while I will focus on the upcoming fiscal year budget, in fact forecasts are made for the next five years.

A second Financial Forum is held in November, in which the Free Cash position is formalized. School and Town staff present estimates about a set of costs called Accommodated Costs – more on those later. These costs are subtracted from the Revenues that are available, and that remaining amount is available for the so-called Town and School Operating budgets. The FINCOM typically adds a certain amount of Free Cash to help support the Operating budgets. From these available funds, both the town departments (36% share) and the school department (64% share) get the same percentage year-over-year increase. In FY19 the Operating budgets are increasing by +2.5%, which is better than the FY18 +1.25% increase, but still below what is generally agreed to as level service growth levels of 3% or so.

The three elected boards then hold public meetings to discuss their budgets in December and in January. By Charter, the School Committee must present a budget to the Town Manager by February 1st, and the Town Manager must present a balanced budget to FINCOM by March 1st. In some years the School Committee votes a budget higher than the balanced Operating budget figure and the Town Manager must cut any surplus, but has no authority as to specific costs within the budget. The balanced budget has been clearly identified to the School Committee, and they often cite how they plan to balance their budget if it is too high.

In March the Finance Committee holds public meetings, and must vote a balanced budget in advance of April Town Meeting. They may increase or decrease any budget line submitted by the Town Manager. If they increase in total, they must also provide Free Cash as a source of revenues, since only the Town Accountant may determine other revenue projections.

This year, the budget process was advanced by about one month, and FINCOM is expected to finish by mid-February, in order to provide as much information to the community as is possible before an April Override request.

Now let's look at the next fiscal year beginning July 2018.

FY19 Revenues

The total FY19 estimated revenues for general government will be \$94.4 million, plus the use of \$1.2 million of Free Cash, which is a 3.0% increase from FY18. Major revenue categories are listed below, and further described by the Town Accountant in a separate budget section.

	FY19	Change	Share
Property Taxes	\$ 68.6	3.2%	72%
Local Revenues	\$ 7.3	3.6%	8%
State Aid	\$ 14.5	2.5%	15%
Transfers	\$ 4.0	2.2%	4%
Free Cash	\$ 1.2	0.0%	1%
	\$ 95.6	3.0%	100%

Property taxes grow by +2.5% each year as is allowed by Proposition 2½, plus any new tax revenues. Recent efforts by the Town at stimulating Economic Development have helped so-called New Growth to add an additional 0.7% to these revenues. The +3.2% figure is above recent averages and hopefully will continue for several years.

Local revenues and transfers, which are fully detailed in the Revenue section of the budget, typically grow in the +3% area over the long run.

State Aid used to represent over 20% of annual revenues, but it has not kept up in the past decade or more. The +2.5% figure above is an estimate, while recent increases have been much smaller. In fact the Governor's budget released in January 2018, which is the first of several state budget steps, is closer to +1%. The final state aid figure may not be known until after Reading's April Town Meeting must vote a balanced budget. FINCOM has agreed that if it ends up below +2.5% they will increase the amount of Free Cash to replace any shortfall. Such a change would be made at the following Town Meeting in November 2018. The FY19 Governor's budget was about \$180,000 below that +2.5% figure used by FINCOM.

FY19 Accommodated Costs

The total FY19 so-called Accommodated Costs are \$36.1 million, as detailed below:

	FY19	Change
Benefits	\$ 17,605,849	6.7%
Capital & Debt (inside levy)	\$ 4,452,476	7.4%
Debt (excluded)	\$ 2,944,282	-1.3%
Energy	\$ 2,016,575	1.3%
Financial	\$ 852,250	1.5%
Education - Out of district	\$ 4,520,834	12.1%
Education - Vocational	\$ 415,000	7.5%
Miscellaneous	\$ 3,280,751	3.0%
Community Priorities	\$ -	0.0%
	\$ 36,088,017	6.0%

Thus by formula there is (\$95.6 million - \$36.1 million) \$59.5 million of remaining revenues to be shared by the Town and School Operating budgets. This works out to be a +2.5% increase to the FY19 Operating budgets as has been mentioned. Sometimes we refer to the Budget Gap as the difference between Revenues (+3% in FY19) and Accommodated Costs (+6% in FY19). We have worked hard to minimize increases in Accommodated Costs, and in some years driven their rate of increase below that of Revenues. But over the longer period of time, Prop 2½ really puts the squeeze on local budgets, some would say exactly as intended, others a bit too much.

The reason for this Accommodated Costs approach is to separate out two types of costs: (1) those Shared Costs by the town and schools that are not in either town or school budgets – for example benefits, capital and debt; and (2) volatile costs over which the town and schools have little control but are in their budgets – such as energy costs in the town budget and out of district Special Education (SPED) costs in the school budget.

An example of how this approach is beneficial happens to be in FY19, where these out of district SPED costs have climbed by +12.1% in one year to over \$4.5 million. It should be noted that a significant part of this increase is due to a \$200,000 decrease in state reimbursement referred to as circuit breaker. This \$487,164 increase was therefore paid for by revenues before funds flowed to the Town and School Operating budgets. The Town might be said to have absorbed 36% - or over \$175,000 – of this increase in FY19. The volatility in these costs is more often seen with increases, but decreases do occur. This budgeting approach smooths out the volatility for items in both the Town and School budgets, which allows for a much deeper long term planning process.

This approach has also allowed all parties involved to work more collaboratively on reducing these costs when possible. For example, performance contracting (energy improvements) paid for by shared debt service costs have reduced annual energy costs. Initially this reduced costs in the overall School budget, but after the bulk of the Facilities department was moved by Town Meeting to the Town department budgets it now benefits the Town budgets. As an Accommodated Cost, the location of costs does not matter as it benefits both budgets in that 36% Town / 64% School ratio.

Another benefit was to remove friction between and within departments for annual funding. Over 15 years ago the budget process was unformatted, which for example led to arguments between so-called Regular Day and Special Education parents. Under the old process the Schools would have needed to

argue for budget relief because of the +12.1% increase in out of district SPED costs in FY19, and if they failed they may have had to cut \$175,000 out of other parts of their School department budget, such as Regular Day.

Note the category above called Community Priorities, which is blank for FY19. The budget model has improved the entire process, but sometimes there are new costs that would ultimately reside in either the Town or School budgets exclusively, and there is a collaborative willingness to share the 'start up' cost. Recent examples have been additional staffing for social/emotional issues in the School budget and a School Resource Officer in the Town budget. Using this Community Priority method allows such new costs to be first paid by available revenues – and therefore split 36% / 64% - and after that these new costs become part of the baseline Town or School Operating budgets. Although this feature has been used several times since it was created, the only noticeable change to the Town/School ratio happened when the Facilities budget was moved from the Schools to the Town. Prior to that change the ratio was closer to 1/3 and 2/3.

The Accommodated Cost method is an allocation of resources. Once that exercise is complete, specific Accommodated Costs become part of the Shared Costs, the Town department budgets or the School budget.

Sustainability - Budget Flexibility in Shared Costs and Revenues

The persistent concern about an annual Budget Gap between Revenues and Accommodated Costs makes for very defensive budgeting, because of a need to build in future flexibility that can be used without seriously impacting services to the community.

One such tool is the FINCOM 5% policy for capital and debt. In recent years the FINCOM has relaxed their policy to about 4.75%. This has helped direct some additional funding to the Town and School Operating budgets. This is a logical way to help those budgets, and is a practice that is likely to be examined if an Override is not passed in the near term, with an argument being made that shiny new equipment and buildings without employees to use them seems like poor planning. While true in the short run, municipal government financial planning MUST be long-term. After all we've been around for nearly 375 years so far! Past experience 15 years ago taught us that spending too little on capital or maintenance is very expensive to all in the long run.

Another tool is the regular use of Free Cash to balance budgets. Ten or more years ago the town used no Free Cash to balance the annual budget, and at the same time purposefully underfunded some line items (such as health insurance premiums or DPW equipment repairs). Over time that budget practice evolved to more accurate estimates of costs, a more realistic recognition of revenues, and the annual use of some Free Cash. The latter practice was argued as responsible because each year some Free Cash was 'regenerated' – by spending less than was budgeted and/or enjoying revenues larger than was forecast.

At first that reliable annual regeneration amount was \$0.5 million, and gradually grew to about \$1.0 million. Actual regeneration has been both lower and higher than those figures – quite high occasionally due to a confluence of several one-time events. However due to the annual stress on the operating budgets of the Town and Schools in recent years, combined with very healthy levels of Free Cash, the FINCOM suggested and Town Meeting approved usage of as much as \$2 million to fund the annual operating budget.

After the October 2016 Override failed, FINCOM agreed that the amount used annually to support operating budgets needed to drop back closer to the \$1 million level, especially after they agreed to use over \$2 million from Free Cash to help settle \$6 million of High School construction litigation. Thus budget cuts in FY18 first closed almost a \$1 million funding gap from the 'loss' of Free Cash, and then closed the annual Budget Gap. As I have noted in this space for a few years, for what it's worth, I concur with FINCOM's recommendation that the annual use of Free Cash be at or near the \$1 million annual figure (it is \$1.2 million in FY19), with additional reserves then available for unexpected expenses during the year or shortfalls in revenues

Sustainability - Budget Flexibility in the Town Departments

Some remarks I made about budget planning and flexibility one year ago are worth repeating and updating before we get into the actual FY19 budget details.

Budgeting on the town side has very much been a long-term planning exercise for many years. Reductions began several years ago at Town Hall as positions were reduced in hours, regionalized with other communities and combined with other internal positions. Every retirement or unplanned staff departure was seen as an opportunity to redesign the position. Sometimes the creativity led to poor results, and we needed to redesign the redesign. In some cases positions were left vacant (providing future town and school budgets more Free Cash) and then eliminated as needed in order to avoid layoffs and maintain employee morale. These reductions impacted Administrative Services, Public Services (quite notably), Finance and Public Works. When funds were available, staff was added very cautiously in recent years: for example a Human Resources position shared between the town and schools; staffing depth to Dispatchers in the overnight shifts; and a few part-time positions in Public Services were restored to full-time.

Along the way, the town budget had enough marginal funding to add a bit more staff but choose not to do so because the annual Budget Gap loomed. There are two factors that influence this 'non-hire' policy: (1) the human factor of hiring and then laying off within a year; and (2) basic economics. The hiring process is expensive – we put a lot of time and effort from all staff involved – hiring is the single most important role of management. Also, for example, a new Police Officer from date of hire until the day they become trained and certified is about 9 months depending on the timing of training academy openings. There is little economic sense in obtaining 3 months of service for one year's pay. Our hiring is meant to be a long-term sustainable investment in our staff. This is why we have fallen behind especially in staffing Public Safety.

Given this backdrop, instead of hiring into an unsustainable environment we have spent funds on several one-time expenses (such as technology upgrades). Thus the need to eliminate town positions could have been much higher in FY18 except for these previous choices. It was interesting that some cited the lack of a need to lay-off more actual employees on the town side as an example of less financial need compared to what it really is - good financial planning.

In the next section we will look at a summary of the FY19 Town department budgets, which will then be described in greater detail in sections that follow. The summary review needs to bring back the perspective from last year, when a two-year budget outlook was described.

During the Community Listening Sessions in June 2016 we spoke about the need to eliminate 8-9 full-time-equivalent (FTE) Town positions if an October 2016 Override failed and we had no Free Cash to use in FY18. After the Override did fail, FINCOM voted to use some Free Cash which reduced the need to

eliminate positions to 4-5 FTEs. Given position vacancies and continuing the strong planning for the longer term approach, the Town eliminated about 7.5 FTEs in the FY18 budget, and stated that no further layoffs would be necessary in the FY19 budget as long as it was a small increase. Instead some FY18 funds were set aside for one-time uses, including helping to fund the language programs in the Middle Schools as needed. As you will see below, the +2.5% FY19 increase is better than that, and we have added back some hours and support staff positions.

Town Department Budgets

As seen in the next table, the Town Manager's FY19 budget for Town departments shows a +2.46% overall increase from FY18. These Town department budgets include the +2.5% Operating budget increase agreed to in the November 2017 Financial Forum, plus the Accommodated Costs which increase by only +2.29%.

A two-year look is shown in the bottom chart: Operating budgets grew at only +1.87% and total budgets grew at +2.0%.

	FY19 Operating	FY19 Accommodated	FY19 Total Budget
ADMINISTRATIVE SERVICES	\$ 2,346,825	\$ 467,250	\$ 2,814,075
PUBLIC SERVICES	\$ 1,486,425	\$ 235,000	\$ 1,721,425
FINANCE	\$ 824,200		\$ 824,200
PUBLIC SAFETY	\$ 10,406,475		\$ 10,406,475
DPW OPERATIONS	\$ 3,001,200	\$ 441,250	\$ 3,442,450
DPW TRASH-ST LIGHT-SNOW	\$ -	\$ 2,454,395	\$ 2,454,395
PUBLIC LIBRARY	\$ 1,592,015		\$ 1,592,015
CORE FACILITIES	\$ 1,327,700	\$ 1,671,575	\$ 2,999,275
TOWN BUILDINGS	\$ 314,400		\$ 314,400
	\$ 21,299,240	\$ 5,269,470	\$ 26,568,710
<i>previous year</i>	\$ 20,779,742	\$ 5,151,450	\$ 25,931,192
<i>FY19/FY18 change</i>	2.50%	2.29%	2.46%
<i>FY18/FY17 change</i>	1.24%	2.74%	1.54%
<i>Two year annualized</i>	1.87%	2.52%	2.00%

Please note that from this point on these Accommodated Costs will be part of each individual Town department budget.

FY19 Town Department Requests and Town Manager Cuts

	FY18 BUDGET	FY19 TOWN DH REQUESTS	FY19 TOWN MGR CUTS	FY19 TOWN MGR BUDGET	FY19 TM %	FY18 TM %	Avg
ADMIN. SERVICES	\$ 2,778,900	\$ 3,012,255	\$ (221,180)	\$ 2,814,075	1.3%	2.3%	1.8%
PUBLIC SERVICES	\$ 1,660,959	\$ 1,927,800	\$ (206,375)	\$ 1,721,425	3.6%	-0.5%	1.5%
FINANCE	\$ 805,050	\$ 866,700	\$ 500	\$ 824,200	2.4%	1.8%	2.1%
PUBLIC SAFETY	\$ 10,074,925	\$ 11,243,925	\$ (837,450)	\$ 10,406,475	3.3%	0.9%	2.1%
DPW OPERATIONS	\$ 3,362,575	\$ 3,543,100	\$ (100,650)	\$ 3,442,450	2.4%	0.3%	1.3%
DPW TRASH/LT/SNOW	\$ 2,401,500	\$ 2,454,395	\$ -	\$ 2,454,395	2.2%	0.0%	0.0%
PUBLIC LIBRARY	\$ 1,548,883	\$ 1,651,515	\$ (59,500)	\$ 1,592,015	2.8%	1.3%	2.0%
CORE FACILITIES	\$ 2,997,180	\$ 3,021,775	\$ (22,500)	\$ 2,999,275	0.1%	4.9%	2.5%
TOWN BUILDINGS	\$ 299,935	\$ 321,985	\$ (7,585)	\$ 314,400	4.8%	4.6%	4.7%
TOWN BUDGETS	\$ 25,929,907	\$ 28,043,450	\$ (1,454,740)	\$ 26,568,710	2.5%	1.5%	2.0%

In December 2017 each Town department presented their budget requests during four public meetings with the Board of Selectmen. In total, over \$28 million was requested in order to provide proper service levels to the community. As the Selectmen heard these budgets, many noted that not a single specific request seemed extravagant or out of line.

In early January the Town Manager needed to balance these budgets by cutting almost \$1.5 million to balance to available financial resources. As you can see above, Public Safety bore the brunt of those reductions, as requests to add 9 uniformed positions were all rejected.

Keeping with the two-year theme, it is important to see that over that period, most Town departments were right around the +2.0% level. Planned one-time spending in both Administrative Services and Core Facilities in FY18 was reversed and those funds were used across the board in FY19. The relatively small Town Buildings budget has been driven higher largely due to increases in outsourced cleaning contracts.

Below is a more traditional one-year summary of the Town Manager's FY19 Budget by Town department. Note the contrast of looking at two years for a more complete picture.

FY19 Town Manager Budget

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
ADMIN. SERVICES	\$ 2,433,058	\$ 2,507,220	\$ 2,585,147	\$ 1,238,128	\$ 2,778,900	\$ 2,814,075	1.27%
PUBLIC SERVICES	\$ 1,336,685	\$ 1,489,537	\$ 1,455,659	\$ 703,276	\$ 1,660,959	\$ 1,721,425	3.64%
FINANCE	\$ 683,026	\$ 773,655	\$ 767,655	\$ 282,371	\$ 805,050	\$ 824,200	2.38%
PUBLIC SAFETY	\$ 9,138,410	\$ 9,444,888	\$ 10,081,121	\$ 4,365,856	\$ 10,074,925	\$ 10,406,475	3.29%
DPW OPERATIONS	\$ 2,800,588	\$ 3,118,710	\$ 3,063,801	\$ 1,299,284	\$ 3,362,575	\$ 3,442,450	2.38%
DPW TRASH/LT/SNOW	\$ 2,881,807	\$ 2,012,053	\$ 2,465,453	\$ 873,196	\$ 2,401,500	\$ 2,454,395	2.20%
PUBLIC LIBRARY	\$ 1,393,957	\$ 1,436,975	\$ 1,483,153	\$ 623,630	\$ 1,548,883	\$ 1,592,015	2.78%
CORE FACILITIES	\$ 2,235,355	\$ 2,433,048	\$ 2,517,990	\$ 1,053,895	\$ 2,997,180	\$ 2,999,275	0.07%
TOWN BUILDINGS	\$ 244,002	\$ 291,598	\$ 295,949	\$ 160,702	\$ 299,935	\$ 314,400	4.82%
TOTAL	\$ 23,146,888	\$ 23,507,684	\$ 24,715,928	\$ 10,600,337	\$ 25,929,907	\$ 26,568,710	2.46%

FY19 Town Manager Budget – Wages

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
ADMIN. SERVICES	\$ 968,556	\$ 1,043,880	\$ 1,312,795	\$ 503,800	\$ 1,300,300	\$ 1,362,725	4.8%
PUBLIC SERVICES	\$ 952,262	\$ 1,181,162	\$ 1,190,786	\$ 581,580	\$ 1,284,709	\$ 1,365,725	6.3%
FINANCE	\$ 574,845	\$ 595,406	\$ 640,930	\$ 268,441	\$ 656,100	\$ 671,250	2.3%
PUBLIC SAFETY	\$ 8,831,949	\$ 9,108,081	\$ 9,664,754	\$ 4,143,513	\$ 9,591,725	\$ 9,918,775	3.4%
DPW OPERATIONS	\$ 2,278,103	\$ 2,401,873	\$ 2,315,842	\$ 987,153	\$ 2,517,175	\$ 2,613,350	3.8%
DPW TRASH/LT/SNOW	\$ 385,413	\$ 145,337	\$ 278,241	\$ -	\$ 115,000	\$ 125,000	8.7%
PUBLIC LIBRARY	\$ 1,084,228	\$ 1,136,375	\$ 1,173,078	\$ 480,679	\$ 1,212,683	\$ 1,248,550	3.0%
CORE FACILITIES	\$ 265,930	\$ 398,519	\$ 507,826	\$ 219,339	\$ 555,750	\$ 577,000	3.8%
TOWN BUILDINGS	\$ 178,808	\$ 191,141	\$ 217,507	\$ 83,622	\$ 219,850	\$ 224,000	1.9%
TOTAL WAGES	\$ 15,520,094	\$ 16,201,773	\$ 17,301,758	\$ 7,268,127	\$ 17,453,292	\$ 18,106,375	3.7%
	67.1%	68.9%	70.0%	68.6%	67.3%	68.1%	

Wages are projected to increase by +3.7% as shown above. In Administrative Services this is entirely driven by two additional scheduled elections requiring election workers. Without those additional elections, wages in the department would increase only +2.6%. In Public Services the increase is caused by increased activity in Economic Development, which has been a goal of the Town in order to expand the property tax base. Specifically, a vacant support staff position is turned into a junior planning position at an incremental cost, and extra hours (+0.4 FTE) are added to the building inspections division. Without

these two changes, wages in the department are up +2.8%. In Public Safety, a new support staff position (1.0 FTE) has been added, and will be shared by both Police and Fire/EMS. Likewise a support staff position (0.5 FTE) is added to the DPW budget. Without both of these support staff additions, wages in both departments would be right around +3.0%. The Library has rearranged staff coverage for the larger floorplan, slightly increasing staff hours and reducing their expenses.

In general, the Town's objective in controlling wages is to target about a 3% annual growth rate. In FY19 that target is achieved except for the additional hours noted above. Note that all eight Town unions have collective bargaining agreements that expire in June 2018, and estimates are used in the FY19 budget for wage projections. Non-union staff has a 1.0% Cost of Living increase (COLA) budgeted, up slightly from the 0.75% COLA in FY18.

Note the bottom line in the table above is the percentage of the Town department budgets spent on wages. A long-term figure should be close to 70%, but position vacancies and reductions have driven that figure lower. Also, in some years, increased expenses such as snow & ice can indirectly drive that ratio lower. The FTE reduction in FY18 is quite clearly seen above, as is the fact that FY19 one-time expenses are removed.

The question of exact FTEs is actually a complex one. Payroll is inaccurate because of regional positions we share with other towns and the school department; significant variation in hours with elections staff and other seasonal personnel skew results; as do positions supported by grants or revolving funds. It is still unclear what our financial system will be able to automate, but we will continue to work on improving a more consistent approach to capture the hours of work it takes to produce services for the community. Of course, in truth several employees work well beyond the hours they are paid for, so that exact capture will remain elusive. Below is a table of recent FTE changes in Town departments (done by hand) since the Facilities department was moved over from the School budget:

	FY16	FY17	FY18	FY19	CHANGE
ADMIN. SERVICES	15.9	16.4	15.9	15.9	-
PUBLIC SERVICES	23.2	23.0	21.5	21.9	(1.3)
FINANCE	10.8	10.8	10.8	10.8	-
PUBLIC SAFETY	107.3	106.8	104.3	105.3	(2.0)
DPW OPERATIONS	42.3	41.0	40.2	40.7	(1.6)
DPW TRASH/LT/SNOW	-	-	-	-	-
PUBLIC LIBRARY	22.5	22.5	21.0	21.0	(1.5)
CORE FACILITIES	7.0	7.0	7.0	7.0	-
TOWN BUILDINGS	4.0	4.0	4.0	4.0	-
TOTAL	233.0	231.5	224.7	226.6	(6.4)

FY16: although changes from FY15 are not shown there were increases because of the addition depth to Dispatchers and increased hours for division heads in Conservation, Health and Veteran's Services.

FY17: Administrative Services - HR Generalist added mid-year and shared with the School department (+0.5 FTE); Public Services – reduction in regional Health division hours (-0.2 FTE); Public Safety – reduction in RCASA hours (-0.5 FTE); DPW – reduction in Engineering staff (-1.3 FTE).

FY18: Administrative Services – Operations Specialist hours cut in half (-0.5 FTE); Public Services – Community Services Director position eliminated (-1.0 FTE), decreases in hours for Inspections and Recreation (-1.0 FTE) and net additions to support staff hours (+0.5 FTE); Public Safety Police officer, Firefighter/EMT and part-time RCASA positions eliminated (-2.5 FTE); DPW reduction in seasonal help (-

0.8 FTE); Public Library elimination of Sunday hours (-1.5 FTE estimated). Note the total does not exactly match 7.5 FTEs because some support staff hours were added back at a significant savings from the hourly cost of an Assistant department head position.

FY19: Public Services – addition of building inspection hours (+0.4 FTE); Public Safety – additional of support position shared by Police & Fire (+1.0 FTE); DPW – addition of support position shared with enterprise funds (+0.5 FTE).

FY19 Town Manager Budget – Expenses

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
ADMIN. SERVICES	\$ 1,464,502	\$ 1,463,340	\$ 1,272,352	\$ 734,328	\$ 1,478,600	\$ 1,451,350	-1.8%
PUBLIC SERVICES	\$ 384,423	\$ 308,374	\$ 264,873	\$ 121,695	\$ 376,250	\$ 355,700	-5.5%
FINANCE	\$ 108,181	\$ 178,249	\$ 126,725	\$ 13,930	\$ 148,950	\$ 152,950	2.7%
PUBLIC SAFETY	\$ 306,460	\$ 336,807	\$ 416,367	\$ 222,343	\$ 483,200	\$ 487,700	0.9%
DPW OPERATIONS	\$ 730,357	\$ 716,837	\$ 747,959	\$ 312,131	\$ 845,400	\$ 829,100	-1.9%
DPW TRASH/LT/SNOW	\$ 2,496,394	\$ 1,866,716	\$ 2,187,212	\$ 873,196	\$ 2,286,500	\$ 2,329,395	1.9%
PUBLIC LIBRARY	\$ 309,729	\$ 300,600	\$ 310,075	\$ 142,952	\$ 336,200	\$ 343,465	2.2%
CORE FACILITIES	\$ 65,194	\$ 100,457	\$ 78,442	\$ 77,080	\$ 80,085	\$ 90,400	12.9%
TOWN BUILDINGS	\$ 1,969,425	\$ 2,034,530	\$ 2,010,163	\$ 834,556	\$ 2,441,430	\$ 2,422,275	-0.8%
TOTAL EXPENSES	\$ 7,834,665	\$ 7,305,911	\$ 7,414,170	\$ 3,332,210	\$ 8,476,615	\$ 8,462,335	-0.2%
	33.8%	31.1%	30.0%	31.4%	32.7%	31.9%	

Again the stated strategy in FY18 was to spend funds on several one-time expenses, so the reduction in FY19 expenses was planned. This strategy is most notable in the previous table in both the Administrative Services (technology) and CORE Facilities. The only notable increase is in the Town Building budget, because of an increase in outsourced cleaning contracts.

FY19 Override Request

Town and School departments placed about \$4.8 million of requests before the Board of Selectmen for their consideration, and by a vote of 5-0, the Board voted to place a single Override ballot question in the amount of \$4.15 million in front of the Reading voters at the local election in April 2018. This amount is smaller than the \$7.5 million request that was not approved by Reading voters in October 2016. One key budget difference is that the 2016 figure was built to bridge the Budget Gap with ten years of sustainability, whereas the smaller amount is said to last for three years, or longer with continued good financial management and some good fortune. The funding will be divided as follows, preserving the 36%/64% funding ratio between the Town and Schools as requested by the School Committee:

TOTAL TOWN DEPARTMENTS	\$ 1,203,500
SCHOOL DEPARTMENT	\$ 2,137,250
BENEFITS	\$ 601,750
CAPITAL	\$ 207,500
VERRIDE TOTAL	\$ 4,150,000

Town Departments

The Town Manager presented a prioritized list of 30 Town budget line items to the Board for just under \$1.5 million, and the Board prioritized the list with a lot of similarities. After the Board voted an Override total, with the Town share as shown above, the Town Manager finalized the list as follows, where 21 of the 30 requests are able to be met:

	Wages	Expenses	Total
Administrative Services	\$ 66,000	\$ 40,000	\$ 106,000
Public Services	\$ 52,000	\$ -	\$ 52,000
Finance	\$ 50,000		\$ 50,000
Public Safety	\$ 806,000	\$ 39,500	\$ 845,500
Public Works	\$ 47,500		\$ 47,500
Public Library	\$ 80,000	\$ 22,500	\$ 102,500
Facilities	\$ -	\$ -	\$ -
TOWN TOTAL	\$ 1,101,500	\$ 102,000	\$ 1,203,500

As mentioned, built-in sustainability is not specifically included in this smaller \$4.15 million Override request. Thus the Town requests above favored some items that could be eliminated in the future as needed to close the Budget Gap. Examples of this are the \$40,000 in expense funding to Administrative Services, some of the clothing and equipment funding for Public Safety as start-up costs are higher than annual costs, and some additional hours and seasonal staffing. Details of the Override request for Town departments are shown on the next page.

Wages – about 12.25 FTEs plus additional hours for existing staff:

Dept	FTE	Position	Description
AS	1.0	Software Coord	Tech support Town & Schools
PS	+hours	Bld Insp & H/E Svc	increase hours - same staff
FIN	1.0	Asst Town Acct	backup Town, Schools, RMLD
PubSaf	9.0	5 Police; 4 Fire/EMT	SRO & staffing depth
PubWks	0.5 +hrs	support staff	clerical & seasonal
PubLib	0.75 +hrs	Sunday hrs & staff	support staff & more hours

The Software Coordinator and Assistant Town Accountant positions impact the entire organization, including the School department for both and the Light department for the latter. Support staff positions in DPW and the Library will assist existing staff to focus on their expertise, which is the best use of their time. The nine positions in Public Safety include 4 Police Officers plus an additional Police School Resource Officer, and 4 Firefighter/EMTs. The budget section for Public Safety will fully describe the staffing level concerns in this department.

Expenses – HR training for all Town departments; technology equipment replacement; uniforms and equipment for new Police and Fire/EMT; and Library Materials funding.

School Department

On February 5, 2018 the Reading School Committee voted unanimously to support the Priority Override Plan for the Reading Public Schools. Sixty-nine percent of the funding for the school department Priority Override Plan is allocated to classroom teachers and support. The 7.0 FTE Middle School Teachers will retain the middle school model and schedule, including Grade 6 English, and both Grades 7 and 8 Foreign Language. The 3.0 FTE Elementary School Teachers will retain class sizes at the elementary level in Grades 3-5 in the mid-20s. The 5.0 FTE High School Teachers will provide additional course sections at RMHS, increased Advanced Placement Classes across all disciplines, and will utilize the NEASC accreditation process to restructure current offerings in the future. In addition, the 1.0 FTE Regular Education Tutor will retain the current elementary tutor hours for academically struggling students during the school day. Moreover, the plan will provide opportunities, through the collective bargaining process, to retain and attract staff by making salaries more comparable with other communities.

	SCHOOL WAGE	SCHOOL EXPENSE
Retain 7 FTE Middle School Teachers	\$ 500,000	
Restore 5 FTE HS Teachers	\$ 350,000	
Retain 3 FTE Elementary School Teachers	\$ 241,000	
Retain 1 Regular Ed tutor	\$ 20,000	
Retain & attract staff	\$ 360,000	
Curriculum updates		\$ 150,000
Teacher Training for Science, ELA, Math		\$ 75,000
Restore 1 Computer Technician	\$ 57,000	
Classroom computer replacement		\$ 50,000
Add 1 FTE K-6 Math/Science Curr Coord	\$ 95,000	
Add 1 FTE K-6 ELA/Social Studies Curr Coorc	\$ 95,000	
Add 0.5 FTE SPED Team Chair	\$ 49,250	
Restructure 0.5 FTE RISE Dir/Asst Dir	\$ 70,000	
Restore Athletics		\$ 25,000
SCHOOL TOTAL	\$ 1,837,250	\$ 300,000

The plan has also earmarked a consistent amount of funding for curriculum replacement and updates each year. Next year, the plan would be to complete the third year of the science curriculum implementation and in future years, curriculum areas that are in the process of getting updated curriculum frameworks including social studies, literacy, and computer science would be addressed. Ongoing training for teachers and other staff across all levels (PreK-12) to improve student learning are also included within the plan. This priority plan includes restoring a 1.0 FTE Computer Technician to provide increased technology support and an amount of funding for technology replacement of older computers which would move our district from the current 8-year replacement cycle to a 5-year replacement cycle.

One of the key pieces of this priority plan is the additional leadership in special education and general education. Two K-6 Curriculum Coordinators, one for Math/Science and one for English Language Arts/Social Studies will provide support to improve consistency in teaching and learning among and across our five elementary schools. These two positions will facilitate ongoing improvement of the educational program, coordinate and maintain curriculum documents (i.e. curriculum maps and pacing charts) aligned to state standards, provide content expertise and feedback for staff, and help coordinate and provide ongoing training for teachers. The 0.5 FTE Special Education Team Chair and the 0.5 FTE RISE Preschool Director/Assistant Director for Special Education will help support and strengthen our in-district special education programs by providing greater oversight and support to our special education programs and teachers, concentrate a greater focus on special education program development and improvement, and provide additional support to building principals at the elementary level.

The final piece of the priority plan is to restore the athletic game schedule and elementary chorus that was reduced in the balanced budget.

FY19 – A Look Ahead

The Town and Schools have, since the passage of Proposition 2½, been required to do more with less. By reputation, Reading delivers both a high quality and volume of services given the funding that is available. We use an extensive planning process that looks ahead several years and we do our best to adapt to the rapidly changing present thoughtfully. The planning process combined with strong internal

communication and teamwork that relies on common-sense allows us to deliver good value to the community.

Over one year ago the Town and Schools faced a crossroads, and local voters choose the path of no additional funding. Annual budgeting is quite used to the need for conservative planning, but this year the Town was more forthcoming about staffing levels in Public Safety; that simply have not kept up with population growth or the complexity of the field. Area Chiefs tell me they do not have sufficient staffing levels, and we are staffed even lower. The request for nine additional positions (two cut last year, seven new ones) would bring us in line with peer staffing levels, but not account for our geographic proximity to high activity urban areas around us, or the location near two major interstate highways. If population grows as is projected, and crime and substance abuse activities generally continue to expand to the suburbs, public safety will be an ongoing dialogue with the community in the years ahead.

The Capital Plan points out clearly some of the one-time funding needs of the community that are as yet not covered by available financial resources. This list includes \$4.0 million of building security improvements; \$8.9 million of Recreation and Athletic Field improvements; and as yet unspecified costs for Killam Elementary School, a Community Center and the DPW garage. The current Capital Plan does show about \$10 million in funding available over the next ten years for these projects, but debt exclusion(s) must be an option for the larger projects, especially the Killam School. The relocation of the DPW garage could be a complex financial situation that involves a regional partner and significant future economic development, so it is difficult to accurately project the funding at this time.

Reading should be proud at how the Town and Schools work together and spend efficiently, even if not perfectly. In the past few years we have worked especially closely in Facilities, Human Resources, Technology and Finance, and those areas of our organization are quite effective and efficient. Financial reserves continue to be at strong levels, although the recent High School litigation settlement has knocked them down a notch. Significant ongoing investment in infrastructure has improved the condition of buildings and equipment over the past decade, which has in turn lowered operating costs.

Last year the community wide dialogue about services desired versus revenue available began in earnest, and the proverbial first round ended with a resounding mandate from the voters to cut services. In my role as Town Manager I typically encounter a vast majority of residents that want more services, yet I certainly understand and respect that message from the voters.

When it comes to the matter of money and budgets, the community at large has many different views. A basic mathematical fact is that there will be a slow and steady decline in services without more revenue. Some residents seem satisfied with that decline in exchange for a lower tax bill. Some residents want a great deal more services and are willing to pay a lot more for them. Probably a majority of the community is somewhere in between those two positions.

As always, we will all strive to meet the expectations of the community with whatever level of resources that are made available. On behalf of the entire Town government, thank you for the opportunity to help make the Town of Reading a very special place to work – and to live.

Robert W. LeLacheur, Jr. CFA

Town Manager

SPENDING SCORECARD

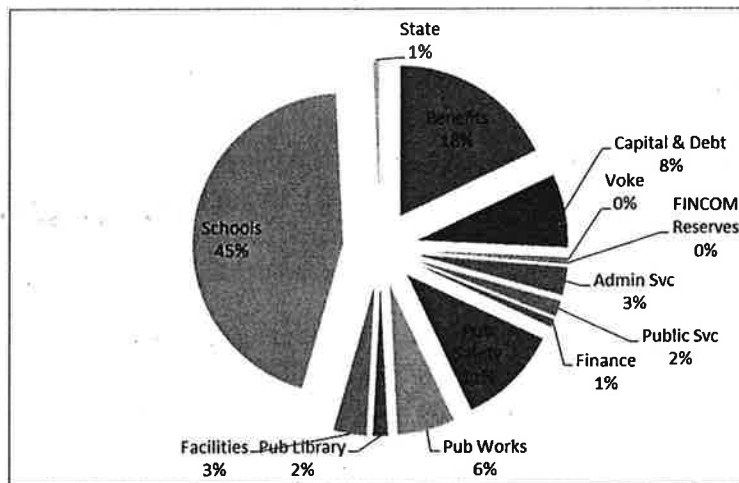
FY19 BUDGET

The total of all proposed FY19 budget expenditures for the Town of Reading General and Enterprise Funds is **\$108.32 million**, a 3.7% increase when compared to FY18.

The FY19 General Fund at \$94.86 million is up 3.7%; it is broadly comprised of:

Shared Costs (27.0%)	+5.8%
Town departments (28.0%)	+2.5%
School department (45.0%)	+3.2%

The chart below shows more details for the General Fund:



The FY19 Enterprise Funds at \$13.5 million are +4.2%; and are comprised of:

- Water +2.4% (rates will be unchanged)
- Sewer +3.8% (rates will be unchanged)
- Storm Water +33.0% (rates will remain \$40/household)

The following page lists each line item that Town Meeting will be asked to approve, starting with Line B99 Benefits and ending with line Y99 Storm Water Enterprise Fund.

As always, we welcome your comments and suggestions on your FY19 Budget documents!

FY19 Spending Scorecard

Line	Category	FY18 Budget revised	% Grand Total	FY19 Budget Town Manager	FY19 Budget Finance Committee	FINCOM votes	% chng	% Grand Total
B99	Benefits	\$16,496,047	15.7%	\$17,605,850	\$17,605,850	9-0	6.7%	16.1%
C99	Capital	\$2,259,400	2.1%	\$2,925,600	\$2,925,600	9-0	29.5%	2.7%
D99	Debt service	\$4,880,915	4.6%	\$4,471,158	\$4,471,158	9-0	-8.4%	4.1%
E99	Education - Vocational	\$386,000	0.4%	\$415,000	\$415,000	9-0	7.5%	0.4%
F99	Finance Committee Reserves	\$150,000	0.1%	\$150,000	\$150,000	9-0	0.0%	0.1%
	Total Shared Costs	\$ 24,172,362	23.0%	\$ 25,567,608	\$ 25,567,608		5.8%	23.4%
G91	Administrative Svcs wages	\$1,300,300	1.2%	\$1,362,725	\$1,362,725	9-0	4.8%	1.2%
G92	Administrative Svcs expenses	\$1,478,600	1.4%	\$1,451,350	\$1,451,350	9-0	-1.8%	1.3%
H91	Public Services wages	\$1,284,709	1.2%	\$1,365,725	\$1,365,725	9-0	6.3%	1.3%
H92	Public Services expenses	\$376,250	0.4%	\$355,700	\$355,700	9-0	-5.5%	0.3%
I91	Finance wages	\$656,100	0.6%	\$671,250	\$671,250	9-0	2.3%	0.6%
I92	Finance expenses	\$148,950	0.1%	\$152,950	\$152,950	9-0	2.7%	0.1%
J91	Public Safety wages	\$9,591,725	9.1%	\$9,918,775	\$9,918,775	9-0	3.4%	9.1%
J92	Public Safety expenses	\$483,200	0.5%	\$487,700	\$487,700	9-0	0.9%	0.4%
K91	Public Works wages	\$2,517,175	2.4%	\$2,613,350	\$2,613,350	9-0	3.8%	2.4%
K92	Public Works expenses	\$845,400	0.8%	\$829,100	\$829,100	9-0	-1.9%	0.8%
K93	Public Works Snow & Ice	\$625,000	0.6%	\$650,000	\$650,000	9-0	4.0%	0.6%
K94	Public Works Street Lights	\$180,000	0.2%	\$160,000	\$160,000	9-0	-11.1%	0.1%
K95	Public Works Rubbish	\$1,596,500	1.5%	\$1,644,395	\$1,644,395	9-0	3.0%	1.5%
L91	Library wages	\$1,212,683	1.2%	\$1,248,550	\$1,248,550	9-0	3.0%	1.1%
L92	Library expenses	\$336,200	0.3%	\$343,465	\$343,465	9-0	2.2%	0.3%
M91	Core Facilities	\$2,997,180	2.9%	\$2,999,275	\$2,999,275	9-0	0.1%	2.8%
M92	Town Buildings	\$299,935	0.3%	\$314,400	\$314,400	9-0	4.8%	0.3%
	Total Municipal Gov't	\$ 25,929,907	24.7%	\$ 26,568,710	\$ 26,568,710		2.5%	24.4%
U99	School Department	\$41,401,661	39.4%	\$42,723,025	\$42,723,025	9-0	3.2%	39.2%
	VOTED GENERAL FUND	\$ 91,503,930	87.0%	\$ 94,859,343	\$ 94,859,343		3.7%	
	State Assessments	\$ 718,801	0.7%	\$ 714,752	\$714,752		-0.6%	0.7%
	TOTAL	\$ 92,222,731	87.7%	\$ 95,574,095	\$ 95,574,095		3.6%	
W99	Water Enterprise Fund	\$6,199,885	5.9%	\$6,345,975	\$6,345,975	9-0	2.4%	5.8%
X99	Sewer Enterprise Fund	\$6,252,900	5.9%	\$6,491,650	\$6,491,650	9-0	3.8%	6.0%
Y99	Storm Water Enterprise Fund	\$467,800	0.4%	\$622,225	\$622,225	9-0	33.0%	0.6%
	TOTAL ENTERPRISE FUNDS	\$12,920,585	12.3%	\$13,459,850	\$13,459,850		4.2%	12.3%
	GRAND TOTAL VOTED	\$ 104,424,515	99.3%	\$108,319,193	\$ 108,319,193		3.7%	99.3%

FY19 Spending Scorecard

-- Override --

Line	Category	FY19 FINCOM Balanced Budget	Override Request	FY19 Override Budget	FINCOM votes	% chnge	% Grand Total
B99	Benefits	\$17,605,850	\$ 601,750	\$18,207,600		10.4%	16.1%
C99	Capital	\$2,925,600	\$ 207,500	\$3,133,100		38.7%	2.8%
D99	Debt service	\$4,471,158	\$ -	\$4,471,158		-8.4%	4.0%
E99	Education - Vocational	\$415,000	\$ -	\$415,000		7.5%	0.4%
F99	Finance Committee Reserves	\$150,000	\$ -	\$150,000		0.0%	0.1%
	Total Shared Costs	\$ 25,567,608	\$ 809,250	\$ 26,376,858		9.1%	23.3%
G91	Administrative Svcs wages	\$1,362,725	\$ 66,000	\$1,428,725		9.9%	1.3%
G92	Administrative Svcs expenses	\$1,451,350	\$ 40,000	\$1,491,350		0.9%	1.3%
H91	Public Services wages	\$1,365,725	\$ 52,000	\$1,417,725		10.4%	1.3%
H92	Public Services expenses	\$355,700	\$ -	\$355,700		-5.5%	0.3%
I91	Finance wages	\$671,250	\$ 50,000	\$721,250		9.9%	0.6%
I92	Finance expenses	\$152,950	\$ -	\$152,950		2.7%	0.1%
J91	Public Safety wages	\$9,918,775	\$ 806,000	\$10,724,775		11.8%	9.5%
J92	Public Safety expenses	\$487,700	\$ 39,500	\$527,200		9.1%	0.5%
K91	Public Works wages	\$2,613,350	\$ 47,500	\$2,660,850		5.7%	2.4%
K92	Public Works expenses	\$829,100	\$ -	\$829,100		-1.9%	0.7%
K93	Public Works Snow & Ice	\$650,000	\$ -	\$650,000		4.0%	0.6%
K94	Public Works Street Lights	\$160,000	\$ -	\$160,000		-11.1%	0.1%
K95	Public Works Rubbish	\$1,644,395	\$ -	\$1,644,395		3.0%	1.5%
L91	Library wages	\$1,248,550	\$ 80,000	\$1,328,550		9.6%	1.2%
L92	Library expenses	\$343,465	\$ 22,500	\$365,965		8.9%	0.3%
M91	Core Facilities	\$2,999,275	\$ -	\$2,999,275		0.1%	2.6%
M92	Town Buildings	\$314,400	\$ -	\$314,400		4.8%	0.3%
	Total Municipal Gov't	\$ 26,568,710	\$ 1,203,500	\$ 27,772,210		7.1%	24.5%
U99	School Department	\$42,723,025	\$ 2,137,250	\$44,860,275		8.4%	39.6%
	VOTED GENERAL FUND	\$ 94,859,343	\$ 4,150,000	\$ 99,009,343		8.2%	
	<i>State Assessments</i>	\$ 714,752	\$ -	\$714,752		-0.6%	0.6%
	TOTAL	\$ 95,574,095	\$ 4,150,000	\$ 99,724,095		8.1%	
W99	Water Enterprise Fund	\$6,345,975	\$ -	\$6,345,975	9-0	2.4%	5.6%
X99	Sewer Enterprise Fund	\$6,491,650	\$ -	\$6,491,650	9-0	3.8%	5.7%
Y99	Storm Water Enterprise Fund	\$622,225	\$ -	\$622,225	9-0	33.0%	0.5%
	TOTAL ENTERPRISE FUNDS	\$13,459,850	\$ -	\$13,459,850		4.2%	11.9%
	GRAND TOTAL VOTED	\$ 108,319,193	\$ 4,150,000	\$ 112,469,193		7.7%	99.4%

SHARED COSTS

FY19 BUDGETS

	FY19 TOWN			CHANGE
	FY18 BUDGET	MGR BUDGET		
Benefits	\$ 16,496,047	\$ 17,605,850		6.73%
Capital + Debt	\$ 7,140,315	\$ 7,396,758		3.59%
FINCOM Res.	\$ 150,000	\$ 150,000		0.00%
Voke Schools	\$ 386,000	\$ 415,000		7.51%
TOTAL	\$ 24,172,362	\$ 25,567,608		5.77%
<i>*State Assess.</i>	<i>\$ 718,801</i>	<i>\$ 714,752</i>		<i>-0.56%</i>
<i>*not voted by Town Meeting</i>				

Some of these shared costs are subject to long term financial planning, and their annual increases can be managed. However some of these costs fluctuate without pattern and are challenging to manage.

Benefits (\$17.6 million; +6.7% estimate)

Retirement (\$4,505,850; +5.2%): The Retirement Board voted an increase of +5.3% to the annual contribution required; a \$25,000 expense pays the annual fees associated with seasonal and part-time employees' shift from social security to a 457(b) plan which saved the town over \$100,000 annually; and \$525,000 is set aside as a contribution to the Other Post-Employment Benefits (OPEB) liability. While this is well below the needed annual contribution of over \$1.7 million, a longer term plan to increase this funding will occur as the pension liability becomes fully funded, or sooner if it becomes required by law. Note this partial contribution was a positive factor in our debt ratings upgrade.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL	FY18 BUDGET	FY19 TOWN	CHANGE
				to 01/18/18		MGR BUDGET	
RETIREMENT ASSESSMENT	\$ 3,363,721	\$ 3,515,087	\$ 3,570,858	\$ 3,731,545	\$ 3,731,547	\$ 3,930,850	5.34%
RETIREMENT OBRA MGMT FEES	\$ 15,246	\$ 16,385	\$ 18,491	\$ 17,141	\$ 25,000	\$ 25,000	0.00%
OPEB CONTRIBUTIONS	\$ 475,000	\$ 500,000	\$ 500,000	\$ -	\$ 500,000	\$ 525,000	5.00%
RETIREMENT ACTUARIAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	0.00%
RETIREMENT & PENSION EXPENSES	\$ 3,853,967	\$ 4,031,472	\$ 4,089,349	\$ 3,748,686	\$ 4,281,547	\$ 4,505,850	5.24%

Medicare (\$900,000; +13.9%): The annual rate of increase of this line item is related to employee wage costs for the town and schools, with a slight acceleration for newer hires. In retrospect, the FY18 budget looks to be too low, and is corrected for FY19.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL	FY18 BUDGET	FY19 TOWN	CHANGE
				to 01/18/18		MGR BUDGET	
MEDICARE EMPLOYEE BENEFITS	\$ 667,875	\$ 703,050	\$ 773,965	\$ 404,679	\$ 785,000	\$ 895,000	14.01%
REGIONAL EE MEDICARE COSTS	\$ 1,857	\$ 1,040	\$ 875	\$ -	\$ 5,000	\$ 5,000	0.00%
MEDICARE EXPENSES	\$ 669,732	\$ 704,090	\$ 774,840	\$ 404,679	\$ 790,000	\$ 900,000	13.92%

Health & Life Insurance (\$11,625,000; +6.9% estimate): The Town and all unions ('the PEC') from the Town, School and Light departments have worked collaboratively for many years to reduce premiums and shift costs to users (employees & retirees) of health insurance. The most recent RFP two years ago demonstrated that the health insurance industry is in such disarray at the national level that there are few 'levers' for the Town to push in order to reduce costs significantly. The Town does take the philosophically distasteful step of paying employees to drop insurance if they can enroll on a spouse's plan. In the first four years through FY16, together we avoided \$678,000 of premiums, which were a net savings to the town of \$522,000 after the payment to employees. Participation in the program has increased, with the town's annual savings increasing from \$56,500 in the first year to over \$225,000 in the most recent year.

As of this writing the town has not received the proposed FY19 premiums increase, so a +7% figure is used as an estimate.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 01/18/18	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
GROUP INS PROFESSIONAL SVC	\$ 2,535	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	0.00%
GROUP HEALTH INSURANCE PREM	\$ 8,664,022	\$ 9,356,185	\$ 10,003,421	\$ 5,190,249	\$ 10,710,000	\$ 11,455,000	6.96%
HEALTH INS. TO ANOTHER TOWN	\$ 18,532	\$ 16,491	\$ -	\$ -	\$ 20,000	\$ 20,000	0.00%
OPT-OUT HEALTH INS PAYMENT	\$ 52,500	\$ 61,783	\$ 70,035	\$ 686	\$ 75,000	\$ 80,000	6.67%
REGIONAL EE HEALTH INS COSTS	\$ 14,031	\$ 7,021	\$ 7,149	\$ -	\$ 10,000	\$ 10,000	0.00%
GROUP LIFE INSURANCE PREMI	\$ 24,635	\$ 26,855	\$ 30,214	\$ 17,343	\$ 30,000	\$ 34,000	13.33%
REGIONAL EE LIFE INS COSTS	\$ 75	\$ 23	\$ 20	\$ -	\$ 500	\$ 1,000	100.00%
HEALTH INSURANCE EXPENSES	\$ 8,776,330	\$ 9,468,359	\$ 10,110,839	\$ 5,208,278	\$ 10,870,500	\$ 11,625,000	6.94%

Worker Compensation (\$325,000; +5.2%): The town has received acclaim for safety policies which have kept budget increases modest. The figure for FY19 is an estimate.

Indemnification (\$110,000; +4.8%): Police & Fire on duty injury related expenses can vary widely in this line item.

Unemployment Compensation (\$140,000; +0%): This budget was increased 40% last year due to proposed layoffs. No further increases are projected despite the need for continued layoffs because the FY18 usage figures are lower than anticipated, due to a generally strong job market.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 01/18/18	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
WORKERCOMP DEDUCTIBLES/CLAIMS	\$ 4,274	\$ 6,448	\$ 6,287	\$ (12,782)	\$ 10,000	\$ 15,000	50.00%
WORKERCOMP INSURANCE PREMIUMS	\$ 230,852	\$ 256,112	\$ 287,892	\$ 354,825	\$ 295,000	\$ 306,000	3.73%
REGIONAL EE WORKERCOMP INS	\$ 1,076	\$ 1,134	\$ 600	\$ -	\$ 4,000	\$ 4,000	0.00%
WORKERS COMPENSATION EXPENSES	\$ 236,202	\$ 263,694	\$ 294,779	\$ 342,043	\$ 309,000	\$ 325,000	5.18%
111F W RETIRE PENDING WAGES	\$ 151,662	\$ 74,966	\$ -	\$ 44,308	\$ -	\$ -	0.00%
PUB SAF POLICE INDEMNIFICATION	\$ 55,596	\$ 52,175	\$ 44,416	\$ 13,022	\$ 52,500	\$ 55,000	4.76%
PUB SAFETY FIRE INDEMNIFICATION	\$ 85,101	\$ 32,158	\$ 55,002	\$ 5,324	\$ 52,500	\$ 55,000	4.76%
INDEMNIFICATION 111F WAGES&EXP.	\$ 292,358	\$ 159,299	\$ 99,417	\$ 62,654	\$ 105,000	\$ 110,000	4.76%
UNEMPLOYMENT-TOWN EMPLOYEES	\$ 11,597	\$ 25,856	\$ 12,511	\$ 3,904	\$ 40,000	\$ 40,000	0.00%
UNEMPLOYMENT SCHOOL EMPLOYEES	\$ 80,055	\$ 62,074	\$ 28,887	\$ 26,304	\$ 95,000	\$ 95,000	0.00%
UNEMPLOYMENT PROF REPRESENTATI	\$ 2,755	\$ 2,820	\$ 3,030	\$ 2,325	\$ 5,000	\$ 5,000	0.00%
	\$ 94,407	\$ 90,750	\$ 44,428	\$ 32,533	\$ 140,000	\$ 140,000	0.00%
EMPLOYEE/RETIREE BENEFITS	\$ 13,922,996	\$ 14,717,663	\$ 15,413,652	\$ 9,798,873	\$ 16,496,047	\$ 17,605,850	6.73%

Capital & Debt (\$7.4 million; +3.6%)

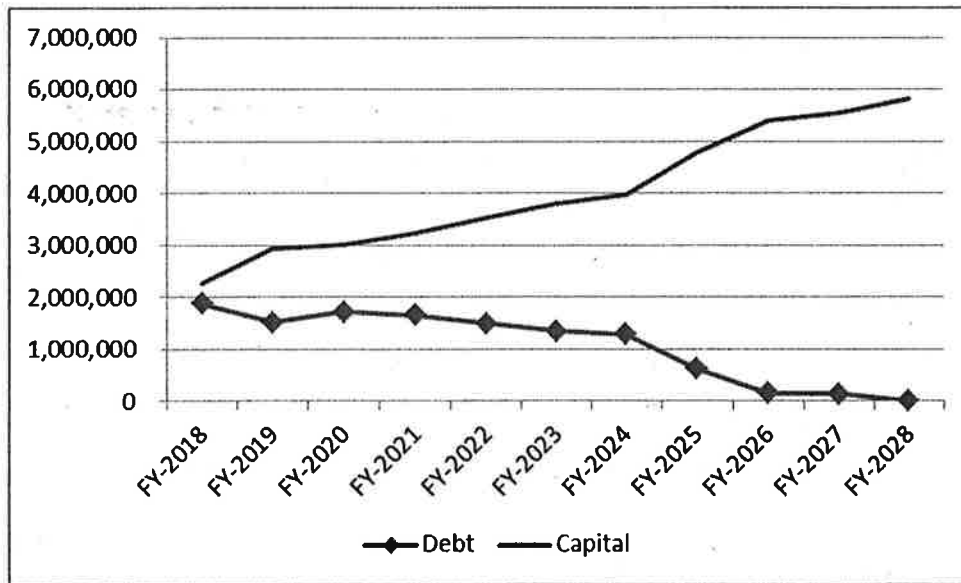
About 15 years ago, the failure to pass an Override led to a decision to severely cut back on capital and debt spending. Coupled with the choice to fund two elementary school projects inside the tax levy with debt, this meant that annual capital spending dropped to below \$100,000.

Town finance staff created a budget framework that included the notion of setting aside 5% of revenues for capital & debt once an Operating Override passed, and it was endorsed by FINCOM. This approach improved the condition of buildings equipment, important both from a safety and financial standpoint as repair and maintenance costs have dropped by \$100,000's annually.

In recent years, because the Operating budgets again grew tight, FINCOM voted to relax the 5% to about 4.75%. In FY18, capital spending was about \$285,000 below the 5% target, and in this budget it is proposed to be \$130,000 below that target. Funding the RMHS/TLT litigation with some debt further reduced funds available for capital, and is a driver why a return closer to 5% is advised in order to keep equipment and buildings in satisfactory condition.

Note that extra capital is added during a fiscal year when needs arise (for example, the Wood End skylight in November 2017) and as free cash allows. These midyear additions are captured in the capital plan but not listed in year-over-year comparisons, because that intent is to compare balanced budgets.

Below are projections for capital (increasing) and debt (decreasing) spending consistent with the full 5% FINCOM Policy as of FY2020:



Please see the Capital Plan and the Debt Schedule in the Appendix for further details.

Capital (\$2,925,600; +29.5%)

In FY19 the increase in capital is driven mostly by a reduction in debt, but also by borrowing the gap below that 5% target. Note that by including recent mid-year capital spending, the FINCOM 5% minimum spending has been achieved despite four consecutive years of funding below 5% as part of the annual budget process.

Capital Projects:

\$150,000 for Core Facilities: \$150,000 funding for the Permanent Building Committee.

\$680,000 for School Facilities: \$575,000 for a high efficiency boiler at RMHS (that was not replaced during the renovation ten years ago); carpet/flooring at RMHS (\$40,000) and Parker (\$15,000) and \$30,000 for HVAC work at Coolidge in advance of replacing a boiler in FY20.

\$570,000 for Town Facilities: \$500,000 to renovate the Dispatch Center in the Police Station; \$50,000 for the fire alarm system at the Pleasant Street Center and \$20,000 for door replacements at the DPW yard to reduce energy waste. A discussion between the Facilities Director, Superintendent of Schools, Town Manager and Police Chief unanimously determined that repairs to the Dispatch area were needed before any of the other recommendations of a recent building security evaluation would be put in place.

\$155,000 for Schools: \$100,000 for large scale technology projects and \$55,000 as the first portion of a four year phone upgrade project.

\$100,000 for Admin. Services: \$100,000 for large scale Town technology projects.

\$115,000 for Public Services: \$100,000 for an assessment of downtown infrastructure improvements needed to support recent and planned economic development efforts in the area (note that additional funding from the three enterprise funds are also proposed) and \$15,000 for annual playground improvements program - at Barrows.

\$96,600 for Public Safety Fire/Police: \$45,600 to replace Fire truck #3 (2006), \$36,000 to replace Fire/EMS Defibrillators (2011) and \$15,000 for Police Tasers.

\$1,059,000 for Public Works: \$400,000 for road repairs (an additional ~ \$600,000 of Chapter 90 grant funds will supplement the road repair budget); \$200,000 for school site safety improvements (at Joshua Eaton); \$100,000 for skim coating & seal crack road repairs; \$100,000 in general curb and sidewalk repairs for pedestrian safety; \$25,000 for general parking lot improvements and \$25,000 for general fence improvements; and the following replacement equipment: \$175,000 Woodsman Chipper (2004) and \$34,000 for an Engineering vehicle.

Debt (\$4,471,158; -8.4%)

The FY19 debt schedule includes \$1.5 million inside the tax levy and an additional \$2.9 million previously approved by voters as excluded, or in addition to the tax levy as set by Proposition 2½.

	PRIN	INT	TOTAL		PRIN	INT	TOTAL
Energy Improvements	435,000	93,663	528,663	RMHS	1,015,000	338,250	1,353,250
Barrows/Wood End	295,000	54,388	349,388	Barrows/Woc	55,000	9,932	64,932
RMHS litigation	135,000	48,600	183,600	Library	1,235,000	291,100	1,526,100
Modular Classrooms	150,000	33,000	183,000	EXCLUDED	2,305,000	639,282	2,944,282
RMHS Retaining Wall	100,000	10,000	110,000				
West Street Project	130,000	29,900	159,900	<i>add \$12,325 of Premiums for debt budget</i>			
INSIDE THE LEVY	1,245,000	269,551	1,514,551				

Below is a projection for the remaining excluded debt payments, and the additional costs to the property tax bill, which is eliminated in FY26:

	FY - 2018	FY - 2019	FY - 2020	FY - 2021	FY - 2022	FY - 2023	FY - 2024	FY - 2025	FY - 2026
Library	1,565,500	1,526,100	1,486,700	1,447,300	1,407,900	1,368,500	1,329,100	1,279,700	0
Schools	1,418,082	1,418,182	1,415,782	1,400,882	1,383,982	1,364,082	1,357,012	0	0
	2,983,582	2,944,282	2,902,482	2,848,182	2,791,882	2,732,582	2,686,112	1,279,700	0
Avg SF Home	4.49%	4.30%	4.11%	3.92%	3.73%	3.54%	3.38%	1.56%	0%

FINCOM Reserves (\$150,000; 0%)

The Finance Committee has an emergency reserve fund for unforeseen expenses. FINCOM has considered increasing this long-standing amount but instead had chosen to replenish it at Town Meetings back up to \$150,000 during a fiscal year.

Regional Vocational Schools (\$415,000; +7.5%)

No significant change is expected in enrollment at Reading's formal district with the Northeast Metro Technical Regional Vocational school in Wakefield. They have been approved to replace their school building, and significant costs are expected in the next few years. The cost to Reading will be somewhat modest as the Town has less than 2% of the current enrollment, and further the school is eligible for significant assistance from the state. The town also has students enrolled at the Minuteman and Essex North Vocational schools through school choice.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 01/18/18	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
REGIONSCH NORTH EAST REG VOKE	\$ 229,908	\$ 244,852	\$ 247,286	\$ 142,997	\$ 259,650	\$ 310,000	19.39%
ESSEX NORTH VOKE	\$ 89,843	\$ 41,362	\$ 20,631	\$ 76,208	\$ 38,400	\$ 62,000	61.46%
REGIONSCH MINUTEMAN REGVOKE	\$ 147,249	\$ 71,928	\$ 41,073	\$ 82,113	\$ 87,950	\$ 43,000	-51.11%
REGIONAL VOCATION SCHOOLS	\$ 467,000	\$ 358,142	\$ 308,990	\$ 301,318	\$ 386,000	\$ 415,000	7.51%

State Assessments (\$714,752; -0.6% estimate)

Town Meeting does not vote on these charges, they are deducted from any State Aid payments the Town receives. The above figure is a preliminary estimate in January 2018 from the Governor's budget. Last year at this time a figure of \$702,425 was estimated for FY18 but the actual figure came in almost \$16,000 higher as is shown below:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 01/18/18	FY18 STATE	FY19 STATE	CHANGE
SCHOOL CHOICE TUITION	\$ 21,647	\$ 48,149	\$ 77,847	\$ 35,822	\$ 74,520	\$ 62,770	-15.77%
CHARTERSCHOOL TUITION	\$ 40,905	\$ 23,972	\$ 26,312	\$ 18,714	\$ 40,575	\$ 33,202	-18.17%
RMV NON RENEWAL	\$ 14,740	\$ 14,740	\$ 16,080	\$ 8,040	\$ 16,080	\$ 16,080	0.00%
AIR POLLUTION CONTROL	\$ 8,162	\$ 8,436	\$ 8,647	\$ 4,470	\$ 8,938	\$ 9,174	2.64%
MAPC	\$ 12,596	\$ 12,531	\$ 12,844	\$ 6,546	\$ 13,087	\$ 13,392	2.33%
MBTA	\$ 536,111	\$ 542,365	\$ 547,755	\$ 275,958	\$ 551,912	\$ 566,445	2.63%
SPEED STATE ASSESSMENT	\$ 5,668	\$ 5,495	\$ 13,163	\$ -	\$ 13,689	\$ 13,689	0.00%
STATE ASSESSMENTS	\$ 639,829	\$ 655,688	\$ 702,648	\$ 349,550	\$ 718,801	\$ 714,752	-0.56%

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Chief of Police

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Fire Chief

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February 7, 2018

ADMINISTRATIVE SERVICES

FY19 BUDGET

The Administrative Services Department's FY19 budget is increased by 1.3% when compared to the previous year. Details by Division are shown below:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
Operations	\$ 460,109	\$ 493,191	\$ 618,586	\$ 243,652	\$ 641,575	\$ 663,575	3.4%
Technology	\$ 627,949	\$ 641,270	\$ 678,785	\$ 360,236	\$ 841,725	\$ 795,675	-5.5%
Human Resources	\$ 89,279	\$ 136,101	\$ 182,569	\$ 65,625	\$ 169,525	\$ 177,400	4.6%
Town Manager Office	\$ 1,057,719	\$ 1,063,567	\$ 873,918	\$ 508,379	\$ 910,025	\$ 937,950	3.1%
Town Clerk Office	\$ 122,855	\$ 126,997	\$ 130,110	\$ 55,364	\$ 151,850	\$ 150,975	-0.6%
Elections	\$ 75,147	\$ 46,094	\$ 101,180	\$ 4,872	\$ 64,200	\$ 88,500	37.9%
ADMIN SVC TOTAL	\$ 2,433,058	\$ 2,507,220	\$ 2,585,147	\$ 1,238,128	\$ 2,778,900	\$ 2,814,075	1.3%

Department Support Revenue: The department conducts many activities for other parts of the organization. The Water, Sewer, Storm Water Enterprise Funds and RMLD will make total payments of about \$140,000 to the general fund on behalf of the Administrative Services department. The School department is not charged since they are also part of the general fund. Note that property insurance is billed directly to the three Enterprise Funds and RMLD.

Overview

The Administrative Service department is designed to promote organizational efficiency and communication. The Administrative Services Director serves as the department head and also as the role of Ombudsman – an advocate for the public. Changes to the Charter approved in January 2015 require the Town Manager to appoint a town employee to that role. This position replaced the former Assistant Town Manager/Finance Director.

A 4.8% increase in wages is driven by the need to fund three elections – two more than in FY18. The increase would be +2.6% without the change in elections. Details by division are shown below:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
Operations	\$ 318,089	\$ 352,181	\$ 491,100	\$ 196,328	\$ 499,075	\$ 514,075	3.0%
Technology	\$ 268,823	\$ 292,402	\$ 318,461	\$ 126,402	\$ 325,825	\$ 334,275	2.6%
Human Resources	\$ 71,082	\$ 98,460	\$ 140,660	\$ 58,339	\$ 145,025	\$ 149,400	3.0%
Town Manager Office	\$ 148,467	\$ 153,524	\$ 164,411	\$ 66,906	\$ 166,325	\$ 171,500	3.1%
Town Clerk Office	\$ 122,855	\$ 126,997	\$ 130,004	\$ 55,055	\$ 136,850	\$ 140,975	3.0%
Elections	\$ 39,240	\$ 20,315	\$ 68,160	\$ 770	\$ 27,200	\$ 52,500	93.0%
ADMIN SVC WAGES	\$ 968,556	\$ 1,043,880	\$ 1,312,795	\$ 503,800	\$ 1,300,300	\$ 1,362,725	4.8%

It is worth noting that comparing actual funds spent in wages can be deceiving because positions were vacant for significant periods of time in some town departments. For example, in Operations both the department head position and the centralized procurement position were budgeted but vacant for almost two years each, understating wages by well over \$150,000 in some fiscal years shown above. An HR position shared with the School department is the only new one shown in the table above, added in FY17.

Expenses are reduced by 1.8% as some one-time items funded in Technology and the Town Clerk Office and described in the FY18 budget are eliminated. Note that the increase in elections has no impact on the expense budget. Details by division are also shown below:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
Operations	\$ 142,021	\$ 141,010	\$ 127,485	\$ 47,325	\$ 142,500	\$ 149,500	4.9%
Technology	\$ 359,126	\$ 348,868	\$ 360,325	\$ 233,833	\$ 515,900	\$ 461,400	-10.6%
Human Resources	\$ 18,197	\$ 37,641	\$ 41,910	\$ 7,286	\$ 24,500	\$ 28,000	14.3%
Town Manager Office	\$ 909,252	\$ 910,042	\$ 709,506	\$ 441,473	\$ 743,700	\$ 766,450	3.1%
Town Clerk Office	\$ -	\$ -	\$ 106	\$ 310	\$ 15,000	\$ 10,000	-33.3%
Elections	\$ 35,907	\$ 25,779	\$ 33,020	\$ 4,102	\$ 37,000	\$ 36,000	-2.7%
ADMIN SVC EXPENSES	\$ 1,464,502	\$ 1,463,340	\$ 1,272,352	\$ 734,328	\$ 1,478,600	\$ 1,451,350	-1.8%

Operations: This division includes the department head, Business Administrator, Procurement Officer (town & schools) and other staff shared with the department. This division is the centralized location for procurement, communications and constituent services. Postage is now centralized in this division, as well as equipment maintenance. The FY19 budget is increased by 3.4% as described below.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
OPERATIONS TOTAL	\$ 460,109	\$ 493,191	\$ 618,586	\$ 243,652	\$ 641,575	\$ 663,575	3.4%
	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
ADMIN SERVICES DIRECTOR	\$ 15,282	\$ 97,436	\$ 100,425	\$ 41,678	\$ 103,625	\$ 106,750	3.0%
BUSINESS ADMINISTRATOR	\$ 74,944	\$ 43,289	\$ 78,007	\$ 32,458	\$ 80,700	\$ 83,125	3.0%
PROCUREMENT OFFICER	\$ -	\$ 5,284	\$ 70,505	\$ 29,507	\$ 73,350	\$ 75,575	3.0%
OPERATIONS SPECIALIST	\$ 24,342	\$ 3,389	\$ 6,939	\$ 9,252	\$ 20,000	\$ 25,000	25.0%
SUPPORT STAFF	\$ 188,724	\$ 197,286	\$ 214,358	\$ 80,257	\$ 206,900	\$ 208,125	0.6%
OPS WAGES OVERTIME	\$ 11,531	\$ 4,812	\$ 8,068	\$ 2,486	\$ 8,000	\$ 10,000	25.0%
OPS WAGES TEMP	\$ 3,266	\$ 686	\$ 1,117	\$ 690	\$ 6,500	\$ 5,500	-15.4%
OPS SICK LEAVE BUYBACK	\$ -	\$ -	\$ 11,681	\$ -	\$ -	\$ -	0.0%
OPERATIONS WAGES	\$ 318,089	\$ 352,181	\$ 491,100	\$ 196,328	\$ 499,075	\$ 514,075	3.0%

Additional Overtime funding is needed for support staff coverage of night meetings, and an increase in hours for the Specialist is needed for a planned financial software upgrade.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
POSTAGE	\$ 81,317	\$ 83,328	\$ 71,927	\$ 17,931	\$ 80,000	\$ 85,000	6.3%
COPIER LEASES & SUPPLIES	\$ 33,702	\$ 35,341	\$ 34,224	\$ 15,012	\$ 38,000	\$ 40,000	5.3%
PRINTING AND ADVERTISING	\$ 7,047	\$ 903	\$ 751	\$ 1,012	\$ 3,000	\$ 3,000	0.0%
DUES/MEMBERSHIPS	\$ 5,730	\$ 6,660	\$ 6,598	\$ 6,175	\$ 8,000	\$ 8,000	0.0%
PROFESSIONAL DEVELOPMENT	\$ 6,794	\$ 9,949	\$ 8,523	\$ 3,933	\$ 8,500	\$ 8,500	0.0%
OFFICE SUPPLIES AND EQUIP REPAIR	\$ 7,431	\$ 4,829	\$ 5,462	\$ 3,262	\$ 5,000	\$ 5,000	0.0%
OPERATIONS EXPENSES	\$ 142,021	\$ 141,010	\$ 127,485	\$ 47,325	\$ 142,500	\$ 149,500	4.9%

Expenses in the Operations division are little changed for FY19, except for an increase in postage and copier costs.

Technology: This division provides centralized computer network and telecommunications services as well as distributed internet, audio/video, software and personal computer support and geographic information systems (GIS) mapping. This division also coordinates many technology activities with both the School and Light Departments, as well as with other communities in order to support regionalization agreements. The FY19 budget is decreased by 5.5% as described below.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
TECHNOLOGY TOTAL	\$ 627,949	\$ 641,270	\$ 678,785	\$ 360,236	\$ 841,725	\$ 795,675	-5.5%

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
TECHNOLOGY DIRECTOR	\$ 92,924	\$ 100,194	\$ 106,383	\$ 42,673	\$ 106,100	\$ 107,125	1.0%
GIS ADMINISTRATOR	\$ 69,304	\$ 72,029	\$ 78,767	\$ 32,577	\$ 81,000	\$ 83,425	3.0%
COMPUTER TECHNICIAN	\$ 76,170	\$ 95,205	\$ 123,996	\$ 50,976	\$ 126,725	\$ 131,725	3.9%
TECH OVERTIME	\$ 29,257	\$ 24,974	\$ 9,315	\$ 176	\$ 12,000	\$ 12,000	0.0%
TECHNOLOGY SICK LEAVE BUYBACK	\$ 1,168	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
TECHNOLOGY WAGES	\$ 268,823	\$ 292,402	\$ 318,461	\$ 126,402	\$ 325,825	\$ 334,275	2.6%

Expenses for the division are broken down into parts & equipment (first table) and software system licenses (second table) that support many town and some school activities.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
LANDLINE & WIRELESS PHONES	\$ 77,740	\$ 86,786	\$ 85,495	\$ 39,878	\$ 90,000	\$ 95,000	5.6%
PROFESSIONAL SERVICES	\$ 4,058	\$ 10,267	\$ 11,313	\$ 1,764	\$ 10,000	\$ 11,000	10.0%
TECHNICAL LICENSES & SUPPORT	\$ 15,120	\$ 17,492	\$ 24,608	\$ 15,161	\$ 51,500	\$ 17,500	-66.0%
PARTS & SUPPLIES	\$ 36,531	\$ 31,975	\$ 17,285	\$ 8,330	\$ 40,000	\$ 37,500	-6.3%
PC HARDWARE	\$ 19,265	\$ 13,983	\$ 23,183	\$ 2,331	\$ 65,000	\$ 32,500	-50.0%
NETWORK HARDWARE	\$ 9,630	\$ 3,297	\$ 1,010	\$ 3,252	\$ 23,000	\$ 15,000	-34.8%
OTHER	\$ -	\$ 6,352	\$ 59	\$ 479	\$ 1,000	\$ 1,000	0.0%
TECHNOLOGY PARTS & EQUIP	\$ 162,344	\$ 170,152	\$ 162,952	\$ 71,194	\$ 280,500	\$ 209,500	-25.3%

As a reminder three technology projects (Office upgrade, DPW rugged field tablets, and Network Firewall upgrade) were funded with \$80,000 of one-time funds in the FY18 budget. Their elimination from the FY19 budget masks the typical annual increase in technology expenses.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
FINANCIAL SOFTWARE	\$ 69,800	\$ 71,483	\$ 76,033	\$ 76,090	\$ 80,500	\$ 85,500	6.2%
PUBLIC SAFETY SOFTWARE	\$ 45,196	\$ 35,158	\$ 42,526	\$ 31,270	\$ 54,000	\$ 52,500	-2.8%
PERMITS & LICENSING SOFTWARE	\$ 34,507	\$ 25,135	\$ 26,392	\$ 28,239	\$ 30,000	\$ 32,000	6.7%
GIS MAPPING SOFTWARE	\$ 18,726	\$ 11,503	\$ 14,240	\$ 15,366	\$ 29,000	\$ 30,000	3.4%
DOCUMENT STORAGE	\$ 13,611	\$ 13,611	\$ 14,566	\$ -	\$ 15,000	\$ 16,000	6.7%
FACILITIES WORK ORDER SYSTEM	\$ -	\$ -	\$ 6,341	\$ -	\$ 7,500	\$ 15,500	106.7%
WEBSITE & COMMUNICATION	\$ 4,400	\$ 15,300	\$ 9,300	\$ -	\$ 11,000	\$ 11,500	4.5%
ASSESSOR SOFTWARE	\$ 8,500	\$ 9,000	\$ 9,275	\$ 8,075	\$ 9,000	\$ 10,000	11.1%
OTHER SOFTWARE	\$ 2,040	\$ 2,425	\$ 3,600	\$ 3,600	\$ 4,400	\$ 4,400	0.0%
TECHNOLOGY SYSTEM LICENSES	\$ 196,781	\$ 183,616	\$ 202,273	\$ 162,640	\$ 240,400	\$ 257,400	7.1%

Human Resources: This division provides support to the Town (under the direction of the Town Manager); to the Schools (under the direction of the Superintendent); to the Light Department (under the direction of the RMLD General Manager) and to all Retirees (in conjunction with the independent Reading Retirement Board). Typically this division works closely with the town's Finance department on coordinating payroll and benefits. The FY19 budget is increased by 4.6% as described below.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
HUMAN RESOURCES TOTAL	\$ 89,279	\$ 136,101	\$ 182,569	\$ 65,625	\$ 169,525	\$ 177,400	4.6%

The Human Resources Generalist, approved by November 2015 Town Meeting, is a shared position between the Town and Schools. This was a critical addition, because the Human Resources field is becoming increasingly complex due to rapidly changing state and federal requirements.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
HR DIRECTOR/ASST DEPT HEAD	\$ 71,082	\$ 75,866	\$ 78,215	\$ 32,458	\$ 80,700	\$ 83,125	3.0%
HR GENERALIST	\$ -	\$ 22,594	\$ 62,445	\$ 25,881	\$ 64,325	\$ 66,275	3.0%
HUMAN RESOURCES WAGES	\$ 71,082	\$ 98,460	\$ 140,660	\$ 58,339	\$ 145,025	\$ 149,400	3.0%
HR PROF/TECH SV	\$ -	\$ 14,145	\$ 17,991	\$ -	\$ 5,000	\$ 5,000	0.0%
HR ADVERTISING	\$ 3,170	\$ 3,635	\$ 5,227	\$ 1,840	\$ 5,000	\$ 5,000	0.0%
HR EMPLOYEE PHYSICALS	\$ 13,732	\$ 16,661	\$ 15,952	\$ 3,235	\$ 12,000	\$ 15,000	25.0%
DOT CERTIFICATIONS	\$ 1,295	\$ 3,199	\$ 2,740	\$ 2,211	\$ 2,500	\$ 3,000	20.0%
HUMAN RESOURCES EXPENSES	\$ 18,197	\$ 37,641	\$ 41,910	\$ 7,286	\$ 24,500	\$ 28,000	14.3%

Town Manager's Office includes the Town Manager, the elected Executive board, the appointed Finance committee, and Legal and Property Insurance. Most of these functions conduct activities that are central to the entire organization, often including the School department and occasionally the Light department. The FY19 budget is increased by 3.1% as described below.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
TOWN MANAGER OFFICE TOTAL	\$ 1,057,719	\$ 1,063,567	\$ 873,918	\$ 508,379	\$ 910,025	\$ 937,950	3.1%

Note that in FY18 the Town Manager refused to accept the contractual raise stipulated. In FY19 the budget (below) reflects the FY19 contractual raise for that year only. From data compiled by a neighboring community, Reading ranks in the bottom 15% for Town Manager total compensation among Peer Communities.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
TOWN MANAGER	\$ 148,467	\$ 153,524	\$ 164,411	\$ 66,906	\$ 166,325	\$ 171,500	3.1%
TOTAL WAGES	\$ 148,467	\$ 153,524	\$ 164,411	\$ 66,906	\$ 166,325	\$ 171,500	3.1%
P & C INSURANCE	\$ 390,283	\$ 409,382	\$ 386,518	\$ 407,179	\$ 445,000	\$ 467,250	5.0%
TOWN COUNSEL	\$ 265,230	\$ 155,619	\$ 193,465	\$ 10,243	\$ 200,000	\$ 200,000	0.0%
LABOR COUNSEL	\$ 7,700	\$ 4,958	\$ 19,259	\$ 6,112	\$ 25,000	\$ 25,000	0.0%
TLT LITIGATION	\$ 177,467	\$ 154,395	\$ 16,191	\$ 1,080	\$ -	\$ -	0.0%
OTHER LEGAL	\$ -	\$ 125,000	\$ 26,127	\$ -	\$ -	\$ -	0.0%
TOWN MANAGER RESERVE FUND	\$ 1,681	\$ 3,991	\$ 5,776	\$ 752	\$ 10,000	\$ 10,000	0.0%
EXEC BD ADVERTISING & OTHER	\$ 2,599	\$ 1,870	\$ 1,397	\$ 827	\$ 2,600	\$ 2,600	0.0%
FINCOM AUDIT & OTHER	\$ 64,292	\$ 54,828	\$ 60,773	\$ 15,280	\$ 61,100	\$ 61,600	0.8%
TOTAL EXPENSES	\$ 909,252	\$ 910,042	\$ 709,506	\$ 441,473	\$ 743,700	\$ 766,450	3.1%

Note also that the Finance Committee has a \$150,000 Reserve Fund that is not a part of this budget and is voted by Town Meeting as a separate line item.

Town Clerk Office and Elections: The Town Clerk is guided by Federal, State, and local laws and policies in overseeing Elections, voter registration, the census process, Town Meeting, and local licenses as well as historic and legal documents for the Town. The Town Clerk also oversees document storage efforts for town & schools. The FY19 Town Clerk Office budget is decreased by 0.6%; the FY19 Elections budget is increased by 37.9%. Each budget is described further below.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
TOWN CLERK OFFICE TOTAL	\$ 122,855	\$ 126,997	\$ 130,110	\$ 55,364	\$ 151,850	\$ 150,975	-0.6%
TOWN CLERK	\$ 72,920	\$ 77,677	\$ 80,067	\$ 33,236	\$ 82,625	\$ 85,100	3.0%
ASST TOWN CLERK	\$ 49,935	\$ 49,320	\$ 49,937	\$ 21,819	\$ 54,225	\$ 55,875	3.0%
TOWN CLERK OFFICE WAGES	\$ 122,855	\$ 126,997	\$ 130,004	\$ 55,055	\$ 136,850	\$ 140,975	3.0%
TOWN CLERK PROF/TECH SV	\$ -	\$ -	\$ 106	\$ 310	\$ 15,000	\$ 10,000	-33.3%
TOWN CLERK OFFICE EXPENSES	\$ -	\$ -	\$ 106	\$ 310	\$ 15,000	\$ 10,000	-33.3%

A one-time FY18 increase of \$15,000 for historical document preservation is actually continued at \$10,000 for the FY19 budget. The Town Clerk and Library Director have teamed up to apply for state preservation grants, and this funding serves as a possible local share for such a grant.

The budget for Elections is driven by the increase from one local election in FY18 to three planned elections in FY19. A larger state grant expected in FY19 does reduce some of that increase caused by an expanded voter registration calendar.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
ELECTIONS TOTAL	\$ 75,147	\$ 46,094	\$ 101,180	\$ 4,872	\$ 64,200	\$ 88,500	37.9%
ELECT REGISTRAR SALARY	\$ 1,599	\$ 2,029	\$ 2,072	\$ 770	\$ 2,000	\$ 2,000	0.0%
ELECTION WORKERS	\$ 41,404	\$ 20,771	\$ 71,720	\$ -	\$ 25,000	\$ 55,000	120.0%
TOWN MEETING MONITOR	\$ 1,037	\$ 215	\$ 868	\$ -	\$ 2,000	\$ 2,000	0.0%
ELECTIONS STATE GRANT SUPPORT	\$ (4,800)	\$ (2,700)	\$ (6,500)	\$ -	\$ (1,800)	\$ (6,500)	261.1%
ELECTIONS WAGES	\$ 39,240	\$ 20,315	\$ 68,160	\$ 770	\$ 27,200	\$ 52,500	93.0%
ELECT ADVERTISING	\$ 6,603	\$ 8,312	\$ 1,463	\$ 1,854	\$ 9,000	\$ 6,000	-33.3%
ELECT PRINTING TOWN MEETING	\$ 5,194	\$ 1,600	\$ 2,360	\$ -	\$ 4,500	\$ 4,500	0.0%
ELECT CENSUS EXPENSES	\$ 8,298	\$ 3,554	\$ 8,674	\$ 2,068	\$ 5,000	\$ 5,000	0.0%
ELECT BALLOT PROGRAMMING	\$ 10,247	\$ 10,418	\$ 15,712	\$ -	\$ 10,000	\$ 10,000	0.0%
ELECT PROF/TECH SERVICES	\$ 1,800	\$ 45	\$ -	\$ -	\$ 3,000	\$ 3,000	0.0%
ELECT SUPPLIES/EQUIPMENT	\$ 251	\$ -	\$ 41	\$ 180	\$ 3,000	\$ 3,000	0.0%
ELECTIONS - MEALS FOR WORKERS	\$ 3,513	\$ 1,850	\$ 4,769	\$ -	\$ 2,500	\$ 4,500	80.0%
ELECTIONS EXPENSES	\$ 35,907	\$ 25,779	\$ 33,020	\$ 4,102	\$ 37,000	\$ 36,000	-2.7%

PUBLIC SERVICES

FY19 BUDGET

The Public Services Department's FY19 budget is increased by 3.6% when compared to the previous year. Details by Division are shown below:

	FY18 ACTUAL				FY19 TOWN		
	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	TO 12/11/17	FY18 BUDGET	MGR BUDGET	CHANGE
Pub Svc Administration	\$ 336,661	\$ 385,313	\$ 310,850	\$ 170,066	\$ 371,350	\$ 347,925	-6.3%
Planning	\$ 103,691	\$ 147,799	\$ 206,767	\$ 122,660	\$ 203,450	\$ 270,025	32.7%
Inspections	\$ 124,742	\$ 126,767	\$ 112,875	\$ 68,220	\$ 160,450	\$ 184,300	14.9%
Conservation	\$ 38,203	\$ 56,496	\$ 62,102	\$ 26,397	\$ 63,625	\$ 65,600	3.1%
Historical	\$ 306	\$ 249	\$ 518	\$ 111	\$ 1,500	\$ 1,500	0.0%
Health	\$ 182,738	\$ 210,943	\$ 219,497	\$ 78,100	\$ 225,775	\$ 231,700	2.6%
Elder Human Services	\$ 180,239	\$ 188,008	\$ 215,423	\$ 104,396	\$ 234,884	\$ 226,425	-3.6%
Veterans Service Office	\$ 25,344	\$ 54,547	\$ 57,689	\$ 24,128	\$ 59,500	\$ 61,250	2.9%
Veterans Benefits	\$ 198,723	\$ 183,945	\$ 173,990	\$ 81,832	\$ 245,000	\$ 235,000	-4.1%
Recreation	\$ 146,039	\$ 135,469	\$ 95,947	\$ 27,365	\$ 95,425	\$ 97,700	2.4%
PUBLIC SERVICES TOTAL	\$ 1,336,685	\$ 1,489,537	\$ 1,455,659	\$ 703,276	\$ 1,660,959	\$ 1,721,425	3.6%

Overview

The Public Services (PS) department is comprised of two major functions: (1) Community Development; and (2) Community Services. PS strives to provide excellent customer service as well as a high level of collaboration and communication.

The Assistant Town Manager leads the department and works closely with the Town Manager on Town Administration and special projects. The assistant department head is also the Community Development Director. The Community Services Director position remains vacant with this budget, having been eliminated last year as a second assistant department head position.

Community Development is enhanced by the Planning and Permitting functions combined as "One Stop Shopping" for small residential projects as well as large scale commercial development projects. Having multiple permitting disciplines in one office is helpful to applicants and provides ease of administration. Outside professional services are provided as needed. The Metropolitan Area Planning Council and grants where possible are used to reduce the cost of consultant services. Local volunteer boards include Community Planning and Development Commission (CPDC), the Zoning Board of Appeals, Conservation Commission, the Historic District Commission and the Historical Commission.

Community Services leverages increased staff communication between Health, Human/Elder Services, Veterans and Recreation and their volunteer boards. The Community Services Director position which was to lead this effort has been eliminated, and a new Administrative Specialist clerical position is designed to attend many of these night meetings in order to keep the communication flowing between volunteer boards and the department. Local volunteer boards include the Council on Aging, the Board of Health and the Recreation Committee.

Details about department Wages and Expenses are shown below – these are the two budget lines voted by Town Meeting. Wages increase by 6.3%, as there are some staffing changes that are all driven by the increased economic development activity – which will lead to New Growth tax revenues in coming years. First, one full-time support staff position is eliminated in the Administration division, and replaced by a full-time junior planning position in the Planning division. This will allow a higher level of immediate customer service at the counter, and also free up senior planning staff to work on the significant commercial development projects happening across the community. Second, and the FY19 budget driver, increased hours (14 hours per week or 0.4 FTEs) for the Building Inspection division to support a full-time position are also included in this budget because of that high volume of development activity. This increase is partly offset by use of revolving funds. The level of activity is now forecast for at least the next two to three years, and could increase further along with the Town’s efforts to promote Economic Development. Other department staffing levels remain unchanged.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
Pub Svc Administration	\$ 312,799	\$ 362,650	\$ 310,954	\$ 160,526	\$ 343,350	\$ 319,425	-7.0%
Planning	\$ 97,010	\$ 142,344	\$ 199,981	\$ 121,344	\$ 193,450	\$ 260,025	34.4%
Inspections	\$ 124,742	\$ 126,767	\$ 112,875	\$ 68,220	\$ 160,450	\$ 184,300	14.9%
Conservation	\$ 38,203	\$ 56,496	\$ 62,102	\$ 26,397	\$ 63,625	\$ 65,600	3.1%
Health	\$ 59,340	\$ 147,456	\$ 167,439	\$ 55,142	\$ 168,525	\$ 173,200	2.8%
Elder Human Services	\$ 149,086	\$ 156,421	\$ 184,737	\$ 98,782	\$ 201,384	\$ 205,225	1.9%
Veterans Service Office	\$ 25,044	\$ 53,559	\$ 56,751	\$ 23,805	\$ 58,500	\$ 60,250	3.0%
Recreation	\$ 146,039	\$ 135,469	\$ 95,947	\$ 27,365	\$ 95,425	\$ 97,700	2.4%
PUBLIC SERVICES WAGES	\$ 952,262	\$ 1,181,162	\$ 1,190,786	\$ 581,580	\$ 1,284,709	\$ 1,365,725	6.3%

Expenses are reduced by 5.5% from the previous year, led by lower expected spending on Veteran’s Benefits. As a reminder, 75% of these expenditures are returned to the Town one year later in the form of State Aid that is shared between the town and schools.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
Pub Svc Administration	\$ 23,861	\$ 22,663	\$ (104)	\$ 9,540	\$ 28,000	\$ 28,500	1.8%
Planning	\$ 6,681	\$ 5,454	\$ 6,786	\$ 1,316	\$ 10,000	\$ 10,000	0.0%
Historical	\$ 306	\$ 249	\$ 518	\$ 111	\$ 1,500	\$ 1,500	0.0%
Health	\$ 123,398	\$ 63,488	\$ 52,058	\$ 22,958	\$ 57,250	\$ 58,500	2.2%
Elder Human Services	\$ 31,153	\$ 31,587	\$ 30,687	\$ 5,614	\$ 33,500	\$ 21,200	-36.7%
Veterans Service Office	\$ 300	\$ 989	\$ 938	\$ 324	\$ 1,000	\$ 1,000	0.0%
Veterans Benefits	\$ 198,723	\$ 183,945	\$ 173,990	\$ 81,832	\$ 245,000	\$ 235,000	-4.1%
PUBLIC SERVICES EXPENSES	\$ 384,423	\$ 308,374	\$ 264,873	\$ 121,695	\$ 376,250	\$ 355,700	-5.5%

The PS Department has tried several staffing models over the past few years as funding has been a challenge even while the demand for services continues to increase. Conservation, Health and Human/Elder Services all tried part-time division heads but community demands as expressed through the volunteer boards required Health and Conservation to be restored to full-time.

The Administration budget consists of the department head, department support staff, and shared department expenses. As mentioned, a support staff position is eliminated in this budget as shown below. A document storage project is complete, and the revolving fund support is discontinued. Expenses are generally level funded.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL	FY18 BUDGET	FY19 TOWN	CHANGE
				to 12/11/17		MGR BUDGET	
ASSISTANT TOWN MANAGER	\$ 112,985	\$ 120,698	\$ 124,410	\$ 51,632	\$ 128,350	\$ 129,625	1.0%
SUPPORT STAFF	\$ 181,459	\$ 227,324	\$ 183,430	\$ 83,465	\$ 215,000	\$ 177,300	-17.5%
OVERTIME	\$ 38,355	\$ 39,629	\$ 33,114	\$ 4,821	\$ 15,000	\$ 12,500	-16.7%
REVOLVING FUND SUPPORT	\$ (20,000)	\$ (25,000)	\$ (30,000)	\$ -	\$ (15,000)	\$ -	-100.0%
SICK/VAC BUYBACK	\$ -	\$ -	\$ -	\$ 20,609	\$ -	\$ -	0.0%
PS ADMINISTRATION WAGES	\$ 312,799	\$ 362,650	\$ 310,954	\$ 160,526	\$ 343,350	\$ 319,425	-7.0%
PS ADMIN PROF DEV/TRAINING	\$ 8,901	\$ 6,566	\$ 5,776	\$ 3,966	\$ 11,000	\$ 11,000	0.0%
PS ADMIN MILEAGE REIMBURSEMEN	\$ 7,282	\$ 8,104	\$ 7,254	\$ 2,363	\$ 8,000	\$ 8,000	0.0%
PS ADMIN OFFICE SUPPLIES	\$ 5,136	\$ 6,710	\$ 8,129	\$ 2,891	\$ 7,000	\$ 7,000	0.0%
PS ADMIN ADVERTISING	\$ 2,494	\$ 1,108	\$ 1,684	\$ 306	\$ 2,000	\$ 2,500	25.0%
PS ADMIN UTIL WTR/SWR/STM WTR	\$ 48	\$ 39	\$ 53	\$ 13	\$ -	\$ -	0.0%
PS OUTSOURCED PROF SERVICES	\$ -	\$ 135	\$ (23,000)	\$ -	\$ -	\$ -	0.0%
PS ADMINISTRATION EXPENSES	\$ 23,861	\$ 22,663	\$ (104)	\$ 9,540	\$ 28,000	\$ 28,500	1.8%

Community Development (Community Development Director) includes: Planning, Inspections, Conservation and Historical divisions.

The Community Development (CD) Director oversees Planning, Community Development, and Conservation/Preservation. The CD Director also is the assistant department Head.

The **Planning Division** handles a broad range of both day-to-day and long range planning, zoning, economic development, and other community development work. Staff reviews plans and proposals submitted to ensure compliance with zoning and other regulations and to ensure consistency with adopted plans including the Reading Master Plan. Increased Economic Development activity has required the addition of a junior planning position as shown below and as described previously.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL	FY18 BUDGET	FY19 TOWN	CHANGE
				to 12/11/17		MGR BUDGET	
COMMUNITY DEVELOPMENT DIR.	\$ 75,069	\$ 84,749	\$ 81,466	\$ 33,775	\$ 83,950	\$ 86,500	3.0%
STAFF PLANNER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,575	100.0%
PLANNING INTERN	\$ 1,994	\$ 9,015	\$ -	\$ -	\$ -	\$ -	0.0%
PLANNING PERMITS COORDINATOR	\$ -	\$ -	\$ 52,995	\$ 23,512	\$ 57,350	\$ 60,250	5.1%
REGLAFFORD HOUSING COORD*	\$ 19,279	\$ 48,580	\$ 50,525	\$ 20,970	\$ 52,150	\$ 53,700	3.0%
ECONOMIC DEVELOPMENT DIRECTOR	\$ -	\$ -	\$ 52,371	\$ 35,682	\$ 91,500	\$ 91,500	0.0%
ECON DEVELOPMENT LIAISON	\$ -	\$ -	\$ 26,589	\$ 7,405	\$ 28,500	\$ 28,500	0.0%
PLANNING WAGES OVERTIME	\$ 668	\$ -	\$ 335	\$ -	\$ -	\$ -	0.0%
PLANNING REVOLV FUND SUPPORT	\$ -	\$ -	\$ (65,000)	\$ -	\$ (120,000)	\$ (120,000)	0.0%
PLANNING SICK LEAVE BUYBACK	\$ -	\$ -	\$ 701	\$ -	\$ -	\$ -	0.0%
PLANNING WAGES	\$ 97,010	\$ 142,344	\$ 199,981	\$ 121,344	\$ 193,450	\$ 260,025	34.4%
REGIONAL HOUSING EXPENSES*	\$ 6,681	\$ 5,454	\$ 5,801	\$ 1,316	\$ 10,000	\$ 10,000	0.0%
ECON DEV PROFESSIONAL DEVEL	\$ -	\$ -	\$ 985	\$ -	\$ 15,000	\$ 10,000	-33.3%
REVOLVING FUND SUPPORT	\$ -	\$ -	\$ -	\$ -	\$ (15,000)	\$ (10,000)	-33.3%
PLANNING EXPENSES	\$ 6,681	\$ 5,454	\$ 6,786	\$ 1,316	\$ 10,000	\$ 10,000	0.0%
PLANNING TOTAL	\$ 103,691	\$ 147,799	\$ 206,767	\$ 122,660	\$ 203,450	\$ 270,025	32.7%

* about 80% of these costs are reimbursed by regional communities in the General Fund.

The Planning division works closely with Inspections, which is described in the next section. Operational improvements made by both divisions during the past few years include upgrading a clerical position to be the Permits Coordinator (a position that was lost years ago to budget reductions); implementing Permitting software; and streamlining the Development Review Team process whereby development applicants have several opportunities to meet with staff as needed before projects get underway. It is not

uncommon for the Town staff to make significant suggested improvements that find a way into the final design – all free of charge, but resulting in a better project for the entire community.

In response to the need for resources to address affordable housing through a regional effort, The Metro North Regional Housing Services Office (MNRHSO) was spearheaded by Town of Reading staff. The MNRHSO services the communities of North Reading, Wilmington, and Saugus with a shared full-time employee. The full wage and expense costs of this effort is in this budget, but offset by revenues paid into the general fund by these three communities that account for about 80% of the total cost.

A major housing goal is to reach the 10% affordable housing requirement stipulated by State statute. Currently the Town of Reading's Subsidized Housing Inventory (SHI) is as follows:

Counted but not yet built	153	Projected new SHI units	157
Reading Village 40B	68	Johnson Woods	7
24 Gould St 40R	55	467 Main 40R	30
School house Commons 40B	20	Eaton Lakeview 40B	120
Postmark Square 40R	10		
2010 Census Housing Units	9,584		9,584
Current SHI	896		1053
Current % SHI	9.35%		10.99%
Needed for 10%	62		

If all 153 units approved by the state are built, the town will stand at 9.35% affordable. If the additional 157 units listed above are approved, the town would be at 11.0% affordable. However the 2020 census will increase the denominator from 9,584 units, so the revised affordable count will likely be very close to the 10% goal. The collaboration of the department with developers has led to a two-year moratorium from accepting adverse 40B project applications, effective through February 22, 2019. This two-year moratorium is very rarely granted by the state.

The **Inspections Division** is staffed by the Permits Coordinator who expedites permits and follows up as needed. There are three part-time Building Inspectors with several decades of experience managing building departments in area communities. A reduction in their hours combined with a new full-time position added in FY19 will net an increase of 0.4 FTEs as has been described. The part-time Plumbing/Gas and Electrical Inspectors are highly credentialed in the area. The expertise these inspectors provide, as well as the coverage, is extensive. Some of these extra hours are absorbed by the revolving fund.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
INSPECTION BUILDING INSP	\$ 82,255	\$ 89,207	\$ 55,439	\$ 39,531	\$ 131,650	\$ 165,450	25.7%
INSPECTION ALTERNATE INSP	\$ 17,498	\$ 17,620	\$ 39,498	\$ -	\$ -	\$ -	0.0%
INSPECTION WIRE INSP	\$ 26,455	\$ 27,095	\$ 31,619	\$ 14,517	\$ 34,400	\$ 34,425	0.1%
INSPECTION PLUMBING INSP	\$ 25,465	\$ 27,547	\$ 31,319	\$ 14,172	\$ 34,400	\$ 34,425	0.1%
INSPECTION CODE ENFORCEMENT	\$ 8,068	\$ 299	\$ -	\$ -	\$ -	\$ -	0.0%
INSPECTION REVOLV FUND SUPPORT	\$ (35,000)	\$ (35,000)	\$ (45,000)	\$ -	\$ (40,000)	\$ (50,000)	25.0%
INSPECTIONS WAGES	\$ 124,742	\$ 126,767	\$ 112,875	\$ 68,220	\$ 160,450	\$ 184,300	14.9%

Combining permitting software with a dedicated Permits Coordinator allows permits and inspections to be provided in a timely, flexible, and efficient manner. Regular Friday scheduled inspections have been added even though Town Hall is closed. Improvements to the Permits process (a key suggestion of a previous Economic Development Self-Assessment study) have led to 73% of building permits to be issued on the same day or the following day. Looking ahead to 2018, if all large projects go as scheduled and the

residential market for home improvements continue at the recent pace, all sorts of activity records may be broken.

The **Conservation Administrator** works with the Conservation Commission in regulating the local wetland by-law as well as the Wetlands Protection Act. Reading has a large amount of wetland areas requiring a full-time Conservation Administrator to assist the public as well as the Conservation Commission. Note the position was restored to full-time in FY16.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
CONSERVATION ADMIN	\$ 42,203	\$ 60,496	\$ 63,681	\$ 26,397	\$ 65,625	\$ 67,600	3.0%
CONSCOMM REVOLV FUND SUPPORT	\$ (4,000)	\$ (4,000)	\$ (2,000)	\$ -	\$ (2,000)	\$ (2,000)	0.0%
CONS SICK LEAVE BUYBACK	\$ -	\$ -	\$ 421	\$ -	\$ -	\$ -	0.0%
CONSERVATION WAGES	\$ 38,203	\$ 56,496	\$ 62,102	\$ 26,397	\$ 63,625	\$ 65,600	3.1%

The Administrator also provides oversight of the Mattera Cabin (previously handled by the Community Services Director). Last year the cabin was used during 128 days for various Reading Recreation or private rental programs. The Conservation Commission has relaxed some regulations that have increased the number of Minor Project reviews, and adopted a tree policy to allow tree removal without a permit or public meeting requirements.

The **Historical Division** is staffed by volunteers along with support staff from the department as well as occasional help from the CD Director. The Historical Commission oversees historic preservation including the demolition delay bylaw. The Historic District Commission has a regulatory role over properties within the historic districts (West Street and Summer Avenue).

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
HISTORICAL SUPPLIES/EQUIPMENT	\$ 306	\$ 249	\$ 518	\$ 111	\$ 1,500	\$ 1,500	0.0%
HISTORICAL EXPENSES	\$ 306	\$ 249	\$ 518	\$ 111	\$ 1,500	\$ 1,500	0.0%

Community Services includes: Health, Human/Elder Services, Veterans Services and Recreation.

The **Health Division** conducts inspections as needed regarding nuisance complaints, housing, food establishments, tobacco, swimming pools, camps, churches, septic systems and all other permitted establishments. The Division enforces Public Health laws, codes, regulations, environmental programs, and State environmental and sanitary codes. Food establishments receive a mandatory minimum of two routine inspections for all Medium /High Risk food establishments and a minimum of one routine inspection for Low Risk food establishments (convenience stores, gas stations, etc.). Flu Clinics are a major function of Public Health through the Public Health Nurse, are offered at the Police Station, Fire Department, DPW, and multiple schools in town.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
HEALTH AGENT	\$ 15,307	\$ 67,190	\$ 70,393	\$ 38,150	\$ 77,850	\$ 78,625	1.0%
PUBLIC HEALTH ADMINISTRATOR	\$ -	\$ -	\$ -	\$ 6,932	\$ -	\$ -	0.0%
HEALTH NURSE	\$ 2,856	\$ 25,197	\$ 23,822	\$ 1,724	\$ 26,925	\$ 28,250	4.9%
HEALTH INSPECTOR	\$ 43,277	\$ 56,786	\$ 59,817	\$ 8,337	\$ 65,850	\$ 68,425	3.9%
HEALTH WAGES OVERTIME	\$ -	\$ 383	\$ -	\$ -	\$ -	\$ -	0.0%
HEALTH REVOLV FUND SUPPORT	\$ (2,100)	\$ (2,100)	\$ (2,100)	\$ -	\$ (2,100)	\$ (2,100)	0.0%
HEALTH SICK LEAVE BUYBACK	\$ -	\$ -	\$ 15,507	\$ -	\$ -	\$ -	0.0%
HEALTH WAGES	\$ 59,340	\$ 147,456	\$ 167,439	\$ 55,142	\$ 168,525	\$ 173,200	2.8%

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
HEALTH ADMINISTRATION SVCS	\$ 74,673	\$ 13,290	\$ -	\$ -	\$ -	\$ -	0.0%
HEALTH WEIGHTS & MEASURES	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ 5,750	\$ 5,500	-4.3%
HEALTH PROF/TECH SV	\$ 300	\$ 300	\$ 300	\$ 410	\$ 500	\$ 500	0.0%
HEALTH MOSQUITO CONTROL	\$ 37,000	\$ 38,000	\$ 40,000	\$ 20,000	\$ 40,000	\$ 41,000	2.5%
HEALTH ANIMAL DISPOSAL	\$ 3,960	\$ 4,030	\$ 4,301	\$ 1,440	\$ 7,000	\$ 7,000	0.0%
HEALTH INSP SUPPLIES/EQUIPMENT	\$ 1,052	\$ 1,131	\$ 1,215	\$ -	\$ 2,000	\$ 2,000	0.0%
HEALTH MILEAGE REIMBURSEMENT	\$ 1,413	\$ 1,737	\$ 1,243	\$ 1,108	\$ 2,000	\$ 2,500	25.0%
HEALTH EXPENSES	\$ 123,398	\$ 63,488	\$ 52,058	\$ 22,958	\$ 57,250	\$ 58,500	2.2%
HEALTH TOTAL	\$ 182,738	\$ 210,943	\$ 219,497	\$ 78,100	\$ 225,775	\$ 231,700	2.6%

The **Human/Elder Services Division** provides human services to both older adults and the general population including the daily operation of the Pleasant Street Center (Senior Center). H/E Services is staffed with a part-time EHS Administrator and full-time PSC Coordinator, Senior Case Manager, Nurse Advocate and Van Driver positions. There are no changes in staffing proposed by this budget.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
ELDER/HUMAN SVC ADMIN	\$ 37,595	\$ 38,204	\$ 41,359	\$ 20,060	\$ 46,834	\$ 47,600	1.6%
E/H SVC SENIOR CENTER COORD	\$ 41,583	\$ 43,209	\$ 44,773	\$ 18,437	\$ 46,025	\$ 47,400	3.0%
E/H SVC NURSE ADVOCATE	\$ 8,005	\$ 34,254	\$ 61,359	\$ 25,276	\$ 63,075	\$ 65,000	3.1%
E/H CASE STAFF	\$ 68,196	\$ 48,641	\$ 49,265	\$ 19,951	\$ 51,450	\$ 53,000	3.0%
E/H VAN DRIVERS	\$ 35,890	\$ 39,191	\$ 40,521	\$ 17,836	\$ 42,000	\$ 43,225	2.9%
E/H SVC WAGES OVERTIME	\$ -	\$ -	\$ -	\$ 222	\$ -	\$ -	0.0%
E/H SVC STATE GRANT SUPPORT	\$ (39,182)	\$ (44,079)	\$ (49,540)	\$ -	\$ (45,000)	\$ (48,000)	6.7%
E/H SVC TRUST FUND SUPPORT	\$ (3,000)	\$ (3,000)	\$ (3,000)	\$ (3,000)	\$ (3,000)	\$ (3,000)	0.0%
ELDER HUMAN SVC WAGES	\$ 149,086	\$ 156,421	\$ 184,737	\$ 98,782	\$ 201,384	\$ 205,225	1.9%

Public hours of the Pleasant Street Center were reduced by one hour each day in FY18 and that will continue. In response to growing needs in the community, elder/human services staff often work late nights and weekends either on events and administrative work. The cut in hours to the public will reduce the need for staff compensatory time which often results in paid time, or time off when the organization needs to have the staffing.

UMass Boston's Gerontology Institute recently completed a Needs Assessment for this division over the next decade+ in the community. The elder population served by this division is expected to be the fastest growing segment of the community. This discovery is hardly surprising given current levels of activity: the case load of the Senior Case Manager and Nurse Advocate have increased by 19% as measured by clients and by 14% as measured by contacts. Attendance at PSC programs and activities is also up by 13% and medical transportation is up 33%. The Needs Assessment also confirmed the need for an improved and expanded facility for the PSC activities. Comments included improved accessibility, bathrooms on the ground floor, and a better flow to alleviate overcrowding.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
E/H COMMUNITY ORGANIZATIONS	\$ 20,000	\$ 20,000	\$ 20,000	\$ 3,250	\$ 20,000	\$ 7,000	-65.0%
E/H SVC MEAL DELIVERY SVC	\$ 5,593	\$ 5,593	\$ 5,593	\$ -	\$ 5,800	\$ 6,000	3.4%
E/H SVC SUPPLIES/EQUIPMENT	\$ 2,243	\$ 2,295	\$ 1,170	\$ 525	\$ 2,500	\$ 2,500	0.0%
E/H SVC PROGRAMS	\$ 1,293	\$ 1,460	\$ 1,600	\$ 464	\$ 1,500	\$ 2,000	33.3%
E/H VOLUNTEER TRAINING/SUPPORT	\$ 120	\$ -	\$ 617	\$ 22	\$ 700	\$ 700	0.0%
E/H PROFESSIONAL DEVELOPMENT	\$ 1,905	\$ 2,240	\$ 1,707	\$ 1,352	\$ 3,000	\$ 3,000	0.0%
ELDER HUMAN SVC EXPENSES	\$ 31,153	\$ 31,587	\$ 30,687	\$ 5,614	\$ 33,500	\$ 21,200	-36.7%
ELDER HUMAN SVC TOTAL	\$ 180,239	\$ 188,008	\$ 215,423	\$ 104,396	\$ 234,884	\$ 226,425	-3.6%

The budget reduction is the elimination of EMARC funding, as they have relocated to another community. Human/Elder Services provide the following: Over 40 programs are offered at the Pleasant Street Center (PSC). Popular PSC programs include fitness; bingo, book club, art, writing, and birthday luncheons; Coordinating ~125 volunteers who support the PSC as Receptionists, Kitchen Help, and Newsletter Editors. Volunteers help run the Senior Tax Work-Off program; Transportation is a critical service offered and includes the Senior Van, Reading Response Medical Transportation and Volunteer Escorts; Human services/referrals are provided for all residents. This includes responding to inquiries about health care, financial assistance, food stamps, and others; Collaboration with community partners (e.g., Memory Café with the Reading Public Library (RPL), Housing Authority, Sanborn Place); Holiday Meal programs and Public Safety monthly roundtable – review critical cases and areas of concern in the community.

The **Veterans Services Division** provides assistance to Veterans who reside in Reading.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
VETERANS SERVICE OFFICER	\$ 25,044	\$ 53,559	\$ 56,751	\$ 23,805	\$ 58,500	\$ 60,250	3.0%
VETERANS SVC OFFICE WAGES	\$ 25,044	\$ 53,559	\$ 56,751	\$ 23,805	\$ 58,500	\$ 60,250	3.0%
VETERANS OFFICE SUPPLIES	\$ 129	\$ 444	\$ 402	\$ 166	\$ 500	\$ 500	0.0%
VETERANS MILEAGE REIMBURSEMENT	\$ 171	\$ 544	\$ 536	\$ 158	\$ 500	\$ 500	0.0%
VETERANS SVC OFFICE EXPENSES	\$ 300	\$ 989	\$ 938	\$ 324	\$ 1,000	\$ 1,000	0.0%
VETERANS SVC OFFICE TOTAL	\$ 25,344	\$ 54,547	\$ 57,689	\$ 24,128	\$ 59,500	\$ 61,250	2.9%

A full time Veterans Services Officer (VSO): Efficiently uses Reading's share (25% of CH 115) of Veterans Aid Funds; Identifies individuals who qualify for assistance; especially those who are unaware of their eligibility; Screens beneficiaries to insure eligibility; Assists with preparation of VA applications and secures needed approvals to preserve funding; Conducts outreach at town events including School functions to promote veterans services; Increases VSO presence at the PSC. Scuttlebutt, a socialization program, draws over 20 veterans each month ; and is required by state law.

The amount of Veteran's Aid has leveled off in recent years, although the caseload has remained relatively constant at about 27 veterans and/or their surviving spouses. A reminder: the state reimburses 75% of these costs in the subsequent year's State Aid figures.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
VETS AID MONTHLY BENEFITS	\$ 95,682	\$ 85,253	\$ 70,884	\$ 29,460	\$ 102,000	\$ 92,000	-9.8%
VETS AID FUEL/SHELTER	\$ 19,995	\$ 17,906	\$ 20,281	\$ 10,719	\$ 26,000	\$ 26,000	0.0%
VETS AID DOCTOR	\$ 3,780	\$ 3,188	\$ 3,495	\$ 1,374	\$ 5,000	\$ 5,000	0.0%
VETS AID HOSPITAL	\$ 5,029	\$ 4,239	\$ 3,449	\$ 2,405	\$ 7,000	\$ 7,000	0.0%
VETS AID MEDICARE PART B	\$ 24,335	\$ 23,066	\$ 21,494	\$ 10,515	\$ 26,500	\$ 26,500	0.0%
VETS AID MEDICARE PART D	\$ 2,429	\$ 3,314	\$ 3,846	\$ 2,180	\$ 5,000	\$ 5,000	0.0%
VETS AID MEDIGAP	\$ 27,027	\$ 31,054	\$ 34,447	\$ 16,634	\$ 35,000	\$ 35,000	0.0%
VETS AID MEDICAL BENEFIT	\$ 20,445	\$ 15,925	\$ 16,093	\$ 8,547	\$ 38,500	\$ 38,500	0.0%
VETERANS ASSISTANCE	\$ 198,723	\$ 183,945	\$ 173,990	\$ 81,832	\$ 245,000	\$ 235,000	-4.1%

The **Recreation Division** encourages healthy and active children and adults through a wide variety of program offerings. Expenses are self-funded by fees that utilize a revolving fund, and are not part of this budget. Wages as shown below are a part of the general fund budget, but a surplus of fees at year end typically repays all or most of these funds to the general fund.

Some highlights include: Over 450 programs/classes in FY18; Website with online database management www.readingrec.com; Oversight of Field & Playgrounds & Field Scheduling; Field & Playground

management and improvement; Employing over 40 seasonal staff to support programming and events; Coordinating Town-Wide Events such as Downtown Trick or Treat, Halloween Parade, Egg Hunt and Summer Concert Series promoting Social Engagement and Community Spirit.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
COMM SVC DIR/ASST DEPT HEAD	\$ 78,492	\$ 82,125	\$ 37,028	\$ -	\$ -	\$ -	0.0%
RECREATION ADMINISTRATOR	\$ 46,342	\$ 52,685	\$ 58,767	\$ 27,365	\$ 68,025	\$ 70,050	3.0%
RECREATION COORDINATOR	\$ -	\$ -	\$ -	\$ -	\$ 24,900	\$ 25,650	3.0%
RECREATION CLERK	\$ 19,571	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
RECREATION WAGES OVERTIME	\$ 1,559	\$ 659	\$ 152	\$ -	\$ 2,500	\$ 2,000	-20.0%
RECREATION OUT OF GRADE WORK	\$ 76	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
RECREATION WAGES	\$ 146,039	\$ 135,469	\$ 95,947	\$ 27,365	\$ 95,425	\$ 97,700	2.4%

The part-time Recreation Coordinator position is expected to be filled for FY18 in advance of the busy spring season.

	FY17	FY16	Change
Registrations	6,410	6,380	0.5%
Reading Residents	6,009	5,898	1.9%
Non Residents	401	482	-16.8%
First Time Registrations	617	686	-10.1%
Fee Revenues	\$ 807,861	\$ 731,198	10.5%

Demand for programs remains high but available field and facility space has capped the growth. The first fee increase in several years did lead to a revenue increase as shown in the table above.

FINANCE DEPARTMENT

FY19 BUDGET

The Finance Department's FY19 budget is increased by 2.4% when compared to the previous year as shown below. Staffing remains unchanged.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
Accounting	\$ 181,065	\$ 184,098	\$ 198,602	\$ 83,134	\$ 210,175	\$ 214,325	2.0%
Assessor	\$ 118,847	\$ 167,620	\$ 145,652	\$ 26,962	\$ 150,125	\$ 154,750	3.1%
General Finance	\$ 383,114	\$ 421,936	\$ 423,401	\$ 172,274	\$ 444,750	\$ 455,125	2.3%
	\$ 683,026	\$ 773,655	\$ 767,655	\$ 282,371	\$ 805,050	\$ 824,200	2.4%
Accounting	\$ 177,894	\$ 181,022	\$ 196,223	\$ 81,495	\$ 205,725	\$ 209,375	1.8%
Assessor	\$ 54,607	\$ 35,802	\$ 60,537	\$ 25,140	\$ 62,625	\$ 64,250	2.6%
General Finance	\$ 342,343	\$ 378,581	\$ 384,170	\$ 161,806	\$ 387,750	\$ 397,625	2.5%
FINANCE WAGES	\$ 574,845	\$ 595,406	\$ 640,930	\$ 268,441	\$ 656,100	\$ 671,250	2.3%
Accounting	\$ 3,171	\$ 3,076	\$ 2,378	\$ 1,639	\$ 4,450	\$ 4,950	11.2%
Assessor	\$ 64,240	\$ 131,818	\$ 85,115	\$ 1,822	\$ 87,500	\$ 90,500	3.4%
General Finance	\$ 40,770	\$ 43,355	\$ 39,231	\$ 10,469	\$ 57,000	\$ 57,500	0.9%
FINANCE EXPENSES	\$ 108,181	\$ 178,249	\$ 126,725	\$ 13,930	\$ 148,950	\$ 152,950	2.7%
FINANCE TOTAL	\$ 683,026	\$ 773,655	\$ 767,655	\$ 282,371	\$ 805,050	\$ 824,200	2.4%

In the Finance department, the Town Accountant also serves as the Finance Director and department head. Note that a shared regional Assessor position is budgeted as an expense line item. Prior to FY15 there had been staffing reductions in the Assessing division.

The independence of the Accounting, General Finance and Assessing divisions are maintained with this structure. Note also that the Town Accountant reports to the Board of Selectmen and not to the Town Manager, which helps maintain this independence. In the FY19 budget, there are no staffing changes proposed.

Accounting: This division is under the direction of the Town Accountant and is responsible for maintaining financial records for the Town, Schools and Light Department. These records facilitate the preparation of financial reports and schedules that provide meaningful, accurate information for comparability and for management's decision making process. Accounting ensures that all financial transactions are in compliance with legal requirements and are properly recorded on a timely basis.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
TOWN ACCOUNTANT	\$ 105,593	\$ 109,716	\$ 115,100	\$ 46,938	\$ 116,700	\$ 117,825	1.0%
ASSISTANT TOWN ACCOUNTANT	\$ 2,013	\$ 2,025	\$ 2,000	\$ 808	\$ 2,000	\$ 2,000	0.0%
SUPPORT STAFF	\$ 69,620	\$ 69,111	\$ 79,123	\$ 33,750	\$ 84,025	\$ 86,550	3.0%
OVERTIME	\$ 668	\$ 170	\$ -	\$ -	\$ 3,000	\$ 3,000	0.0%
ACCOUNTING WAGES	\$ 177,894	\$ 181,022	\$ 196,223	\$ 81,495	\$ 205,725	\$ 209,375	1.8%
PROFESSIONAL DEVELOPMENT	\$ 2,426	\$ 2,867	\$ 2,045	\$ 1,639	\$ 3,700	\$ 4,200	13.5%
OFFICE SUPPLIES	\$ 745	\$ 209	\$ 333	\$ -	\$ 750	\$ 750	0.0%
ACCOUNTING EXPENSES	\$ 3,171	\$ 3,076	\$ 2,378	\$ 1,639	\$ 4,450	\$ 4,950	11.2%
ACCOUNTING TOTAL	\$ 181,065	\$ 184,098	\$ 198,602	\$ 83,134	\$ 210,175	\$ 214,325	2.0%

Assessors: Assessment of property is the first step in the process of tax revenue collection for the Town of Reading. The Assessment Division's function is to provide for the fair and equitable assessment of all taxable real and personal property. A three-member Board of Assessors sets policy for this division. Starting in FY16 Board members are appointed by the Board of Selectmen as changed by the Town Charter in FY15. Reading continues sharing the Assessor position with the town of Wakefield, as shown below:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
ASSISTANT ASSESSOR	\$ 54,607	\$ 34,725	\$ 56,306	\$ 23,525	\$ 58,625	\$ 60,250	2.8%
ASST ASSESSOR STIPEND	\$ -	\$ 1,077	\$ 4,231	\$ 1,615	\$ 4,000	\$ 4,000	0.0%
ASSESSOR WAGES	\$ 54,607	\$ 35,802	\$ 60,537	\$ 25,140	\$ 62,625	\$ 64,250	2.6%
REGIONAL ASSESSOR	\$ 55,471	\$ 61,435	\$ 63,376	\$ -	\$ 67,000	\$ 70,000	4.5%
ASSESSORS REVALUATION	\$ -	\$ 62,178	\$ 8,249	\$ -	\$ -	\$ -	0.0%
APPRAISALS & INSPECTIONS	\$ 6,500	\$ 5,051	\$ 8,980	\$ -	\$ 12,500	\$ 12,500	0.0%
PROFESSIONAL DEVELOPMENT	\$ 1,649	\$ 1,911	\$ 3,675	\$ 1,285	\$ 6,000	\$ 6,000	0.0%
OFFICE SUPPLIES & OTHER	\$ -	\$ 154	\$ 447	\$ 69	\$ 500	\$ 500	0.0%
MILEAGE REIMBURSEMENT	\$ 619	\$ 1,090	\$ 388	\$ 468	\$ 1,500	\$ 1,500	0.0%
ASSESSOR EXPENSES	\$ 64,240	\$ 131,818	\$ 85,115	\$ 1,822	\$ 87,500	\$ 90,500	3.4%
ASSESSOR TOTAL	\$ 118,847	\$ 167,620	\$ 145,652	\$ 26,962	\$ 150,125	\$ 154,750	3.1%

Note that the Senior Tax Relief process was completed in the fall 2017 without additional staffing as had been hoped.

General Finance: Collections is responsible for collecting all taxes and other charges (including water/sewer/storm water bills). They also receive and process all deposits (such as schools and recreation). Treasury is responsible for providing the cash for the operation of all Town, School and Light Department functions on a timely basis. In addition, it conducts all borrowing and investing activities. Payroll for the Town, School and RMLD departments are all processed 'in-house' through this division.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
TREASURER	\$ 86,846	\$ 91,989	\$ 89,349	\$ 34,809	\$ 86,325	\$ 88,200	2.2%
ASSISTANT TREASURER	\$ 111,670	\$ 124,354	\$ 107,269	\$ 29,502	\$ 62,000	\$ 63,700	2.7%
COLLECTOR	\$ -	\$ -	\$ -	\$ 31,241	\$ 70,600	\$ 72,000	2.0%
SUPPORT STAFF	\$ 143,463	\$ 143,377	\$ 159,828	\$ 65,964	\$ 162,825	\$ 167,725	3.0%
OVERTIME	\$ 365	\$ 2,850	\$ 1,191	\$ 289	\$ 6,000	\$ 6,000	0.0%
TEMP WAGES	\$ -	\$ -	\$ 7,171	\$ -	\$ -	\$ -	0.0%
SICK/VAC LEAVE BUYBACK	\$ -	\$ 16,011	\$ 19,362	\$ -	\$ -	\$ -	0.0%
GENERAL FINANCE WAGES	\$ 342,343	\$ 378,581	\$ 384,170	\$ 161,806	\$ 387,750	\$ 397,625	2.5%
PRINTING	\$ 14,819	\$ 14,860	\$ 16,172	\$ 4,366	\$ 16,500	\$ 17,000	3.0%
BANKING SERVICES	\$ 13,211	\$ 11,696	\$ 8,132	\$ 644	\$ 15,000	\$ 15,000	0.0%
TAX TITLE SERVICES	\$ 9,055	\$ 9,383	\$ 9,512	\$ 1,486	\$ 15,000	\$ 15,000	0.0%
PROFESSIONAL DEVELOPMENT	\$ 814	\$ 1,939	\$ 1,757	\$ 2,023	\$ 5,500	\$ 5,500	0.0%
OFFICE SUPPLIES	\$ 2,870	\$ 5,478	\$ 3,657	\$ 1,950	\$ 5,000	\$ 5,000	0.0%
GENERAL FINANCE EXPENSES	\$ 40,770	\$ 43,355	\$ 39,231	\$ 10,469	\$ 57,000	\$ 57,500	0.9%
GENERAL FINANCE TOTAL	\$ 383,114	\$ 421,936	\$ 423,401	\$ 172,274	\$ 444,750	\$ 455,125	2.3%

Note the staffing changes mentioned previously are shown in the table above. The Assistant Collector position has been moved into the Water and Sewer budgets, where it replaced a Support Staff position.

PUBLIC SAFETY

FY19 BUDGET

The Public Safety budget consists of the Police Department, the Reading Coalition Against Substance Abuse (RCASA), the Fire/Emergency Management Department and combined Police/Fire Dispatch. The total budget for Public Safety for FY19 is \$10,406,475 which is a +3.3% increase from the FY18 budget.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
Police	\$ 4,302,814	\$ 4,496,581	\$ 4,745,630	\$ 1,986,622	\$ 4,787,250	\$ 4,976,150	3.9%
RCASA	\$ 715	\$ (360)	\$ -	\$ 28,596	\$ -	\$ -	0.0%
Fire/EMS	\$ 4,371,220	\$ 4,456,553	\$ 4,844,743	\$ 2,084,002	\$ 4,712,100	\$ 4,830,550	2.5%
Dispatch	\$ 463,661	\$ 492,113	\$ 490,748	\$ 266,635	\$ 575,575	\$ 599,775	4.2%
PUBLIC SAFETY TOTAL	\$ 9,138,410	\$ 9,444,888	\$ 10,081,121	\$ 4,365,856	\$ 10,074,925	\$ 10,406,475	3.3%

The two lines voted by Town Meeting include the breakdown of department salaries and expenses, as shown below:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
Police	\$ 4,166,730	\$ 4,338,070	\$ 4,520,261	\$ 1,885,030	\$ 4,520,550	\$ 4,704,950	4.1%
RCASA	\$ (174)	\$ (360)	\$ -	\$ 22,217	\$ -	\$ -	0.0%
Fire/EMS	\$ 4,224,805	\$ 4,292,026	\$ 4,673,060	\$ 1,987,659	\$ 4,521,100	\$ 4,638,050	2.6%
Dispatch	\$ 440,589	\$ 478,345	\$ 471,433	\$ 248,607	\$ 550,075	\$ 575,775	4.7%
PUBLIC SAFETY WAGES	\$ 8,831,949	\$ 9,108,081	\$ 9,664,754	\$ 4,143,513	\$ 9,591,725	\$ 9,918,775	3.4%
Police	\$ 136,085	\$ 158,512	\$ 225,369	\$ 101,592	\$ 266,700	\$ 271,200	1.7%
RCASA	\$ 888	\$ -	\$ -	\$ 6,379	\$ -	\$ -	0.0%
Fire/EMS	\$ 146,415	\$ 164,527	\$ 171,683	\$ 96,343	\$ 191,000	\$ 192,500	0.8%
Dispatch	\$ 23,072	\$ 13,768	\$ 19,315	\$ 18,029	\$ 25,500	\$ 24,000	-5.9%
PUBLIC SAFETY EXPENSES	\$ 306,460	\$ 336,807	\$ 416,367	\$ 222,343	\$ 483,200	\$ 487,700	0.9%

Please see the following budget sections on Police, RCASA, Fire/EMS and Dispatch for more detailed information.

POLICE DEPARTMENT

FY19 BUDGET

The Reading Police Department's FY19 budget is increased by 3.9% when compared to the previous year.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
POLICE TOTAL	\$ 4,302,814	\$ 4,496,581	\$ 4,745,630	\$ 1,986,622	\$ 4,787,250	\$ 4,976,150	3.9%

About 95% of the budget consists of personnel costs:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
POLICE CHIEF	\$ 149,908	\$ 168,051	\$ 165,915	\$ 68,627	\$ 170,525	\$ 175,650	3.0%
DEPUTY POLICE CHIEF	\$ 131,196	\$ 67,228	\$ 118,211	\$ 56,716	\$ 140,950	\$ 145,150	3.0%
POLICE SUPPORT STAFF	\$ 93,094	\$ 92,555	\$ 102,262	\$ 42,879	\$ 105,375	\$ 133,100	26.3%
POLICE PARKING ENFORCEMENT	\$ 18,120	\$ 18,540	\$ 20,145	\$ 8,327	\$ 25,300	\$ 26,050	3.0%
POLICE ANIMAL CONTROL	\$ 17,748	\$ 18,295	\$ 18,368	\$ 7,619	\$ 23,250	\$ 24,000	3.2%
POLICE SCHOOL CROSSING GUARDS	\$ 119,696	\$ 134,638	\$ 150,096	\$ 45,541	\$ 157,650	\$ 162,500	3.1%
POLICE LIEUTENANTS	\$ 398,553	\$ 355,021	\$ 385,575	\$ 208,500	\$ 485,000	\$ 505,000	4.1%
POLICE SERGEANTS	\$ 740,085	\$ 788,909	\$ 758,345	\$ 317,029	\$ 742,500	\$ 773,500	4.2%
POLICE OFFICERS	\$ 1,571,295	\$ 1,659,355	\$ 1,718,234	\$ 694,593	\$ 1,745,000	\$ 1,815,000	4.0%
POLICE DETECTIVES	\$ 610,699	\$ 588,861	\$ 498,460	\$ 232,730	\$ 550,000	\$ 560,000	1.8%
POLICE OVERTIME	\$ 267,489	\$ 343,744	\$ 472,292	\$ 192,562	\$ 345,000	\$ 350,000	1.4%
POLICE TRAINING	\$ 18,405	\$ 20,340	\$ 36,264	\$ 5,407	\$ 21,500	\$ 25,000	16.3%
POLICE FITNESS STIPEND	\$ 5,250	\$ 6,000	\$ 6,750	\$ 4,500	\$ 6,000	\$ 7,500	25.0%
POLICE CELL MONITORS	\$ -	\$ -	\$ -	\$ -	\$ 2,500	\$ 2,500	0.0%
POLICE BUYBACK	\$ 25,190	\$ 76,533	\$ 69,343	\$ -	\$ -	\$ -	0.0%
POLICE WAGES	\$ 4,166,730	\$ 4,338,070	\$ 4,520,261	\$ 1,885,030	\$ 4,520,550	\$ 4,704,950	4.1%

Providing the community with the highest level of police service is the goal of this Department. To achieve this goal, we need to work with and for our community. The members of this Department will continue to work hard and show our dedication and unwavering commitment to accomplish this mission.

The department has 41 sworn officers; 2.5 civilian office employees (and increase of 0.5 in clerical support); a civilian part-time Parking Enforcement Officer; a civilian part-time Animal Control Officer; 19 per diem school crossing guards; and one full-time and one part-time position from the Reading Coalition Against Substance Abuse (RCASA). The RCASA positions that will show in the Police Department budget are fully grant funded positions for FY19.

The addition of support staff (shared with the Fire department) will allow sworn officers to be able to download some of their routine paperwork. This is especially important at a time when Public Records requests are increasing.

Public Records Requests

An average of 360 public records requests were made in 2015 and 2016 for an average of 30 a month. As of October 31, 2017 the department has received 351 public records requests for an average of 35 a month. A request is first received by a member of our civilian clerical staff to be reviewed and processed. The request then goes to our Lieutenant Detective, who gathers the information and redacts all personal information that

needs to be taken out. Public records requests can range from just one report being requested to several reports over a period of time and may include copies of audio recordings from phone conversations and radio transmissions. These audio transmissions need to be reviewed and all personal information needs to be redacted as well. Depending on the complexity of the request this process can take an hour for a basic request to many hours for a more complex request. The clerk then makes copies of all of the reports and/or audio recordings and follows up with the requestor within the mandated 10 day period.

Department Staffing

In the Summer of 2017, the Town Manager requested an evaluation of the department to determine how Reading's staffing compares to other peer communities. Chief Segalla conducted an evaluation of twenty-two comparable towns in Massachusetts. Several areas of interest were queried and the relevant data was compiled. The areas of focus were: population, sworn officers, civilian employees, school resource officers, detectives, task force officers, dispatchers, calls for service, population density, housing unit density, command staff levels and police department budgets.

The goal of this study was to compare Reading to other similar communities and determine whether Reading has an adequate number of officers. Also, if the study shows that Reading does not have an adequate number of officers, in comparison to other communities, the study would aim to further illustrate where the Reading Police Department should improve its staffing so that the department can run at its optimum level. This may include hiring more patrol officers, detectives, specialists, supervisors, command staff members, civilians or public safety dispatchers.

The last time a formal evaluation of the Reading Police Department's staffing levels was conducted was in 1998, by EMS Consultants out of Belmont, NH. During that review, EMS Consultants concluded that the current condition of the town, in 1998, required a police department of 43 - 44 sworn officers. It is important to note that not only was this study conducted almost twenty years ago, but also at that time Reading had a population of 23,708 (2000). In addition to population growth, major infrastructure developments have increased the commercial property, specifically the Walkers Brook Drive area with Jordan's Furniture, Home Depot, several restaurants and retail stores. Also, the addition of several licensed bars and nightclubs on Walkers Brook Drive and the downtown Reading area raise the level of calls for service, as well as the need to have adequate staffing on patrol in case of serious incidents.

Based on the results of this study, including the comprehensive analysis of the Town of Reading, Chief Segalla respectfully requested the addition of 5 sworn police officers in FY19, bringing the total number of officers to 46. This conclusion is based on the town's current population (26,656), budget, population and housing unit density per square mile. It also took into consideration the status of the police department, primarily its specific current staffing levels and how that compares to the 22 comparable communities included in this study. This would bring Reading to the average position of peer communities. Due to the proximity to both Boston and two major interstates, one might suggest that staffing be above that peer average.

With these 5 new officers, Chief Segalla would aim to provide additional patrol officers on each of the 3 night shifts; fill the currently vacant patrol officer position on the day shift and add a second School Resource Officer position. Chief Segalla believes that with the addition of these new police officer positions, the department will be set up to provide the optimal level of service and public safety to the citizens of the town of Reading.

The Staffing Study was presented to the Board of Selectmen at their October 10, 2017 meeting. Please see the 2017 Police Staffing Study located on the Police Department Web Page.

<u>Police Staffing history</u>	<u>1975</u>	<u>2010</u>	<u>2017</u>
Sworn Police Officers	45	42	41
Population	22,609	24,747	26,500
Residents/Officer	502	589	646
1975 equiv. staffing		49	53
shortfall in staffing		7	12

As the chart above shows, based on population only this request of five additional officers would bring department staffing back to 2010 service levels – setting aside the increasing complexity of the profession plus the influence of commercial development in town.

These requested five new additional officers were NOT able to be included in this balanced FY19 Town budget. The estimated costs, including wages and expenses, would be an additional \$440,000 for this budget, as well as an impact on the employee benefits budget.

Patrol Division

The Patrol Division is made up of two separate divisions: the Day & Night Patrol Divisions. The Day Patrol Division is currently staffed with 10 Officers; the Day Patrol Lieutenant, 2 Sergeants and 7 Patrol officers. The Night Patrol Division is currently staffed with 18 Officers; the Night Patrol Lieutenant, 5 Sergeants and 12 patrol officers.

The Patrol Division is responsible for all calls for service and respond to a variety of calls including but not limited to: motor vehicle crashes; medical aide calls; domestic disturbance calls; robberies; breaking and entering; alarms calls; suspicious person and suspicious motor vehicle calls; overdoses; harassment calls; unwanted quests; welfare of person checks; fraud; child custody exchanges; mental health related calls; and missing persons.

A vast majority of all incident reports filed come from the Patrol Division and these officers start most of the investigations at a preliminary level before the reports are turned over to the Detective Unit. The time dedicated to report writing has increased over the years as reports need to be more in-depth and may require officers to fill out many additional forms such as: a motor vehicle crash report; file a report with DCF on child neglect, file an immediate threat for a license suspension to the registry, fill out an emergency restraining order forms.

Changes in evidence collection and documentation may require a large amount of property, statements and photographs entered into evidence for a particular call. The time dedicated to report writing can take the officer off of the street patrolling for a significant period of time.

The Patrol Division is the most visible part of the Reading Police Department and in-between responding to calls for service perform a variety of proactive policing. These officers perform traffic enforcement by pulling over vehicles for a variety of traffic violations. A majority of all arrests, summonses, and hearings are generated by this division.

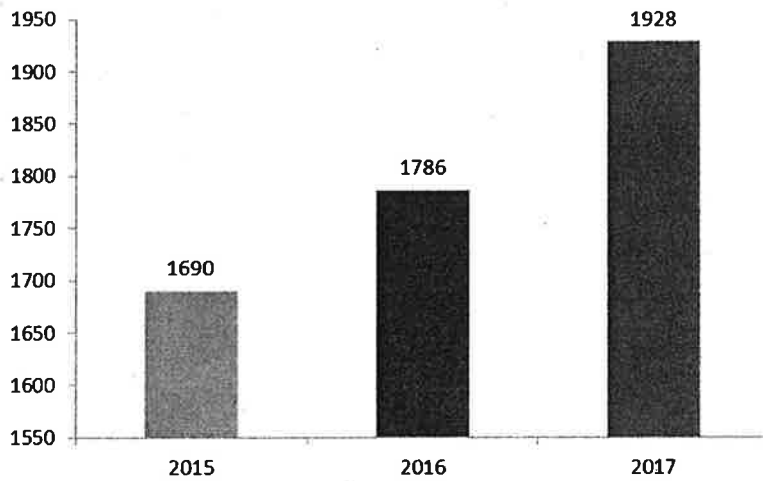
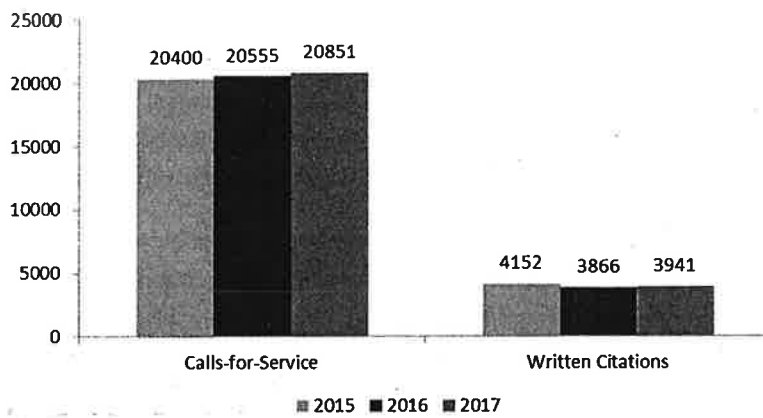
This division also participates in community policing throughout their shift, actively patrolling the town, engaging with residents and business owners. These officers cross pedestrians at the train station each

morning and evening and engage with the public and assist them with crossing High Street. They also cover vacant crossing guard posts during the school year.

The Patrol Division routinely provides invaluable assistance to families dealing with domestic issues, drug and alcohol use, harassment, mental health issues and function as counselors to members of the public throughout their shifts. These calls do not always generate an incident report but can take up a significant amount of an officer's time over the course of a shift.

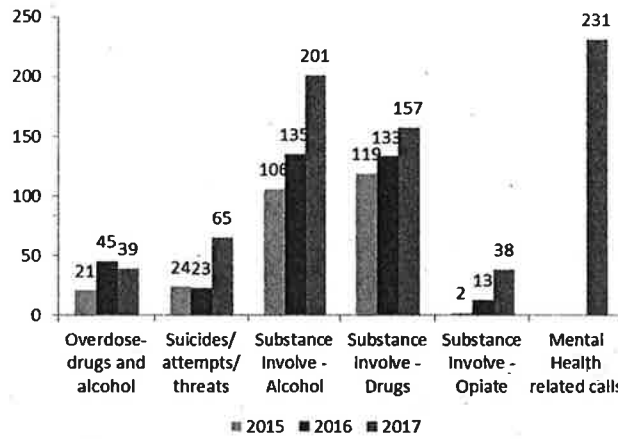
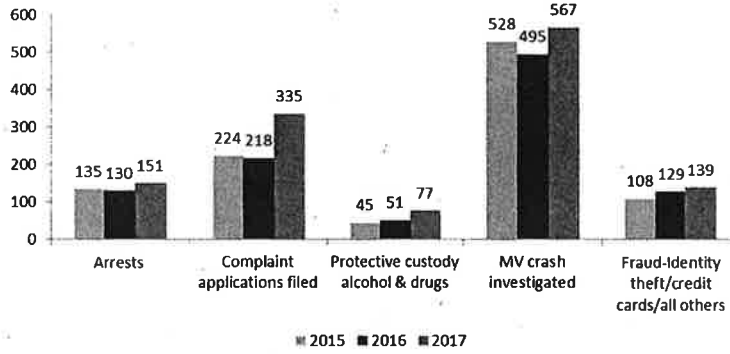
Police Statistics

The following section looks at the types of activity within the department for calendar 2017.

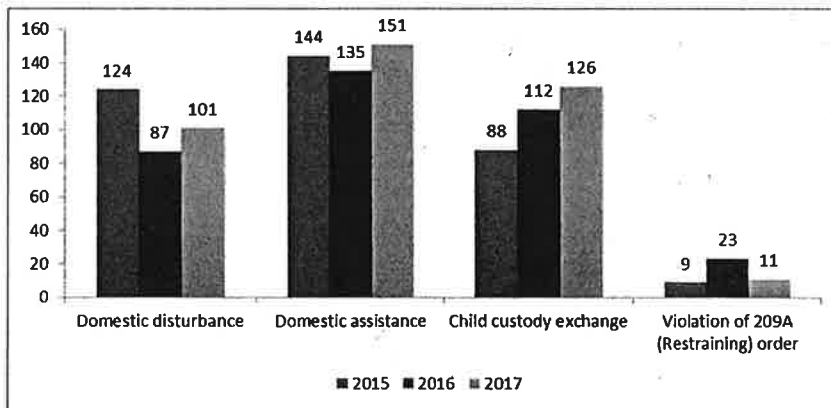


Incident Reports Filed

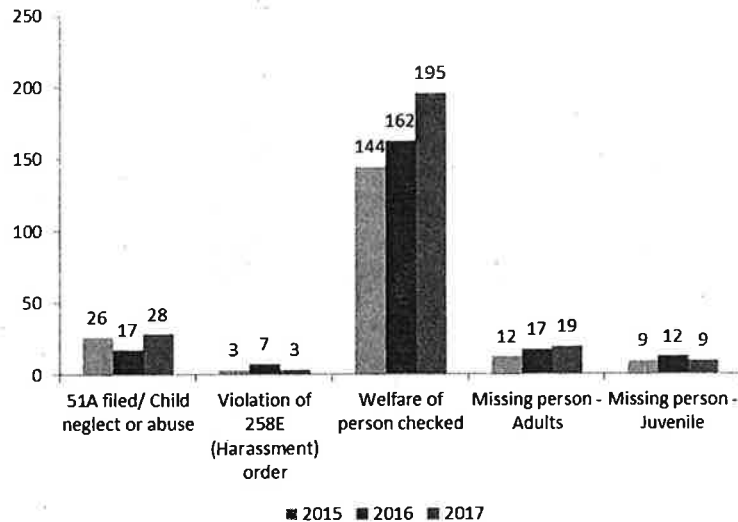
Police Statistics (continued)



**We began keeping track of Mental Health related calls on January 1, 2017*



Police Statistics (continued)



State and Federal Crime Reporting

The National Incident-Based Reporting System, or NIBRS, implemented to improve the overall quality of crime data collected by law enforcement, captures details on each single crime incident—as well as on separate offenses within the same incident—including information on victims, known offenders, relationships between victims and offenders, arrestees, and property involved in the crimes.

Unlike data reported through UCR’s traditional Summary System -an aggregate monthly tally of crimes- the NIBRS data goes much deeper because of its ability to provide circumstances and context for crimes. It includes all offenses within a single incident and additional aspects about each event, like location, time of day, and whether the incident was cleared. Ultimately, NIBRS will improve the detail and overall quality of crime data, which will help law enforcement and communities around the country use resources more strategically and effectively.

The Uniform Crime Reporting Program classifies offenses into two groups, Part I and Part II crimes. Each month, contributing agencies submit information on the number of Part I offenses (Crime Index) known to law enforcement; those offenses cleared by arrest or exceptional means; and the age, sex, and race of persons arrested. Contributors provide only arrest data for Part II offenses.

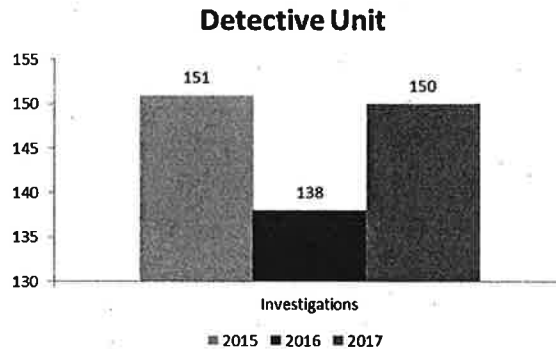
Part 1 Crimes	TOTAL	Larceny	Burglary	Other
2017	243	156	61	26
2016	238	159	49	30
2015	202	141	42	19

Part 2 Crimes	TOTAL	Family			Fraud	Simple	
		Nonviolent	Vandalism	Drug/DUI		Assault	Other
2017	578	146	109	96	93	78	56
2016	444	130	76	101	76	46	15
2015	430	160	59	85	46	50	30

Detective Division

The Detective Division is staffed with 7 Officers; the Lieutenant Detective, 5 Detectives, 1 School Resource Officer (SRO), and 2 civilians comprising the Reading Coalition Against Substance Abuse (RCASA).

The Detective Division reviews all patrol reports and conducts investigations on numerous other types of crimes to include Sexual Assaults/Rapes, B&E's, Larcenies, Sudden Deaths/Suicides/Overdoses, Child Enticement, Missing Person, Possession of Child Pornography, Narcotic Investigations, reports from DCF, Frauds, and Cyber-Crimes.



One Detective is assigned to the prosecutor role and handles all court matters, including processing the court paperwork for all arrests, summons, hearings, restraining orders, citation appeals, and any other pertinent issues that deal with the court. The Prosecutor makes all officer notifications for court appearances and gives information on the status of on-going cases. The Prosecutor is responsible for all discovery requests by the Commonwealth and Defense, which requires a significant amount of time to compile. All juvenile cases that meet the standard for diversion are monitored to make sure all of the obligations set forth for the juvenile are met.

Two Detectives are assigned the role of Evidence Control Officer. Their responsibilities include logging, processing, packaging and storage of evidence and adherence to retention period requirements. They are also responsible for processing civil asset forfeitures.

The Detective Division registers and monitors all Level 1 and Level 2 Sex Offenders that live and/or work in Town. In addition, Detective's make the required community wide notifications. The Detective Division reviews all new/renewal or change in manger applications for Alcohol Licenses or any modifications for existing licenses. Over the past several years as the town's business district has grown, the number of license applications, license transfers, and change in manager applications has increased substantially. Detectives

conduct alcohol compliance checks of all licenses and surveillance patrols to monitor underage drinking violations throughout the year.

Detectives are assigned to numerous regional groups including, a Federal Task Force, NEMLEC Detective groups, State Fusion Center, District Attorney Sexual Assault units and many others.

The Detective Division is the liaison of the Police Department with the Reading Public Schools, Austin Preparatory School as well as the Northeast Regional Vocational School in Wakefield. The SRO is the direct liaison. The SRO continues to be involved with "Community Based Justice" which brings all interested parties together to discuss current student issues which are involved at some level with the court system. The SRO conducts numerous ALICE (Alert, Lockdown, Inform, Counter, Evacuate) trainings with all school personal, and conducts ALICE drills in each school in the district and Austin Prep. The SRO participates in monthly RCASA Board of Directors meetings. The SRO is also a member of a regional School Threat Assessment Response Team (STARS).

Detectives worked in conjunction with RCASA to collect and properly destroy prescription drugs through the "RX Round-up" program. Detectives assist RCASA in conducting in house trainings to officers and school personnel.

Support Services Division

Support Services is staffed with 4 police officers, the Support Services Lieutenant, the Traffic and Safety Officer, Armorer and Fleet Maintenance Officer, Community Service Officer, and one civilian who functions as the parking enforcement officer and animal control officer.

The Support Services Lieutenant oversees this division and is responsible for all department training, accreditation, recruit training, and social media.

The Armorer and Fleet Maintenance Officer is responsible for processing all license to carry applications, maintenance of all firearms (including recertifying all officers with their firearms) and department vehicles. He is also responsible for maintaining radio communications and equipment as well as other mandatory police equipment.

MGL c.140 s.131(e) and MGL c.140 s.129B requires all local police departments to process and conduct background investigations on every resident who applies for a gun license. Each application takes an estimated 3 hours of work (sometimes more if the background requires additional checks). There has been a dramatic rise in the number of license to carry applications. In 2016 there was a 66% increase from the prior year. In 2016 we completed a total of 215 applications compared to the 126 in 2015. As of September 2017, we have completed 206 applicants, so we will far exceed last year's totals as well. Because of the increasing number of applicants each year we have received recently, the Armorer has been catching up on 187 backlogged applications from the years prior as well.

The Traffic and Safety Officer has many responsibilities, a few take up a significant portion of time. During the school year this officer is responsible for scheduling, training, reviewing and payroll for all of the town's crossing guards.

The Traffic and Safety Officer maintains all of the cruisers traffic radar units and maintains the certifications for these units. This officer is also responsible for all of the speed boards and message boards which were deployed to over 70 different locations for various events. The Traffic and Safety Officer takes all traffic and safety complaints from residents and is a member of the Parking, Traffic, Transportation, Task Force (P.T.T.T.F.).

The Community Service Office is our main community liaison. Over this past year the Community Service Officer worked as a liaison to the public regarding business complaints; on the third Tuesday of every month – Lunch at the Senior Center with our Senior Citizens; handles all solicitor applications/badges; serves as our Human/Elder Services/Protective Services Liaison; gave multiple station tours with safety talks to various boy scout/girl scout groups; performs civilian employment fingerprinting, worked with Sherriff Koutoujian and the Middlesex Sherriff’s Office to coordinate L.E.A.R.N Program – Identifying and Protecting Yourself From Existing and emerging Scams – gave presentations at the Pleasant Street Center, Sanborn Place and The Residence at Pearl Street; organized four Coffee with A Cop events; organized two Rape Aggression Defense Women’s self-defense courses; re-implemented the Helmet Incentive through the Summer – Kids wearing helmets got citations for a free ice cream or slice of pizza – donations from various businesses; was involved with the Fall Street Faire Committee’s planning of the Fall Street Faire; organized the Citizen Police Academy; among other activities. The Community Service Officer also serves as the Domestic Violence Officer and Crisis Intervention Officer.

Expenses

Below is a list of the department’s relatively small expense budget. Two Police cruisers are replaced annually – their shorter useful life does not qualify them to be classified as capital expenses. The discontinuance of the Crown Victoria model has provided Police departments nation-wide a challenge to find reliable replacement models. The cost of vehicles including equipment continues to climb.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
POLICE EQUIP CRUISERS	\$ 51,200	\$ 55,421	\$ 70,912	\$ 28,075	\$ 84,000	\$ 90,000	7.1%
POLICE SUPPLIES AND EQUIPMENT	\$ 20,356	\$ 16,881	\$ 31,788	\$ 11,017	\$ 35,600	\$ 36,600	2.8%
POLICE EQUIP MAINTENANCE	\$ 8,249	\$ 19,455	\$ 26,043	\$ 8,895	\$ 24,500	\$ 33,500	36.7%
REGIONAL ANIMAL CONTROL	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 26,000	-48.0%
POLICE MISC.	\$ 3,874	\$ 13,266	\$ 8,482	\$ 3,616	\$ 6,500	\$ 6,500	0.0%
POLICE OFFICE SUPPLIES AND EQUIP	\$ 15,663	\$ 18,604	\$ 18,882	\$ 12,969	\$ 15,600	\$ 16,600	6.4%
POLICE PROFESSIONAL DEVELOPMENT	\$ 30,555	\$ 22,596	\$ 56,949	\$ 32,029	\$ 44,500	\$ 52,000	16.9%
POLICE UNIFORMS AND CLOTHING	\$ 6,188	\$ 12,288	\$ 12,314	\$ 4,991	\$ 6,000	\$ 10,000	66.7%
POLICE EXPENSES	\$ 136,085	\$ 158,512	\$ 225,369	\$ 101,592	\$ 266,700	\$ 271,200	1.7%

One regional effort for Animal Control was set to go in late FY17 but then cancelled by the potential host community; another regional partner has been found and talks center on an FY19 start. The \$24,000 salary of the Animal Control position is expected to be combined with the \$26,000 related expenses shown above as a start-up cost. Longer term an expansion of services is planned, and these may bring additional costs.

READING COALITION AGAINST SUBSTANCE ABUSE (RCASA)

FY19 BUDGET

In August 2006 RCASA was formed as a sustainable, collaborative community approach to substance abuse prevention. Since 2008 over \$1.5 million in state and federal grants have largely funded this program, with the town budget stepping in for 15 months between grants as shown below in FY14. Currently one full-time and one part-time position are grant funded for FY19 and shown below.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
RCASA YOUTH COORDINATOR	\$ -	\$ 5,963	\$ 9,897	\$ -	\$ -	\$ -	0.0%
RCASA COMMUNITY OUTREACH COORD	\$ 45,919	\$ 40,164	\$ 47,928	\$ 13,421	\$ 33,375	\$ 34,100	2.2%
RCASA PROGRAM DIRECTOR	\$ 74,791	\$ 77,387	\$ 80,375	\$ 33,236	\$ 82,625	\$ 84,300	2.0%
FED GRANT SUPPORT	\$ (120,884)	\$ (123,874)	\$ (138,199)	\$ (24,439)	\$ (116,000)	\$ (118,400)	2.1%
RCASA WAGES	\$ (174)	\$ (360)	\$ -	\$ 22,217	\$ -	\$ -	0.0%
RCASA EVENT & PROGRAM COSTS	\$ 500	\$ -	\$ 14,942	\$ 5,699	\$ 5,699	\$ 3,300	-42.1%
RCASA SUPPLIES	\$ 354	\$ -	\$ 3,624	\$ 669	\$ 1,050	\$ 1,500	42.9%
IN-STATE TRAVEL	\$ -	\$ -	\$ 3,551	\$ 11	\$ 1,950	\$ 1,500	-23.1%
OUT-OF-STATE TRAVEL	\$ -	\$ -	\$ 7,221	\$ -	\$ -	\$ -	0.0%
RCASA OTHER EXPENSES	\$ 34	\$ -	\$ 1,884	\$ -	\$ 301	\$ 300	-0.3%
FED GRANT SUPPORT	\$ -	\$ -	\$ (31,221)	\$ -	\$ (9,000)	\$ (6,600)	-26.7%
RCASA EXPENSES	\$ 888	\$ -	\$ -	\$ 6,379	\$ -	\$ -	0.0%

RCASA works with several regional collaborations, including the Mystic Valley Public Health Coalition, the Eastern Middlesex District Attorney's Opioid Task Force and a regional Police Risk Assessment Team. This year they launched a successful program in conjunction with William James College to match mental health service needs with what is available to the community – 60 local families have benefitted within the first several months at no cost to them.

RCASA works very closely with the Police and School departments. Their Diversion program that also involves the Middlesex DA's office has been a role model for other communities. Students participating in this program have extremely high rates of avoiding relapse.

Federal funding for Drug Free Communities expires near the start of FY20, and in the coming year the community will need to decide what effort to put forth and support in the area of the battle against substance abuse at the local level.

FIRE AND EMERGENCY MANAGEMENT

FY19 BUDGET

The Reading Fire Department's FY19 budget is increased by 2.5% when compared to the previous year.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
FIRE/EMS TOTAL	\$ 4,371,220	\$ 4,456,553	\$ 4,844,743	\$ 2,084,002	\$ 4,712,100	\$ 4,830,550	2.5%

Over 96% of the budget consists of personnel costs:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
FIRE CHIEF	\$ 118,776	\$ 137,189	\$ 155,446	\$ 64,341	\$ 159,950	\$ 161,525	1.0%
ASSISTANT FIRE CHIEF	\$ -	\$ 20,556	\$ 114,478	\$ 47,851	\$ 118,950	\$ 122,525	3.0%
EMS DIRECTOR	\$ -	\$ 5,615	\$ 7,510	\$ 3,029	\$ 7,500	\$ 7,500	0.0%
SUPPORT STAFF	\$ 48,281	\$ 51,881	\$ 54,994	\$ 23,612	\$ 58,700	\$ 79,500	35.4%
FIRE ALARM	\$ 11,722	\$ 20,777	\$ 15,560	\$ 9,080	\$ 11,000	\$ 15,000	36.4%
FIRE CAPTAINS	\$ 381,963	\$ 438,311	\$ 607,434	\$ 243,222	\$ 580,000	\$ 600,000	3.4%
FIRE LIEUTENANTS	\$ 327,310	\$ 473,954	\$ 320,098	\$ 147,931	\$ 390,000	\$ 377,000	-3.3%
FIRE FIREFIGHTERS	\$ 2,543,732	\$ 2,611,254	\$ 2,702,308	\$ 1,128,092	\$ 2,775,000	\$ 2,835,000	2.2%
FIRE OVERTIME	\$ 574,041	\$ 530,519	\$ 625,388	\$ 299,488	\$ 420,000	\$ 440,000	4.8%
FIRE HOLIDAY PAY	\$ 218,981	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
FIRE SICK LEAVE BUYBACK	\$ -	\$ 1,971	\$ 69,844	\$ 21,013	\$ -	\$ -	0.0%
FIRE/EMS WAGES	\$ 4,224,805	\$ 4,292,026	\$ 4,673,060	\$ 1,987,659	\$ 4,521,100	\$ 4,638,050	2.6%

Department Staffing

In the Summer of 2017, the Town Manager requested an evaluation of the department to determine how Reading's staffing compares to other peer communities. Chief Burns conducted an evaluation of twenty-four comparable towns in Massachusetts. The goal of the study was to compare the Reading Fire Department to the comparable communities using a number of measurements to determine if additional staffing is warranted. Data gathered: population, staffing, number of supervisors, Emergency Medical Services, EMS revenues, salary budget, overtime spending and other relevant data. A secondary goal was to look at development trends in Reading and potential development areas to predict future increases in call volume.

In addition to the comparable community data that we gathered, the Town of Reading Economic Development Action Plan 2016-2022 created by the Metropolitan Area Planning Council was reviewed to offer insights to future development. We also reviewed a study of the Reading Fire Department that was conducted in 1987. This report is titled a Survey of the Reading Fire Department and was prepared by George Paul Fire Safety Consultants Inc.

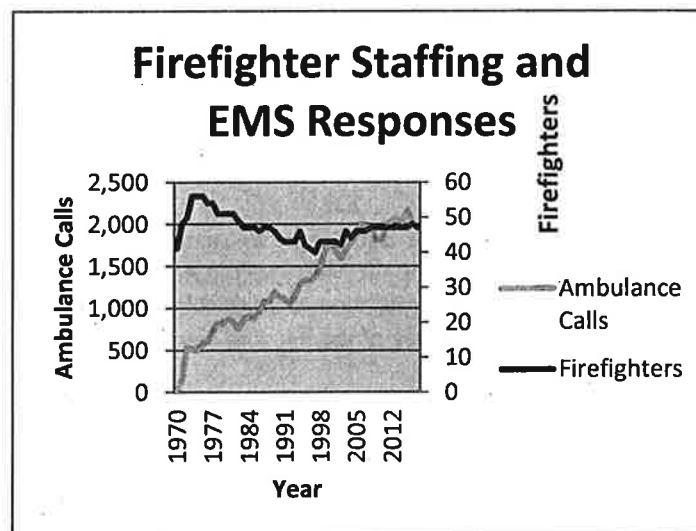
The George Paul report recommended the Department be increased by four Firefighter positions and when this report was written, the on duty group strength was the same as it is today. This report examined emergency response data for the years 1986 and 1987. At that time the emergency call volume was approximately 2,500 responses per year. Our current emergency responses exceed 3,500 per year. Since this report was written we have seen a 40% increase in call volume. The population for Reading listed in the report was approximately 24,000. (Paul, 1987), Since 1987 we have seen our population grow to 26,356.

The Metropolitan Area Planning Council predicts a substantial need for housing and significant growth in the senior population of Reading in the near future. The trend of new growth consisting of multi-floor, multi-unit wood framed buildings and multi-floor, multi-unit wood framed mixed residential and commercial buildings is

likely to continue. The factors of an increasing population, an increased senior population and an increase number of large residential buildings will combine to cause an increase in emergency medical and fire responses. For example, the recent Developments listed in the chart below added 10% to the emergency medical responses made by the department in 2016:

Address	Occupancy	EMS	Fire	Total
Walkers Brook Drive	Residential	52	43	95
New Crossing Road	Commercial	48	2	50
Reading Commons	Residential	31	19	50
Reading Woods	Residential	39	76	115
Johnson Woods	Residential	9	22	31
24-54 Haven Street	Mixed Res/-Commercial	11	6	17
General Way	Commercial	20	6	26
Total		210	174	384

As the chart below shows, staffing for the department is well below the high levels reached during the mid-1970s, a time when calls for service were significantly lower – and the department did not offer Advanced Life Support medical services. In recent years, staffing levels have not kept up with the growth in call volume.



Based upon the factors outlined above it is clear by the data there is a need for additional staffing. Therefore we recommend total of four additional Firefighters be added to the Department. This will increase each group by one Firefighter and will also have the added benefit of a reduction in overtime expenditures.

	<u>1975</u>	<u>2010</u>	<u>2017</u>
Firefighters	56	47	46
Population	22,609	24,747	26,500
Residents/Firefighter	404	527	576
1975 equiv. staffing		61	66
shortfall in staffing		5	10

As the chart above shows, based on population only this request of four additional firefighters would leave the department staffing still short of 2010 service levels – setting aside the additional influence of commercial development in town.

These requested four new additional firefighters were NOT able to be included in this balanced FY19 Town budget. The estimated costs, including wages and expenses, would be an additional \$360,000 for this budget, as well as an impact on the employee benefits budget.

Department Overview

The Reading Fire Department is responsible for four major functions: fire suppression, fire prevention, the emergency medical system and emergency management. This Department is also responsible to coordinate and apply for all reimbursements for State and Federal disaster declarations.

The Reading Fire Department's 48 full time employees are primarily organized around four Groups of Officers and Firefighters. The budget requests the funding of a Chief, Assistant Chief, Administrative Assistant, five Captains, four Lieutenants, thirty six Firefighters and two part time Fire Alarm Technicians. A new clerical position shared with the Police department is included in this budget. This position will give some needed backup to the sole existing clerical position and provide depth in the payroll and other essential department paperwork that is currently shared among all senior staff.

Several years ago the department transitioned to offer Advanced Life Support (ALS). This service is of tremendous benefit to the community and to those passing through town. It also provides incremental ambulance fee revenues. However there is a cost associated with hiring ALS certified paramedics, which will place upward pressure on the Fire department wage budget for about another nine years until the staffing transition is complete.

Each day the on duty shift staffs two engines, a ladder truck and an ambulance. Each group is supervised by a Captain who is the shift commander. Captains are responsible to respond to emergencies, deliver services, training, scheduling, equipment maintenance and routine fire prevention duties. The Lieutenants are responsible for supervision of the West Side Fire Station and the Firefighters who are assigned there. The Lieutenants are responsible to respond to emergencies, deliver services, training, equipment maintenance and routine fire prevention duties.

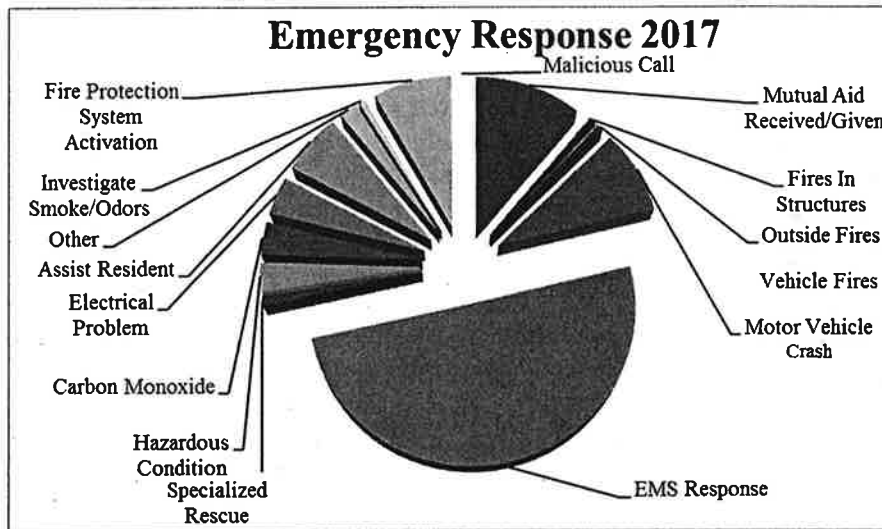
Emergency Response

Many of the Fire Department's responses require more than one piece of fire apparatus on scene. These calls include emergency medical responses, fires, motor vehicle accidents, construction accidents, hazardous materials incidents and flammable liquid spills. An example would be a motor vehicle accident on Route 128 or Route 93; it is not unusual for the call to require the response of an engine, ladder truck and the ambulance. If there are significant injuries on scene, the call will require the entire shift to respond.

For calendar year 2017, the Fire Department has responded to 3,854 emergency calls for assistance. Of these calls 2,275 involved some level of emergency medical responses.

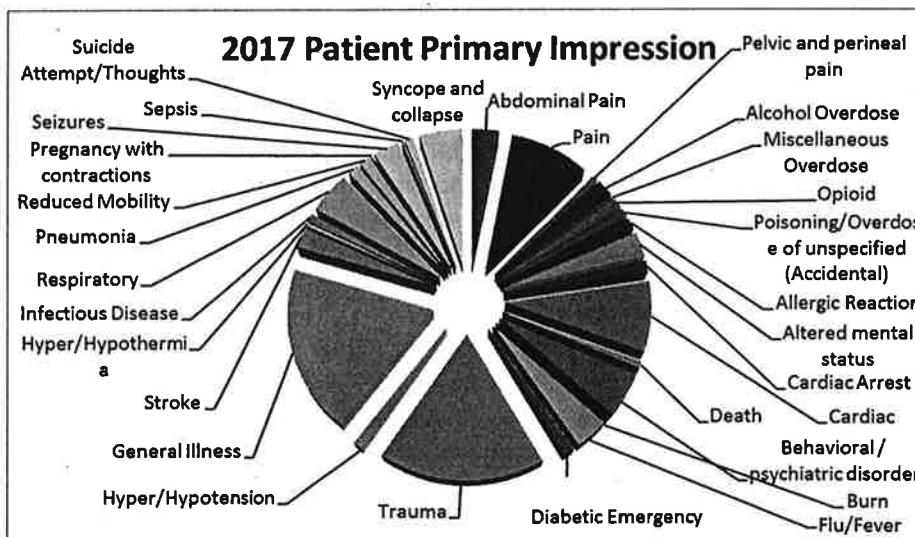
Data Reported to State Fire Marshal

All fire departments are required to report response data to the Massachusetts State Fire Marshal's Office. Reading's required reporting data for 2017 includes 30 fires defined as structure fires, 9 fires in mobile equipment and 20 outside fires in addition to other responses. Below is a graph representing all emergency responses types for this time period:



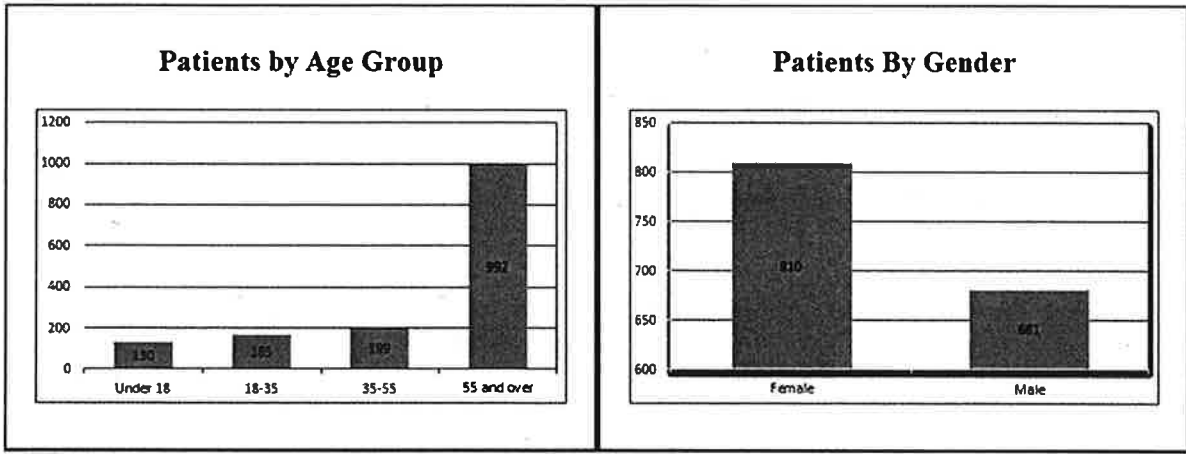
Emergency Medical Responses

Emergency medical responses are continuing to trend upward. The annual data from calendar 2017 reveals we responded to 2,275 emergency medical calls. When we compare the data for the same time period in calendar year 2016 we find the responses were 2,039. This represents an increase of 10.4% in EMS Responses from 2016 to 2017. Below is a graph representing EMS responses by type in calendar year 2017:



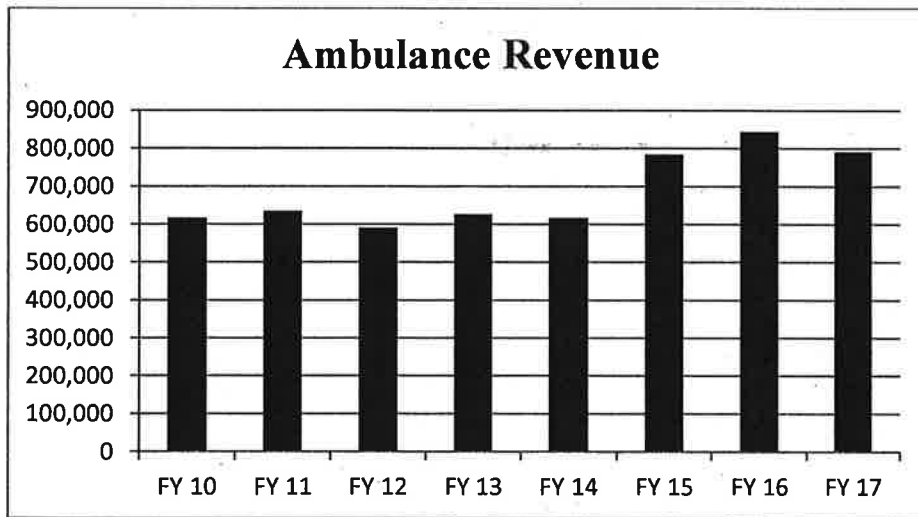
Patient Demographics

Below are two graphs that provide demographic data of patients treated and transported in 2017:



EMS Revenue

The Fire Department bills for ambulance transport services. Below is a graph that indicates the amount of ambulance revenue collected in the last eight fiscal years:

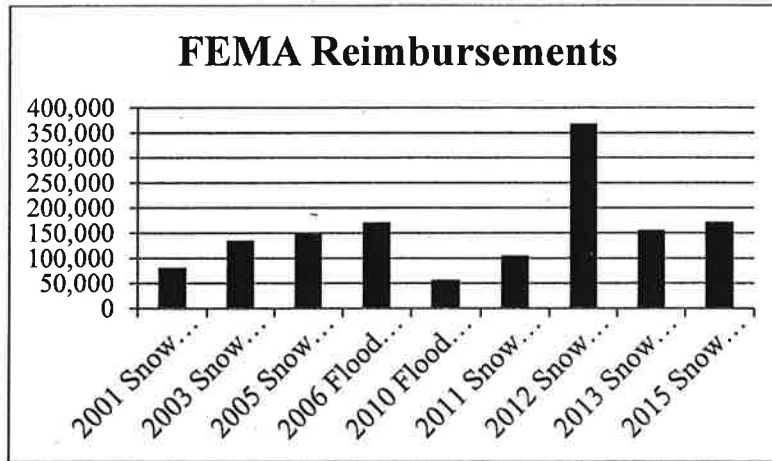


Emergency Management

The primary goal for Emergency Management is to identify areas of vulnerability to the community, to prepare for all disasters whether natural or manmade, to coordinate the response of a wide range of agencies and assist in the recovery phase. A secondary goal is to ensure the Town of Reading is in compliance with all Federal and State requirements to enable the community to remain eligible to receive reimbursement for Federal and State disaster declarations.

The Fire Department is responsible to coordinate and apply for all reimbursements for State and Federal disaster declarations. Since 2001 we have seen an increase in storm events being eligible for reimbursements due to Federal disaster declarations. Over this period the Town of Reading and Reading

Municipal Light Department have received a total of \$1.4 million in reimbursements for emergency response costs and damage to infrastructure. Below is a graph that indicates the event and amounts received from FEMA:



Expenses

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
FIRE ALS MEDICAL SUPPLIES	\$ 46,412	\$ 48,571	\$ 45,376	\$ 14,291	\$ 48,000	\$ 55,000	14.6%
FIRE AMBULANCE SERVICE	\$ 16,617	\$ 17,645	\$ 20,062	\$ 15,359	\$ 20,000	\$ 20,000	0.0%
AMBULANCE BILLING SERVICES	\$ 25,460	\$ 32,338	\$ 31,938	\$ 9,922	\$ 35,000	\$ 36,000	2.9%
FIRE SUPPLIES AND EQUIPMENT	\$ 892	\$ 377	\$ 550	\$ 403	\$ 2,000	\$ 2,000	0.0%
FIRE EQUIP MAINTENANCE	\$ 7,965	\$ 19,533	\$ 13,756	\$ 16,720	\$ 30,000	\$ 18,000	-40.0%
FIRE MISC.	\$ 3,394	\$ 1,005	\$ 3,572	\$ 1,570	\$ 2,000	\$ 2,000	0.0%
FIRE OFFICE SUPPLIES AND EQUIP	\$ 550	\$ 403	\$ 973	\$ 298	\$ 1,000	\$ 1,000	0.0%
FIRE PROFESSIONAL DEVELOPMENT	\$ 11,616	\$ 11,597	\$ 11,238	\$ 6,670	\$ 12,000	\$ 15,500	29.2%
FIRE UNIFORMS AND CLOTHING	\$ 33,508	\$ 33,058	\$ 44,219	\$ 31,111	\$ 41,000	\$ 43,000	4.9%
FIRE/EMS EXPENSES	\$ 146,415	\$ 164,527	\$ 171,683	\$ 96,343	\$ 191,000	\$ 192,500	0.8%

As shown above, some one-time purchases mentioned last year are removed from the FY19 budget, leaving a very modest increase in total expenses. ALS medical supplies continue their annual increase. This is caused by a combination of an expansion of treatment options, increases in call volume and complexity, and price increases.

DISPATCH

FY19 BUDGET

The Reading Public Safety Dispatch budget request for FY19 is funded at \$599,750, a 4.2% increase compared with FY18. About 96% of this budget is spent on personnel.

Dispatch is currently staffed with ten civilian Telecommunicators/Dispatchers and one civilian Head Dispatcher who works several shifts per week as a T/D and oversees the administration of the Dispatch center.

Each year this field becomes more complex due to changes in technology and in the Emergency Medical Dispatch requirements. Recent changes made it extremely difficult for a single Dispatcher to handle a shift, and as a result the Town increased staffing by two positions as is shown in by comparing the FY15 and FY16 funding levels. In addition to providing the needed staffing depth, this change also reduced the need for Overtime, which saved about half of this additional cost. As a result, the Reading Dispatch Center is in compliance with all requirements.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
HEAD PUB SAFETY DISPATCHER	\$ 64,521	\$ 68,924	\$ 71,573	\$ 29,606	\$ 73,575	\$ 75,775	3.0%
PUB SAFETY DISPATCHERS	\$ 335,493	\$ 407,984	\$ 401,463	\$ 204,192	\$ 473,500	\$ 500,000	5.6%
DISPATCHER OVERTIME	\$ 90,575	\$ 51,161	\$ 48,398	\$ 14,809	\$ 53,000	\$ 50,000	-5.7%
DISPATCH E911 GRANT SUPPORT	\$ (50,000)	\$ (51,642)	\$ (50,000)	\$ -	\$ (50,000)	\$ (50,000)	0.0%
DISPATCH LEAVE BUYBACK	\$ -	\$ 1,917	\$ -	\$ -	\$ -	\$ -	0.0%
PUB SAFETY DISPATCHER WAGES	\$ 440,589	\$ 478,345	\$ 471,433	\$ 248,607	\$ 550,075	\$ 575,775	4.7%

Increases in wage line for Dispatchers reflect some changes under negotiation through the collective bargaining process that will greatly benefit the town's ability to train staff on a regular basis. Surprising there are few state requirements along these lines, but the town imposes its own standards for the safety of the public. There is an increase below in expenses along these lines as well.

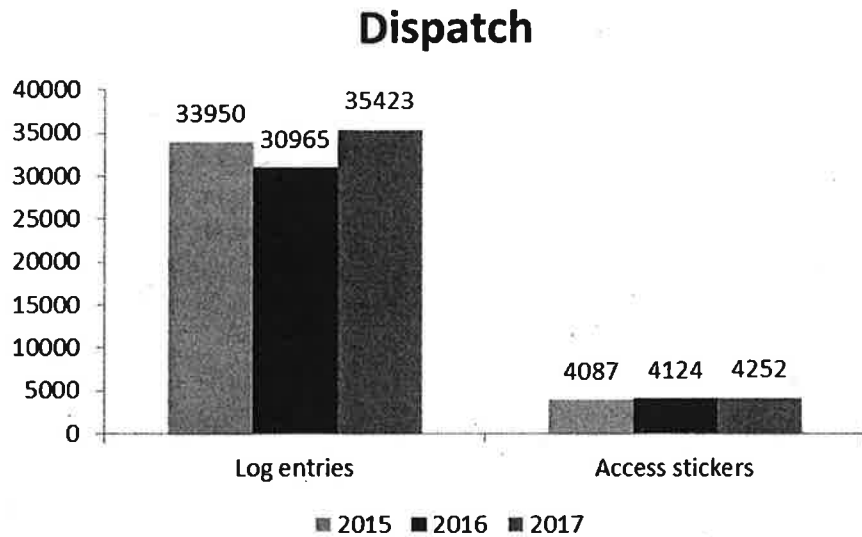
	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
DISPATCH MAINT CONTRACT/REPAIR	\$ 16,802	\$ 6,058	\$ 5,070	\$ 10,314	\$ 12,000	\$ 14,500	20.8%
DISPATCH TECHNOLOGY SUPPORT	\$ 3,979	\$ 3,130	\$ 2,920	\$ 2,399	\$ 6,000	\$ 4,000	-33.3%
DISPATCH EQUIPMENT & SUPPLIES	\$ 959	\$ 1,586	\$ 9,683	\$ 5,281	\$ 3,500	\$ 5,000	42.9%
DISPATCH PROFESSIONAL DEVEL.	\$ 702	\$ 710	\$ 511	\$ 34	\$ 3,000	\$ 4,500	50.0%
DISPATCH UNIFORMS AND CLOTHING	\$ 630	\$ 2,284	\$ 1,132	\$ -	\$ 1,000	\$ 1,500	50.0%
DISPATCH E911 GRANT SUPPORT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,500)	100.0%
	\$ 23,072	\$ 13,768	\$ 19,315	\$ 18,029	\$ 25,500	\$ 24,000	-5.9%

In addition to Town funding, \$55,500 in 911 grant funds are used to offset existing salaries and expenses. This grant is not guaranteed and can be discontinued at any time.

In the FY19 budget in the capital plan there is funding to renovate the dispatch center. This is the first step agreed to by the Police Chief, Town Manager and Superintendent of Schools in preparing to implement suggested improvements from a Building Security study that has been discussed in summary form during

Executive Session with the elected boards. Certain technology can and has been replaced piecemeal along the way, but a renovation project is needed to replace equipment that is well over ten years old and beyond its useful life.

Below are some measures of activity in the Dispatch Center. A log entry may take anywhere from a few seconds for quick questions to over an hour for complex issues. The 2017 activity is at an all-time high, once again reflecting in part the growth in population within the community. For perspective, the log entries average one every fifteen minutes through the entire year.



PUBLIC WORKS

FY19 BUDGET

The Department of Public Works FY19 budget is increased by 2.3% when compared to the previous year. Details by Division are shown below:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
DPW Administration	\$ 333,902	\$ 349,844	\$ 360,436	\$ 144,366	\$ 368,075	\$ 402,325	9.3%
Engineering	\$ 434,725	\$ 445,347	\$ 319,901	\$ 141,066	\$ 421,925	\$ 450,200	6.7%
Highway & Equipment	\$ 1,391,153	\$ 1,392,251	\$ 1,431,516	\$ 619,403	\$ 1,532,050	\$ 1,537,450	0.4%
Storm Water (Gen Fund)	\$ 120,200	\$ 157,066	\$ 149,886	\$ 58,273	\$ 176,200	\$ 154,075	-12.6%
Parks & Forestry	\$ 520,608	\$ 565,914	\$ 566,303	\$ 243,407	\$ 615,825	\$ 642,150	4.3%
Cemetery	\$ 207,872	\$ 208,287	\$ 235,760	\$ 92,770	\$ 248,500	\$ 256,250	3.1%
DPW OPERATIONS TOTAL	\$ 2,800,588	\$ 3,118,710	\$ 3,063,801	\$ 1,299,284	\$ 3,362,575	\$ 3,442,450	2.4%
Snow/Ice	\$ 1,449,515	\$ 564,400	\$ 874,520	\$ 30,490	\$ 625,000	\$ 650,000	4.0%
Traffic/Street Lighting	\$ 135,770	\$ 127,758	\$ 133,504	\$ 55,503	\$ 180,000	\$ 160,000	-11.1%
Rubbish & Recycling	\$ 1,296,522	\$ 1,319,895	\$ 1,457,429	\$ 787,203	\$ 1,596,500	\$ 1,644,395	3.0%
SNOW/LIGHTING/RUBBISH	\$ 2,881,807	\$ 2,012,053	\$ 2,465,453	\$ 873,196	\$ 2,401,500	\$ 2,454,395	2.2%
DPW TOTAL	\$ 5,682,395	\$ 5,130,763	\$ 5,529,254	\$ 2,172,481	\$ 5,764,075	\$ 5,896,845	2.3%

Overview

The Department of Public Works consists of several divisions in the general fund including administration, engineering, highway and equipment maintenance, storm water (not the enterprise fund), parks and forestry and cemetery. Town Meeting approves both a Salary and an Expense line for the total of these divisions, noted below as 'operations'.

Town Meeting also votes individual budgets for the categories of snow and ice, street lights, and rubbish collection and disposal, as well as the three Enterprise Funds (Water, Sewer and Storm Water). Following is a breakdown of salaries and expenses for these budgets:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
DPW Administration	\$ 307,650	\$ 306,971	\$ 341,233	\$ 140,469	\$ 347,575	\$ 386,325	11.1%
Engineering	\$ 384,901	\$ 415,606	\$ 296,149	\$ 130,701	\$ 377,425	\$ 408,700	8.3%
Highway & Equipment	\$ 825,206	\$ 829,907	\$ 818,614	\$ 351,876	\$ 852,200	\$ 870,450	2.1%
Storm Water (Gen Fund)	\$ 115,640	\$ 153,506	\$ 145,241	\$ 57,937	\$ 169,200	\$ 149,075	-11.9%
Parks & Forestry	\$ 489,970	\$ 526,034	\$ 525,482	\$ 226,482	\$ 567,325	\$ 590,900	4.2%
Cemetery	\$ 154,736	\$ 169,848	\$ 189,124	\$ 79,689	\$ 203,450	\$ 207,900	2.2%
DPW OPERATIONS WAGES	\$ 2,278,103	\$ 2,401,873	\$ 2,315,842	\$ 987,153	\$ 2,517,175	\$ 2,613,350	3.8%
Snow/Ice	\$ 385,413	\$ 145,337	\$ 278,241	\$ -	\$ 115,000	\$ 125,000	8.7%
Traffic/Street Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Rubbish & Recycling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
SNOW/LIGHTING/RUBBISH WAGES	\$ 385,413	\$ 145,337	\$ 278,241	\$ -	\$ 115,000	\$ 125,000	8.7%
DPW TOTAL WAGES	\$ 2,663,516	\$ 2,547,210	\$ 2,594,083	\$ 987,153	\$ 2,632,175	\$ 2,738,350	4.0%

Staffing changes in Administration includes the expansion of hours (from 37.5 to 40/week), plus the addition of a new support staff position that will be split between the general fund (0.5 FTE) and the water and sewer Enterprise Funds (0.25 FTE each). The increased support staff hours reflect an increase in technology across the department. Of note, the See-Click-Fix software has passed the initial trial period

(where it was grant funded) and the department needs to embrace the efficiencies offered in customer service by focusing responsibility to one position, much as Public Services has successfully done with a new electronic permits system and the Permits Coordinator position. No other staffing changes are requested. Increases in the Engineering wage line reflect collective bargaining efforts and management's need to fill vacant positions in a strong local construction economy.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
DPW Administration	\$ 26,252	\$ 42,873	\$ 19,203	\$ 3,897	\$ 20,500	\$ 16,000	-22.0%
Engineering	\$ 49,825	\$ 29,741	\$ 23,751	\$ 10,365	\$ 44,500	\$ 41,500	-6.7%
Highway & Equipment	\$ 565,947	\$ 562,344	\$ 612,902	\$ 267,526	\$ 679,850	\$ 667,000	-1.9%
Storm Water (Gen Fund)	\$ 4,560	\$ 3,561	\$ 4,645	\$ 337	\$ 7,000	\$ 5,000	-28.6%
Parks & Forestry	\$ 30,638	\$ 39,880	\$ 40,822	\$ 16,926	\$ 48,500	\$ 51,250	5.7%
Cemetery	\$ 53,135	\$ 38,439	\$ 46,636	\$ 13,081	\$ 45,050	\$ 48,350	7.3%
DPW OPERATIONS EXPENSES	\$ 730,357	\$ 716,837	\$ 747,959	\$ 312,131	\$ 845,400	\$ 829,100	-1.9%
Snow/Ice	\$ 1,064,102	\$ 419,063	\$ 596,280	\$ 30,490	\$ 510,000	\$ 525,000	2.9%
Traffic/Street Lighting	\$ 135,770	\$ 127,758	\$ 133,504	\$ 55,503	\$ 180,000	\$ 160,000	-11.1%
Rubbish & Recycling	\$ 1,296,522	\$ 1,319,895	\$ 1,457,429	\$ 787,203	\$ 1,596,500	\$ 1,644,395	3.0%
SNOW/LIGHTING/RUBBISH EXPENSES	\$ 2,496,394	\$ 1,866,716	\$ 2,187,212	\$ 873,196	\$ 2,286,500	\$ 2,329,395	1.9%
DPW TOTAL EXPENSES	\$ 3,226,751	\$ 2,583,553	\$ 2,935,172	\$ 1,185,327	\$ 3,131,900	\$ 3,158,495	0.8%

Expenses across the department are not much changed from the current fiscal year.

Administration: The Administration Division supports the Department of Public Works with contract administration, budget preparation, departmental personnel and payroll services, accounts payable processing, cemetery administration services and responses to public inquiries and concerns over all Public Works areas of responsibility.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
DPW DIRECTOR	\$ 117,248	\$ 123,123	\$ 135,256	\$ 55,074	\$ 136,925	\$ 138,250	1.0%
ASSISTANT DPW DIRECTOR	\$ 99,493	\$ 87,007	\$ 101,317	\$ 42,053	\$ 104,525	\$ 107,675	3.0%
SUPPORT STAFF	\$ 89,346	\$ 95,706	\$ 102,039	\$ 42,816	\$ 105,125	\$ 138,400	31.7%
DPW ADMIN OVERTIME	\$ 1,563	\$ 1,135	\$ 2,621	\$ 527	\$ 1,000	\$ 2,000	100.0%
DPW ADMINISTRATION WAGES	\$ 307,650	\$ 306,971	\$ 341,233	\$ 140,469	\$ 347,575	\$ 386,325	11.1%
DPW ADVERTISING	\$ 2,258	\$ 2,942	\$ 1,003	\$ 972	\$ 1,500	\$ 2,000	33.3%
DPW SUPPLIES/EQUIPMENT	\$ 1,246	\$ 1,004	\$ 1,017	\$ 443	\$ 1,500	\$ 1,500	0.0%
TOWN FOREST SUPPLIES	\$ 790	\$ -	\$ 935	\$ -	\$ 1,000	\$ 1,000	0.0%
TRAILS COMM SUPPLIES	\$ 996	\$ 1,000	\$ 612	\$ 47	\$ 1,000	\$ 1,000	0.0%
EDC FLOWER MAINT	\$ 9,960	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
PROFESSIONAL DEVELOPMENT	\$ 11,001	\$ 37,927	\$ 15,636	\$ 2,435	\$ 15,500	\$ 10,500	-32.3%
DPW ADMINISTRATION EXPENSES	\$ 26,252	\$ 42,873	\$ 19,203	\$ 3,897	\$ 20,500	\$ 16,000	-22.0%
DPW ADMINISTRATION TOTAL	\$ 333,902	\$ 349,844	\$ 360,436	\$ 144,366	\$ 368,075	\$ 402,325	9.3%

As described above, additional support staff hours are included in this budget.

Engineering: The Engineering Division provides engineering services to all departments within the Town of Reading. The division is responsible for: the preparation of plans, specifications, estimates, survey layout, inspection and supervision of town construction projects; review of subdivision plans and site plans for accuracy and conformance with subdivision rules and regulations; review of conservation submittals, preparation of subdivision and conservation bond estimates, inspection of subdivision construction, the administration of the pavement management program and Chapter 90 roadway improvement program; upkeep of all traffic markings and traffic signals, issuance and compliance of

utility, street opening and Jackie's law permits, utility location and digsafe mark-out, and the maintenance of all plan and record data.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
TOWN ENGINEER	\$ 97,907	\$ 126,864	\$ 84,220	\$ 36,487	\$ 90,650	\$ 98,800	9.0%
ENG SENIOR/CIVIL ENGINEER	\$ 208,783	\$ 203,204	\$ 142,356	\$ 62,102	\$ 211,000	\$ 230,725	9.3%
ENG FIELD TECH	\$ 60,020	\$ 60,930	\$ 61,575	\$ 26,734	\$ 63,275	\$ 68,675	8.5%
ENG TEMP HELP	\$ 13,884	\$ 16,674	\$ -	\$ -	\$ -	\$ -	0.0%
ENGINEERING OVERTIME	\$ 3,947	\$ 7,607	\$ 7,699	\$ 5,189	\$ 12,000	\$ 10,000	-16.7%
ENGINEERING OUT OF GRADE WORK	\$ 359	\$ 328	\$ 300	\$ 190	\$ 500	\$ 500	0.0%
ENGINEERING WAGES	\$ 384,901	\$ 415,606	\$ 296,149	\$ 130,701	\$ 377,425	\$ 408,700	8.3%
TRAFFIC CONTROL REPAIRS	\$ 33,767	\$ 12,672	\$ 10,050	\$ 2,865	\$ 22,000	\$ 20,000	-9.1%
ENGINEERING PROF REVIEW SVCS	\$ 1,010	\$ 150	\$ 150	\$ -	\$ 2,000	\$ 2,000	0.0%
ENGINEERING SUPPLIES/EQUIPMENT	\$ 7,350	\$ 6,372	\$ 7,175	\$ 2,500	\$ 9,500	\$ 9,500	0.0%
ENGINEERING POLICE DETAILS	\$ 7,698	\$ 10,547	\$ 6,376	\$ 5,000	\$ 11,000	\$ 10,000	-9.1%
ENGINEERING EXPENSES	\$ 49,825	\$ 29,741	\$ 23,751	\$ 10,365	\$ 44,500	\$ 41,500	-6.7%
ENGINEERING TOTAL	\$ 434,725	\$ 445,347	\$ 319,901	\$ 141,066	\$ 421,925	\$ 450,200	6.7%

The Town has needed to outsource some work for capital projects that would be cheaper and have better oversight if done by in-house staff. The strong construction market has hampered hiring in this division and a Senior Civil Engineer position has been vacant for about two years, despite a few lengthy hiring processes that have culminated in rejected offers due to low wage levels. While the Town cannot and does not wish to compete with the private sector, it must compete with other public employers, all of which are influenced by the current market environment.

Wage lines above are subject to the collective bargaining process, which is in progress.

Highway/Stormwater: The Highway/Stormwater Division is responsible for the construction, maintenance and repair of all public roadways, catch basins, drainage systems, sidewalks, traffic and street signs, along with snowplowing, sanding/salting, and snow removal. In addition, they provide daily and preventative maintenance services for over 120 pieces of vehicles and equipment town-wide, including Police, Fire, School, and Department of Public Works.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
HIGHWAY SUPERVISOR	\$ 71,053	\$ 66,965	\$ 65,205	\$ 27,142	\$ 67,650	\$ 70,550	4.3%
HIGHWAY FOREMAN	\$ 67,961	\$ 72,815	\$ 74,730	\$ 31,889	\$ 76,800	\$ 77,175	0.5%
HIGHWAY WORKING FOREMAN	\$ 93,963	\$ 109,522	\$ 112,786	\$ 48,998	\$ 116,775	\$ 119,850	2.6%
HIGHWAY EQUIPMENT OPERATOR	\$ 144,386	\$ 170,531	\$ 172,506	\$ 74,140	\$ 177,425	\$ 179,850	1.4%
HIGHWAY SKILLED/LABORER	\$ 128,223	\$ 111,350	\$ 107,173	\$ 46,483	\$ 113,225	\$ 114,050	0.7%
HIGHWAY MECHANIC	\$ 189,084	\$ 199,837	\$ 208,298	\$ 90,937	\$ 218,325	\$ 225,975	3.5%
HIGHWAY OVERTIME	\$ 57,931	\$ 53,527	\$ 51,475	\$ 23,978	\$ 60,000	\$ 60,000	0.0%
HIGHWAY OUT OF GRADE WORK	\$ 6,281	\$ 6,509	\$ 5,811	\$ 2,238	\$ 8,000	\$ 8,000	0.0%
HGWY ON-CALL PREMIUM	\$ 13,865	\$ 13,710	\$ 14,256	\$ 6,072	\$ 14,000	\$ 15,000	7.1%
HIGHWAY LONGEVITY	\$ 33,102	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
HIGHWAY WAGES TEMP	\$ 19,357	\$ 13,644	\$ 6,375	\$ -	\$ -	\$ -	0.0%
HIGHWAY SICK LEAVE BUYBACK	\$ -	\$ 11,498	\$ -	\$ -	\$ -	\$ -	0.0%
HIGHWAY & EQUIPMENT WAGES	\$ 825,206	\$ 829,907	\$ 818,614	\$ 351,876	\$ 852,200	\$ 870,450	2.1%

There are no staffing changes in this division. Wages are subject to collective bargaining. Some changes forecast are due to changes in licensing or other positional qualifications.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL	FY18 BUDGET	FY19 TOWN	CHANGE
				to 12/11/17		MGR BUDGET	
HIGHWAY GASOLINE	\$ 128,450	\$ 106,761	\$ 135,307	\$ 48,892	\$ 205,000	\$ 185,000	-9.8%
HIGHWAY EQUIP PARTS & MAINT	\$ 189,503	\$ 196,440	\$ 204,073	\$ 74,745	\$ 205,000	\$ 210,000	2.4%
HIGHWAY OUTSOURCED REPAIRS	\$ 118,001	\$ 127,992	\$ 129,986	\$ 64,857	\$ 125,000	\$ 135,000	8.0%
HIGHWAY LINE PAINTING	\$ 32,942	\$ 60,663	\$ 49,760	\$ 45,000	\$ 45,000	\$ 45,000	0.0%
HIGHWAY HIGHWAY PATCH	\$ 27,990	\$ 23,623	\$ 25,887	\$ 15,450	\$ 30,000	\$ 25,000	-16.7%
HIGHWAY POLICE DETAILS	\$ 20,686	\$ 7,069	\$ 9,450	\$ 7,863	\$ 14,000	\$ 13,000	-7.1%
HIGHWAY PROF/TECH SV	\$ 6,818	\$ 5,162	\$ 18,385	\$ 1,653	\$ 10,000	\$ 10,000	0.0%
HIGHWAY GRAVEL CRUSHING	\$ 5,299	\$ -	\$ 9,999	\$ -	\$ 10,000	\$ 10,000	0.0%
HIGHWAY STREET SIGNS	\$ 11,809	\$ 10,627	\$ 10,333	\$ 1,626	\$ 15,000	\$ 12,500	-16.7%
HIGHWAY SIDEWALKS	\$ 7,611	\$ 9,875	\$ 7,595	\$ 2,536	\$ 10,000	\$ 10,000	0.0%
HIGHWAY SUPPLIES	\$ 14,068	\$ 9,835	\$ 8,786	\$ 3,736	\$ 8,000	\$ 8,000	0.0%
HIGHWAY WATER /SEWER/SWM	\$ 2,196	\$ 2,266	\$ 2,324	\$ 581	\$ 2,100	\$ 2,500	19.0%
HIGHWAY LICENSES	\$ 575	\$ 2,031	\$ 1,016	\$ 586	\$ 750	\$ 1,000	33.3%
HIGHWAY & EQUIPMENT EXPENSES	\$ 565,947	\$ 562,344	\$ 612,902	\$ 267,526	\$ 679,850	\$ 667,000	-1.9%
HIGHWAY & EQUIPMENT TOTAL	\$ 1,391,153	\$ 1,392,251	\$ 1,431,516	\$ 619,403	\$ 1,532,050	\$ 1,537,450	0.4%

Fuel costs have been running below budget for a few years, so in FY19 that budget is reduced. There is continued pressure on the parts & equipment and outsourced repairs lines that are directly affected by the Capital Plan.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL	FY18 BUDGET	FY19 TOWN	CHANGE
				to 12/11/17		MGR BUDGET	
STM WTR SUPERVISOR	\$ 17,759	\$ 18,794	\$ 16,266	\$ 6,786	\$ 16,900	\$ 17,625	4.3%
STM WTR WORKING FOREMAN	\$ 12,318	\$ 12,849	\$ 13,281	\$ 5,745	\$ 13,825	\$ 13,900	0.5%
STM WTR EQUIPMENT OPERATOR	\$ 50,726	\$ 58,688	\$ 38,850	\$ 20,932	\$ 60,675	\$ 52,050	-14.2%
STM WTR SKILLED/LABORER	\$ 22,994	\$ 52,892	\$ 56,636	\$ 19,539	\$ 64,000	\$ 51,550	-19.5%
STM WTR MECHANIC	\$ 280	\$ 2,613	\$ 5,492	\$ 2,404	\$ 5,800	\$ 5,950	2.6%
STM WTR WAGES OVERTIME	\$ 5,277	\$ 4,405	\$ 3,682	\$ 2,449	\$ 6,000	\$ 6,000	0.0%
STM WTR OUT OF GRADE WORK	\$ 544	\$ 391	\$ 1,433	\$ 83	\$ 2,000	\$ 2,000	0.0%
LONGEVITY	\$ 5,741	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
STM WTR SICK LEAVE BUYBACK	\$ -	\$ 2,874	\$ 9,601	\$ -	\$ -	\$ -	0.0%
GF STORM WATER WAGES	\$ 115,640	\$ 153,506	\$ 145,241	\$ 57,937	\$ 169,200	\$ 149,075	-11.9%
STM WTR SUPPLIES/EQUIPMENT	\$ 4,560	\$ 3,561	\$ 4,645	\$ 337	\$ 7,000	\$ 5,000	-28.6%
GF STORM WATER EXPENSES	\$ 4,560	\$ 3,561	\$ 4,645	\$ 337	\$ 7,000	\$ 5,000	-28.6%
GF STORM WATER TOTAL	\$ 120,200	\$ 157,066	\$ 149,886	\$ 58,273	\$ 176,200	\$ 154,075	-12.6%

The Storm Water division has some savings due to employee turnover. These activities were part of the General Fund before the Storm Water Enterprise Fund was established.

Parks/Forestry: The Parks/Forestry Division maintains the street trees and grounds for all town-owned properties such as parks, schools, ballfields, playgrounds, tennis courts, municipal and school buildings. This division also maintains the compost center. Increased seasonal help is part of the FY19 budget.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL	FY18 BUDGET	FY19 TOWN	CHANGE
				to 12/11/17		MGR BUDGET	
PARKS SUPERVISOR	\$ 43,957	\$ 40,532	\$ 51,677	\$ 3,222	\$ 48,600	\$ 36,500	-24.9%
PARKS FOREMAN	\$ 60,996	\$ 63,383	\$ 65,062	\$ 28,316	\$ 66,875	\$ 70,000	4.7%
PARKS WORKING FOREMAN	\$ 104,310	\$ 121,266	\$ 125,731	\$ 54,743	\$ 129,250	\$ 133,750	3.5%
PARKS EQUIPMENT OPERATOR	\$ 50,158	\$ 52,107	\$ 53,495	\$ 16,029	\$ 54,975	\$ 110,000	100.1%
PARKS SKILLED/LABOR/TREE CLIMBER	\$ 154,255	\$ 164,909	\$ 163,328	\$ 66,790	\$ 177,125	\$ 134,150	-24.3%
PARKS OVERTIME	\$ 23,935	\$ 28,728	\$ 26,249	\$ 17,874	\$ 26,000	\$ 26,000	0.0%
PARKS OUT OF GRADE WORK	\$ 3,621	\$ 7,087	\$ 5,802	\$ 3,142	\$ 6,500	\$ 6,500	0.0%
PARKS ON-CALL PREMIUM	\$ 4,653	\$ 4,744	\$ 4,797	\$ 4,968	\$ 5,000	\$ 5,000	0.0%
PARKS LONGEVITY	\$ 11,334	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
PARKS WAGES TEMP	\$ 32,751	\$ 43,279	\$ 29,342	\$ 31,398	\$ 53,000	\$ 69,000	30.2%
PARKS & FORESTRY WAGES	\$ 489,970	\$ 526,034	\$ 525,482	\$ 226,482	\$ 567,325	\$ 590,900	4.2%

The Supervisors for Parks/Forestry and Cemetery was filled but is vacant once more. Collective Bargaining discussions are underway to try to solve this hiring challenge.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
PARKS UTILITIES	\$ 1,425	\$ 1,621	\$ 1,644	\$ 544	\$ 1,750	\$ 2,000	14.3%
PARKS REPAIRS	\$ 3,600	\$ 11,780	\$ 18,405	\$ -	\$ 19,500	\$ 19,500	0.0%
PARKS SUPPLIES/EQUIPMENT	\$ 22,768	\$ 26,202	\$ 19,389	\$ 6,492	\$ 22,250	\$ 23,250	4.5%
PARKS STUMP/BRUSH DISPOSAL	\$ 17,090	\$ 14,435	\$ 17,320	\$ 5,890	\$ 16,000	\$ 17,000	6.3%
PARKS POLICE DETAILS	\$ 4,619	\$ 4,508	\$ 3,450	\$ 4,000	\$ 8,000	\$ 8,000	0.0%
PARKS REVOLVING FUND SUPPORT	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ -	\$ (20,000)	\$ (20,000)	0.0%
PARKS LICENSES	\$ 1,135	\$ 1,335	\$ 614	\$ -	\$ 1,000	\$ 1,500	50.0%
PARKS & FORESTRY EXPENSES	\$ 30,638	\$ 39,880	\$ 40,822	\$ 16,926	\$ 48,500	\$ 51,250	5.7%
PARKS & FORESTRY TOTAL	\$ 520,608	\$ 565,914	\$ 566,303	\$ 243,407	\$ 615,825	\$ 642,150	4.3%

Cemetery: The Cemetery Division is responsible for the preservation, care, and embellishment of the four municipal cemeteries in the Town of Reading: Laurel Hill, Forest Glen, Charles Lawn, and Wood End.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
CEMETERY SUPERVISOR	\$ 43,957	\$ 53,411	\$ 60,757	\$ 5,097	\$ 60,600	\$ 49,000	-19.1%
CEMETERY FOREMAN	\$ 61,995	\$ 68,602	\$ 70,407	\$ 28,857	\$ 72,375	\$ 75,700	4.6%
CEMETERY EQUIPMENT OPERATOR	\$ 42,273	\$ 55,313	\$ 56,752	\$ 23,495	\$ 58,350	\$ 61,000	4.5%
CEMETERY SKILLED/LABORER	\$ 70,951	\$ 70,386	\$ 76,344	\$ 33,502	\$ 79,825	\$ 85,400	7.0%
CEMETERY OVERTIME	\$ 12,539	\$ 10,732	\$ 15,343	\$ 1,862	\$ 13,000	\$ 15,000	15.4%
CEMETERY OUT OF GRADE WORK	\$ 4,476	\$ 2,644	\$ 2,437	\$ 1,497	\$ 3,300	\$ 3,800	15.2%
CEMETERY LONGEVITY	\$ 14,970	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
CEMETERY WAGES TEMP	\$ 23,576	\$ 28,760	\$ 27,083	\$ 16,937	\$ 36,000	\$ 38,000	5.6%
CEMETERY TRUST FUND SUPPORT	\$ (120,000)	\$ (120,000)	\$ (120,000)	\$ (50,000)	\$ (120,000)	\$ (120,000)	0.0%
CEMETERY SICK LEAVE BUYBACK	\$ -	\$ -	\$ -	\$ 18,442	\$ -	\$ -	0.0%
CEMETERY WAGES	\$ 154,736	\$ 169,848	\$ 189,124	\$ 79,689	\$ 203,450	\$ 207,900	2.2%
CEMETERY GASOLINE & FUEL OIL	\$ 12,581	\$ 10,619	\$ 11,953	\$ 3,699	\$ 14,000	\$ 14,500	3.6%
CEMETERY UTILITIES	\$ 3,495	\$ 3,821	\$ 4,178	\$ 1,101	\$ 4,000	\$ 4,500	12.5%
CEMETERY REPAIRS	\$ 7,117	\$ 8,801	\$ 5,964	\$ 2,439	\$ 5,500	\$ 6,000	9.1%
CEMETERY SUPPLIES/EQUIPMENT	\$ 20,468	\$ 14,698	\$ 18,916	\$ 4,341	\$ 19,350	\$ 20,850	7.8%
CEMETERY LOT REPURCHASE	\$ 9,400	\$ -	\$ 5,625	\$ 1,500	\$ 2,000	\$ 2,000	0.0%
VETERAN'S FLOWERS	\$ -	\$ -	\$ -	\$ -	\$ 4,700	\$ 4,700	0.0%
CEMETERY TRUST FUND SUPPORT	\$ -	\$ -	\$ -	\$ -	\$ (4,700)	\$ (4,700)	0.0%
CEMETERY LICENSES	\$ 75	\$ 500	\$ -	\$ -	\$ 200	\$ 500	150.0%
CEMETERY EXPENSES	\$ 53,135	\$ 38,439	\$ 46,636	\$ 13,081	\$ 45,050	\$ 48,350	7.3%
CEMETERY TOTAL	\$ 207,872	\$ 208,287	\$ 235,760	\$ 92,770	\$ 248,500	\$ 256,250	3.1%

After a discussion with the Permanent Building Committee and then votes by both FINCOM and Town Meeting, the Cemetery Garage project was put on hold until a possible relocation for the entire DPW Garage is decided. In the meanwhile, the Facilities department, under the Town's budget, has made significant improvements to the current Cemetery Garage.

Snow and Ice: The Snow and Ice budget is increased by \$25,000 after being level funded at \$625,000 for four consecutive years. The rough target is to fund this budget at 75% of a long term historical average. This is one line item where budgeting low strategically makes sense in to avoid layoffs before the actual weather materializes. For example in FY16 we spent less than the low amount budgeted. When more is spent, Annual Town Meeting is asked to cover those costs with budget transfers or use of Free Cash.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
SNOW/ICE WAGES	\$ 33,818	\$ 5,158	\$ 31,696	\$ -	\$ 15,000	\$ 25,000	66.7%
SNOW/ICE OVERTIME	\$ 351,595	\$ 140,179	\$ 246,545	\$ -	\$ 100,000	\$ 100,000	0.0%
SNOW & ICE WAGES	\$ 385,413	\$ 145,337	\$ 278,241	\$ -	\$ 115,000	\$ 125,000	8.7%
SNOW / ICE PLOWING & HAULING	\$ 509,214	\$ 143,492	\$ 266,509	\$ 1,395	\$ 225,000	\$ 240,000	6.7%
SNOW / ICE POLICE DETAILS	\$ 17,694	\$ 2,168	\$ 5,873	\$ -	\$ 15,000	\$ 15,000	0.0%
STREET SWEEPING	\$ 14,280	\$ 11,183	\$ 9,240	\$ -	\$ 15,000	\$ 15,000	0.0%
SNOW / ICE SUPPLIES/EQUIPMENT	\$ 432,776	\$ 220,297	\$ 303,630	\$ 29,095	\$ 220,000	\$ 220,000	0.0%
SNOW / ICE GASOLINE	\$ 75,542	\$ 35,323	\$ -	\$ -	\$ 30,000	\$ 30,000	0.0%
SNOW & ICE MEAL TICKETS	\$ 14,597	\$ 6,602	\$ 11,028	\$ -	\$ 5,000	\$ 5,000	0.0%
SNOW & ICE EXPENSES	\$ 1,064,102	\$ 419,063	\$ 596,280	\$ 30,490	\$ 510,000	\$ 525,000	2.9%
SNOW & ICE TOTAL	\$ 1,449,515	\$ 564,400	\$ 874,520	\$ 30,490	\$ 625,000	\$ 650,000	4.0%

Traffic/Street Lighting and Rubbish/Recycling: In FY17, the Town signed a 10-year agreement with JRM, for removal and transport of rubbish and recycling. The first year of the contract saw a 16% increase over our prior contract, with 3% increases in subsequent years. This contract with an industry leader has provided stability in a market of tremendous upheaval in recent years, with some communities losing their services mid-year and needing expensive emergency procurement.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
TRAFFIC LIGHT ELECTRICITY	\$ 8,225	\$ 8,748	\$ 8,946	\$ 3,626	\$ 15,000	\$ 10,000	-33.3%
STREETLIGHT ELECTRICITY	\$ 127,041	\$ 118,506	\$ 123,680	\$ 51,419	\$ 145,000	\$ 135,000	-6.9%
STREET LIGHT MAINT & REPAIR	\$ 504	\$ 504	\$ 877	\$ 458	\$ 20,000	\$ 15,000	-25.0%
STREET LIGHT EXPENSES	\$ 135,770	\$ 127,758	\$ 133,504	\$ 55,503	\$ 180,000	\$ 160,000	-11.1%
WASTEREMVL GARBAGE COLLECTION	\$ 571,636	\$ 598,788	\$ 691,386	\$ 375,000	\$ 721,000	\$ 750,000	4.0%
WASTEREMVL SOLID WASTE DISPOSAL	\$ 448,094	\$ 450,809	\$ 450,041	\$ 250,385	\$ 515,000	\$ 525,000	1.9%
WASTEREMVL CURBSIDE RECYCLING	\$ 247,431	\$ 252,665	\$ 294,000	\$ 155,000	\$ 309,000	\$ 315,000	1.9%
WASTEREMVL MISC RECYCLING	\$ 29,361	\$ 17,633	\$ 22,002	\$ 6,818	\$ 51,500	\$ 54,395	5.6%
RUBBISH & RECYCLING EXPENSES	\$ 1,296,522	\$ 1,319,895	\$ 1,457,429	\$ 787,203	\$ 1,596,500	\$ 1,644,395	3.0%
DPW TRASH-ST LIGHT-SNOW	\$ 2,881,807	\$ 2,012,053	\$ 2,465,453	\$ 873,196	\$ 2,401,500	\$ 2,454,395	2.2%

PUBLIC LIBRARY

FY19 BUDGET

In response to budget guidance given to the town operating budgets, the Board of Library Trustees is recommending an overall FY19 increase of 2.8% for the Public Library. Details are shown below:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
LIB ADMINISTRATION WAGES	\$ 228,250	\$ 251,668	\$ 209,368	\$ 87,898	\$ 224,756	\$ 228,750	1.8%
LIB CIRCULATION DIV WAGES	\$ 203,802	\$ 218,573	\$ 236,229	\$ 97,543	\$ 240,002	\$ 252,925	5.4%
LIB CHILDRENS DIV WAGES	\$ 240,758	\$ 242,086	\$ 270,891	\$ 106,911	\$ 279,170	\$ 274,700	-1.6%
LIB REFERENCE DIV WAGES	\$ 275,556	\$ 282,987	\$ 310,662	\$ 128,784	\$ 319,070	\$ 340,500	6.7%
LIB TECH SERVICES DIV WAGES	\$ 135,862	\$ 141,061	\$ 145,929	\$ 59,542	\$ 149,685	\$ 151,675	1.3%
LIBRARY WAGES	\$ 1,084,228	\$ 1,136,375	\$ 1,173,078	\$ 480,679	\$ 1,212,683	\$ 1,248,550	3.0%
LIB ADMINISTRATION EXPENSES	\$ 309,729	\$ 300,600	\$ 310,075	\$ 142,952	\$ 336,200	\$ 343,465	2.2%
LIBRARY EXPENSES	\$ 309,729	\$ 300,600	\$ 310,075	\$ 142,952	\$ 336,200	\$ 343,465	2.2%
LIBRARY TOTAL	\$ 1,393,957	\$ 1,436,975	\$ 1,483,153	\$ 623,630	\$ 1,548,883	\$ 1,592,015	2.8%

Overview

FY17 saw increases in all areas of Library service. While the Library continues to expand digital and self-serve offerings, the most significant areas of growth include reference and research questions, the number of daily visitors, and meeting rentals. Due to current fiscal constraints, the FY19 goal is to limit further growth and maintain current service levels. The Board of Trustees still recommends restoring and potentially expanding Sunday hours, however this is not economically feasible for FY19.

The overall department increase is 3% over FY18. Salaries account for 78% of the Library budget. In FY17 the Library averaged 20.8 FTE (regular employees and seasonal page positions). We also had 9 substitutes and averaged 20 hours a week of volunteer work.

Wages

There are no major changes to the Administrative salary budget. All adjustments bring the salaries in line with FY17 Actual spending.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
LIBRARY DIRECTOR	\$ 99,343	\$ 103,957	\$ 92,788	\$ 40,059	\$ 99,201	\$ 102,575	3.4%
LIBRARY ASSISTANT DIRECTOR	\$ 75,077	\$ 76,375	\$ 25,157	\$ 28,179	\$ 73,070	\$ 72,625	-0.6%
SUPPORT STAFF	\$ 44,553	\$ 44,587	\$ 43,055	\$ 18,067	\$ 47,760	\$ 46,550	-2.5%
LIBRARY ASSOCIATE	\$ -	\$ 6,104	\$ 2,765	\$ -	\$ -	\$ -	0.0%
LIBRARY SUBSTITUTES	\$ 6,012	\$ 11,876	\$ 33,715	\$ 1,593	\$ 4,725	\$ 7,000	48.1%
LIBRARY OVERTIME	\$ 3,264	\$ 236	\$ -	\$ -	\$ -	\$ -	0.0%
LIBRARY LEAVE BUYBACK	\$ -	\$ 8,533	\$ 11,888	\$ -	\$ -	\$ -	0.0%
LIB ADMINISTRATION WAGES	\$ 228,250	\$ 251,668	\$ 209,368	\$ 87,898	\$ 224,756	\$ 228,750	1.8%

The Circulation and Technical Services Divisions manage over 20,000 patron accounts; oversee seven program/meeting rooms; as well as procure and process over 12,000 physical books, movies and audio

materials each year. In FY17 they handled circulation over 428,000 items which translates to approximately 133 items per hour of service.

The Children's and Reference Divisions are responsible for programs and direct services to all age groups: Early Literacy (0-5yr), School Age, Teens, Adults and Older Adults. In FY17, the Library staff completed over 59,000 reference / research interactions which translates to 24 questions per hour of service. There were approximately 248,800 visitors, 11,500 public computer uses, and over 71,000 wifi sessions. Additionally, the meeting rooms were used 1,399 times of which 399 were by community groups or residents. These FY17 statistics are for 10 months of service as the Library was closed for two months for its move back the 64 Middlesex Avenue.

Additionally, the Library provided biweekly service to 26 homebound patrons and also supplied reading collections to Sanborn Place, the Pleasant Street Center, and Sawtelle Hospice House.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
LIB CIRC DIVISION HEAD	\$ 59,391	\$ 61,604	\$ 63,854	\$ 26,397	\$ 65,366	\$ 67,600	3.4%
LIB CIRC SR LIBRARY ASSOCIATE	\$ 28,687	\$ 26,557	\$ 29,877	\$ 11,852	\$ 32,176	\$ 30,400	-5.5%
LIB CIRC SR LIBRARY TECH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,175	100.0%
LIB CIRC ASSOCIATE	\$ 97,754	\$ 111,285	\$ 120,470	\$ 50,539	\$ 121,600	\$ 129,700	6.7%
LIB CIRC PAGE	\$ 12,277	\$ 13,904	\$ 15,177	\$ 8,638	\$ 20,860	\$ 7,050	-66.2%
LIB CIRC THURSDAYS	\$ 591	\$ 117	\$ -	\$ -	\$ -	\$ -	0.0%
LIB CIRC SUNDAY HOURS	\$ 5,102	\$ 5,106	\$ 6,851	\$ 118	\$ -	\$ -	0.0%
LIB CIRCULATION DIV WAGES	\$ 203,802	\$ 218,573	\$ 236,229	\$ 97,543	\$ 240,002	\$ 252,925	5.4%
CHILDRENS DIVISION HEAD	\$ 66,854	\$ 69,402	\$ 70,983	\$ 29,142	\$ 72,170	\$ 73,175	1.4%
CHILDRENS LIBRARIANS	\$ 126,786	\$ 129,509	\$ 152,094	\$ 61,625	\$ 168,022	\$ 161,000	-4.2%
CHILDRENS SR LIBRARY ASSOC	\$ 27,787	\$ 28,680	\$ 30,591	\$ 12,503	\$ 30,958	\$ 32,025	3.4%
CHILDRENS ASSOCIATE	\$ 1,540	\$ 705	\$ -	\$ -	\$ -	\$ -	0.0%
CHILDRENS PAGE	\$ 11,919	\$ 7,197	\$ 7,940	\$ 3,542	\$ 8,020	\$ 8,500	6.0%
CHILDRENS THURSDAYS	\$ 1,488	\$ 689	\$ -	\$ -	\$ -	\$ -	0.0%
CHILDRENS SUNDAY HOURS	\$ 4,384	\$ 5,906	\$ 9,283	\$ 99	\$ -	\$ -	0.0%
LIB CHILDRENS DIV WAGES	\$ 240,758	\$ 242,086	\$ 270,891	\$ 106,911	\$ 279,170	\$ 274,700	-1.6%
REFERENCE DIVISION HEAD	\$ 65,668	\$ 68,028	\$ 70,895	\$ 29,142	\$ 72,170	\$ 73,175	1.4%
REFERENCE LIBRARIANS	\$ 201,457	\$ 206,836	\$ 230,194	\$ 99,521	\$ 246,900	\$ 267,325	8.3%
REFERENCE THURSDAYS	\$ 2,508	\$ 52	\$ -	\$ -	\$ -	\$ -	0.0%
REFERENCE SUNDAY HOURS	\$ 5,923	\$ 8,070	\$ 9,573	\$ 121	\$ -	\$ -	0.0%
LIB REFERENCE DIV WAGES	\$ 275,556	\$ 282,987	\$ 310,662	\$ 128,784	\$ 319,070	\$ 340,500	6.7%
TECH SVC DIVISION HEAD	\$ 67,296	\$ 69,384	\$ 70,490	\$ 29,142	\$ 72,170	\$ 73,175	1.4%
TECH SVC SR LIBRARY ASSOC	\$ 55,504	\$ 58,475	\$ 61,219	\$ 25,245	\$ 62,515	\$ 64,025	2.4%
LIBRARY TECH SVC ASSOCIATE	\$ 11,731	\$ 12,804	\$ 13,696	\$ 5,155	\$ 15,000	\$ 14,475	-3.5%
TECH SVC THURSDAYS	\$ 1,330	\$ 132	\$ -	\$ -	\$ -	\$ -	0.0%
TECH SVC SUNDAY HOURS	\$ -	\$ 265	\$ 525	\$ -	\$ -	\$ -	0.0%
LIB TECH SERVICES DIV WAGES	\$ 135,862	\$ 141,061	\$ 145,929	\$ 59,542	\$ 149,685	\$ 151,675	1.3%

Changes in these salary lines redistribute hours among divisions based on evaluation of current workloads and staffing needs. The 5.4% increase in the Circulation Division also converts a short term seasonal page position into a Circulation Technician. This position addresses a specific skills gap needed across divisions and will be funded by an overall reduction of Circulation page hours.

Expenses

The materials budget increases slightly over FY18 and is 13.6% of the total Municipal Appropriation. This meets the MBLC certification requirements, but is still below the Trustee recommendation of 14%. Professional staff are responsible for the curating both physical and digital collections. All collections are evaluated on an ongoing basis and new purchases are selected according to format and age group.

The electronic portion of the materials budget supports a virtual library that includes 40 digital magazines (including Consumer Reports, New York Times and Wall Street Journal), 3,000+ downloadable audiobooks, 45,000 eBooks, 7 millions downloadable music tracks, Ancestry.com, Tutor.com and Mango Language Learning.

The FY19 request also begins some restoration of other budget lines, such as professional development, technology equipment and office supplies all of which received no increase for FY18 or additional cuts within the last 3 fiscal years.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
LIBRARY MATERIALS	\$ 209,502	\$ 204,863	\$ 209,473	\$ 106,178	\$ 215,750	\$ 216,000	0.1%
SOFTWARE LICENSE & SUPPORT	\$ 54,361	\$ 58,264	\$ 55,007	\$ 19,259	\$ 60,000	\$ 62,250	3.8%
TECHNOLOGY SUPPLIES	\$ 14,955	\$ 4,287	\$ 12,232	\$ 4,586	\$ 15,500	\$ 15,965	3.0%
PROFESSIONAL SERVICES	\$ 7,417	\$ 4,012	\$ 5,625	\$ -	\$ 20,000	\$ 20,750	3.8%
SUPPLIES & EQUIPMENT	\$ 8,905	\$ 12,243	\$ 15,020	\$ 8,354	\$ 10,250	\$ 12,000	17.1%
PROFESSIONAL DEVELOPMENT	\$ 13,014	\$ 16,130	\$ 12,719	\$ 4,575	\$ 14,700	\$ 15,500	5.4%
LIBRARY PROGRAMS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	100.0%
TRANSPORTATION COSTS	\$ 1,576	\$ 801	\$ -	\$ -	\$ -	\$ -	0.0%
LIB ADMINISTRATION EXPENSES	\$ 309,729	\$ 300,600	\$ 310,075	\$ 142,952	\$ 336,200	\$ 343,465	2.2%

The Library is a center for learning and education, for personal growth and development. In FY17 we provided 600 free classes, activities and other programs to 17,797 people. The Town does not currently appropriate any funds to the Library for programming and this budget requests \$1,000 to establish a programming budget to support the growing educational needs of the community.

FACILITIES

FY19 BUDGET

The Facilities Department FY19 budget is increased by 0.5% when compared to the previous year. Core Facilities are up +0.1% and the smaller Town Buildings budget is up 4.8%. Details are shown in the tables below:

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
Core Facilities	\$ 2,235,355	\$ 2,433,048	\$ 2,517,990	\$ 1,053,895	\$ 2,997,180	\$ 2,999,275	0.1%
Town Buildings	\$ 244,002	\$ 291,598	\$ 295,949	\$ 160,702	\$ 299,935	\$ 314,400	4.8%
School Buildings	<i>please see the School budget</i>						
FACILITIES TOTAL	\$ 2,479,357	\$ 2,724,647	\$ 2,813,939	\$ 1,214,597	\$ 3,297,115	\$ 3,313,675	0.5%
Core Facilities	\$ 265,930	\$ 398,519	\$ 507,826	\$ 219,339	\$ 555,750	\$ 577,000	3.8%
Town Buildings	\$ 178,808	\$ 191,141	\$ 217,507	\$ 83,622	\$ 219,850	\$ 224,000	1.9%
School Buildings							
FACILITIES WAGES	\$ 444,738	\$ 589,660	\$ 725,333	\$ 302,961	\$ 775,600	\$ 801,000	3.3%
Core Facilities	\$ 1,969,425	\$ 2,034,530	\$ 2,010,163	\$ 834,556	\$ 2,441,430	\$ 2,422,275	-0.8%
Town Buildings	\$ 65,194	\$ 100,457	\$ 78,442	\$ 77,080	\$ 80,085	\$ 90,400	12.9%
School Buildings							
FACILITIES EXPENSES	\$ 2,034,619	\$ 2,134,987	\$ 2,088,605	\$ 911,636	\$ 2,521,515	\$ 2,512,675	-0.4%

The Facilities Department is responsible for the repair, maintenance and capital improvements of eight School Buildings and nine Municipal Buildings totaling 1.1 million square feet of space. The Department manages a staff of tradesmen composed of an electrician, plumber and two carpenters, and some work is outsourced through service contracts. Cleaning of the buildings is accomplished with a staff of twenty three full-time custodians. Contracted cleaning is utilized at two schools: RMHS, Coolidge Middle School; and four town buildings: Town Hall, Reading Public Library, Pleasant Street Center and the Police Station. Below is a quick overview of these buildings:

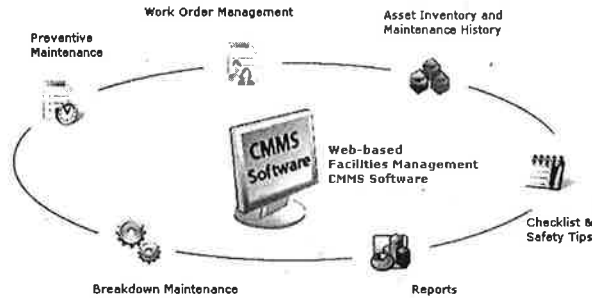
School Buildings	Built	Renov.	Sq. Feet	Town Buildings	Built	Renov.	Sq. Feet
RMHS	1957	2006	375,000	Town Hall	1918	1990	16,000
Coolidge MS	1959	2000	96,000	Pleasant St Center	1850	1993	5,700
Parker MS	1925	1998	98,000	Police Station	1998		30,000
Barrows ES	1963	2005	54,000	Main St. Fire	1990		10,000
Birch Meadow ES	1957	1995	59,000	West Side Fire	1956		7,400
Joshua Eaton ES	1920	1994	56,000	DPW Garage	1989		42,000
Killam ES	1968		57,000	Library	1894	2016	39,000
Wood End ES	2004		52,000	Cemetery Garage	1929		3,000
				Mattera Cabin	1983	2011	3,000

The Facilities Department Mission is to support the Town's Educational and Municipal Government functions. This mission is accomplished through the quality driven delivery of Facilities Services in a timely and cost effective manner along with exceptional customer service.

Facilities Staff members strive to maintain an efficient, safe, clean, attractive and inviting environment for all public buildings associated with the Town of Reading. The Facilities Department also provides the necessary services to facilitate building use for internal and external users.

The department has three distinct divisions: the CORE is costs that are shared by both Town and School buildings; the Town Buildings and School Buildings have costs specific to those locations. Town Meeting votes the first two divisions as line items, and the School Buildings budget as part of the School budget.

The department uses technology systems extensively in order to manage the buildings efficiently. Below are some of these systems.



While a lot of proactive work is scheduled and completed, the Work Order Management system often starts the reactive process. In FY17 there were 2,599 work orders processed (50/week), an increase of 218 (or 9%) compared to FY16. The share of work orders done in-house increased from 1,619 (68%) to 1,897 (73%). Most of this increase can be directly attributed to the fourth maintenance position added to the department last year, as anticipated.

Performance Contracting Retrospective

Several years ago, Town Meeting approved a series of energy improvements as part of a debt authorization. Typically a vendor steps in and guarantees savings that will pay for the repairs and upgrades, and the community signs a lease. Reading decided it was far more cost effective to issue debt with its on credit, pay the annual debt service, and reap the savings in the operating budget. Continued energy improvements have been made over the years since that first debt authorization.

Town Buildings Summary				
	Electricity		Gas Use (therms)	Water/Power Use (KWh)
	Consumption (kWh)	Demand (kW)		
BASELINE PERIOD				
Town Hall	256,240	1,186	10,160	79
Police	347,840	1,040	14,394	90
Sr.Center	66,040	379	5,086	44
Main Flr	139,800	401	8,127	135
West Flr	45,186	139	6,435	37
DFW Garage	242,040	788	31,214	150
ALL BUILDINGS	1,097,146	3,933	75,416	535
PERFORMANCE PERIOD				
Town Hall	159,080	1,045	7,437	84
Police	398,240	1,112	14,663	82
Sr.Center	61,120	497	4,359	52
Main Flr	116,880	321	7,127	82
West Flr	37,307	118	5,303	30
DFW Garage	232,080	805	45,395	120
ALL BUILDINGS	1,003,707	3,898	84,284	450
DECREASE OR (INCREASE) FROM BASELINE				
Town Hall	98,160	141	2,723	(5)
Police	(50,400)	(72)	(269)	7
Sr.Center	4,920	(118)	727	(7)
Main Flr	22,920	80	1,000	52
West Flr	7,879	20	1,132	7
DFW Garage	9,960	(17)	(4,181)	30
ALL BUILDINGS	93,439	34	(8,868)	85

Note: Library was removed from this analysis due to the building demolition in summer 2014.

The results have been excellent. The first table on the previous shows all Town buildings - excluding the Library because of the transition to a new space. The baseline (before), performance (after) and changes sections are shown. Electricity consumption has been reduced from 1,097,146 kWh to 1,003,707 Kwh, or 8.5% lower usage. This has been accomplished despite significant technology upgrades for both the Town and Schools that are housed in the Police station, and their accompanying increase in use of electricity. Use of natural gas over this period has increased by 12%, but without the impact of the DPW garage and the effect of variable winter weather conditions, other town buildings have seen a 12% decrease in natural gas usage. Finally, there has been a 16% reduction in water usage.

The larger school buildings have seen even better improvements. Electricity consumption has been reduced by over 40% from 5.45 million kWh to 3.22 kWh. Natural gas usage has seen a similar 36% reduction in usage, and a 37% reduction in water usage.

Schools Summary				
	Electricity	Electricity	Gas	Water/GPM
	Consumption kWh	Demand kW	Use therms	Use kgal
BASELINE PERIOD				
Paden	665,320	2,331	66,020	619
Coolidge	554,400	2,095	63,928	456
Barnows	362,580	1,184	40,583	263
Birch Meadow	228,480	786	56,598	464
J.Eaton	268,740	1,125	37,905	202
Kilham	363,760	1,633	53,318	254
Woodland	384,480	1,594	23,851	509
RM HS	2,630,200	6,719	142,443	2,836
ALL BUILDINGS	5,457,960	17,467	484,646	5,604
PERFORMANCE PERIOD				
Paden	476,200	2,138	66,123	322
Coolidge	427,200	1,799	62,177	1,244
Barnows	260,280	1,063	23,206	208
Birch Meadow	165,680	792	21,420	278
J.Eaton	226,440	1,106	23,174	172
Kilham	252,320	1,283	23,766	271
Woodland	317,640	1,381	22,999	636
RM HS	1,090,800	3,740	66,123	420
ALL BUILDINGS	3,216,560	13,302	308,988	3,551
DECREASE OR (INCREASE) FROM BASELINE				
Paden	189,120	193	(103)	297
Coolidge	127,200	296	1,751	(787)
Barnows	102,300	121	17,377	55
Birch Meadow	62,800	(6)	35,178	186
J.Eaton	42,300	19	14,731	30
Kilham	111,440	350	29,552	(17)
Woodland	66,840	213	852	(127)
RM HS	1,539,400	2,979	76,320	2,416
ALL BUILDINGS	2,241,400	4,165	175,658	2,053

Annual debt service for this project is about \$400,000 in FY19 and declines to a final payment of \$336,000 in FY25. The estimated annual savings of over \$500,000 flows directly to the Town & School Operating budgets.

FY19 Core Facilities Budget

Town Meeting will vote on the 0.1% increase for Core Facilities.

Wages

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
CORE FACILITIES							
FACILITIES DIRECTOR	\$ 47,683	\$ 136,162	\$ 125,606	\$ 51,895	\$ 129,000	\$ 132,900	3.0%
FACILITIES ASSISTANT DIRECTOR	\$ -	\$ -	\$ 90,805	\$ 38,227	\$ 93,175	\$ 97,900	5.1%
FACILITIES SUPPORT STAFF	\$ 19,973	\$ 45,772	\$ 56,805	\$ 20,127	\$ 51,125	\$ 53,700	5.0%
MAINTENANCE STAFF	\$ 166,783	\$ 187,567	\$ 213,516	\$ 104,822	\$ 254,835	\$ 272,500	6.9%
MAINTENANCE OVERTIME	\$ 30,654	\$ 27,855	\$ 15,524	\$ 4,269	\$ 27,000	\$ 20,000	-25.9%
LONGEVITY	\$ 838	\$ 1,163	\$ 615	\$ -	\$ 615	\$ -	-100.0%
VACATION/SICK LEAVE BUYBACK	\$ -	\$ -	\$ 4,956	\$ -	\$ -	\$ -	0.0%
CORE FACILITIES WAGES	\$ 265,930	\$ 398,519	\$ 507,826	\$ 219,339	\$ 555,750	\$ 577,000	3.8%

There is no change in staffing levels proposed by this budget. Two positions are increased to correct an FY18 shortfall in budgeting. Maintenance Staff wages are subject to collective bargaining, and budgeted as shown because the Town intends to discuss changes to paid time off benefits received while considered School employees. The addition of a fourth Maintenance Staff position, described as part of the FY18 budget, has shown the savings in other expense lines generally anticipated. It is possible that a part time HVAC position could show similar expense savings, though that change is not requested by this budget at this time.

Expenses

At the request of several Town Meeting members, some of the expense detail at the building level has been removed from this budget presentation. Such details are available upon request for these smaller categories.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
FAC CORE MISC EXPENSES	\$ 41,536	\$ 86,444	\$ 37,405	\$ 75,354	\$ 33,300	\$ 43,700	31.2%
FAC ENERGY EXPENSES	\$ 1,414,389	\$ 1,326,210	\$ 1,329,948	\$ 341,385	\$ 1,604,950	\$ 1,671,575	4.2%
FAC MAINT & REPAIRS	\$ 289,781	\$ 323,707	\$ 331,171	\$ 227,643	\$ 458,900	\$ 358,000	-22.0%
FAC CORE HVAC EXPENSES	\$ 114,262	\$ 183,936	\$ 142,094	\$ 84,324	\$ 150,000	\$ 152,000	1.3%
FAC CORE ELECTRICAL EXPENSES	\$ 28,528	\$ 29,896	\$ 45,992	\$ 9,694	\$ 43,500	\$ 43,000	-1.1%
FAC CORE ELEVATOR SERVICE EXPENS	\$ 32,142	\$ 23,457	\$ 26,887	\$ 24,128	\$ 53,750	\$ 49,500	-7.9%
FAC CORE ALARM EXPENSES	\$ 35,258	\$ 16,334	\$ 32,003	\$ 22,467	\$ 31,750	\$ 32,000	0.8%
FAC CORE FIRE EQUIP EXPENSES	\$ -	\$ 8,505	\$ 8,710	\$ 28,676	\$ 35,500	\$ 35,000	-1.4%
FAC CORE PEST MGMT EXPENSES	\$ -	\$ 5,791	\$ 9,257	\$ 9,293	\$ 7,580	\$ 9,500	25.3%
FAC CORE PLUMBINGEXPENSES	\$ 13,528	\$ 30,250	\$ 46,696	\$ 11,593	\$ 22,200	\$ 28,000	26.1%
CORE FACILITIES EXPENSES	\$ 1,969,425	\$ 2,034,530	\$ 2,010,163	\$ 834,556	\$ 2,441,430	\$ 2,422,275	-0.8%

Miscellaneous expenses: A new \$7,500 expense item for ice melt drives the 31.2% increase for this budget. Seven other lines have been newly funded for \$1,000 in order to accommodate the School's year-end reporting requirements. Other lines are level funded or reduced.

Energy expenses: Both Electricity and Natural Gas budgets are increased by about 4%, while Water, Sewer, and Storm Water budgets are increased by about 5%. Town building figures are a bit higher because of higher energy use at both Fire stations caused by mandates on firefighter gear.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL to 12/11/17	FY18 BUDGET	FY19 TOWN MGR BUDGET	CHANGE
SCHOOL BUILDING ELECTRICITY	\$ 544,449	\$ 556,894	\$ 531,194	\$ 193,027	\$ 630,750	\$ 654,750	3.8%
TOWN BUILDING ELECTRICITY	\$ 153,790	\$ 147,130	\$ 180,318	\$ 79,303	\$ 201,775	\$ 212,500	5.3%
ENERGY CONSERVATION - ELECTRIC	\$ 2,944	\$ 7,048	\$ 7,770	\$ -	\$ 12,800	\$ 12,000	-6.3%
ELECTRICITY	\$ 701,184	\$ 711,072	\$ 719,282	\$ 272,330	\$ 845,325	\$ 879,250	4.0%
SCHOOL BUILDING NATURAL GAS	\$ 461,031	\$ 378,961	\$ 350,995	\$ 15,595	\$ 474,300	\$ 492,000	3.7%
TOWN BUILDING NATURAL GAS	\$ 130,765	\$ 100,591	\$ 96,627	\$ 6,406	\$ 152,475	\$ 160,725	5.4%
NATURAL GAS	\$ 591,796	\$ 479,552	\$ 447,621	\$ 22,001	\$ 626,775	\$ 652,725	4.1%
SCHOOL BUILDING WATER/SEWER	\$ 104,212	\$ 119,349	\$ 142,858	\$ 40,227	\$ 110,150	\$ 115,675	5.0%
TOWN BUILDING WATER/SEWER	\$ 17,198	\$ 16,237	\$ 20,187	\$ 6,826	\$ 22,700	\$ 23,925	5.4%
WATER/SEWER	\$ 121,410	\$ 135,586	\$ 163,045	\$ 47,054	\$ 132,850	\$ 139,600	5.1%
ENERGY	\$ 1,414,389	\$ 1,326,210	\$ 1,329,948	\$ 341,385	\$ 1,604,950	\$ 1,671,575	4.2%

Building maintenance and repairs expenses

	FY18 ACTUAL				FY19 TOWN		CHANGE
	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	to 12/11/17	FY18 BUDGET	MGR BUDGET	
SCHOOL BUILDING MAINT & REPAIRS	\$ 229,774	\$ 231,103	\$ 206,723	\$ 158,615	\$ 272,950	\$ 242,500	-11.2%
TOWN BUILDING MAINT & REPAIRS	\$ 60,007	\$ 92,603	\$ 124,448	\$ 69,028	\$ 185,950	\$ 115,500	-37.9%
MAINT & REPAIRS	\$ 289,781	\$ 323,707	\$ 331,171	\$ 227,643	\$ 458,900	\$ 358,000	-22.0%

Other building repair expenses (\$234,250) were reduced by about 5% in all town and school buildings; except for both the Cemetery garage and Mattera Cabin which were each newly funded at \$750.

Building Maintenance (\$38,750) saw the elimination of \$60,000 in three one-time building projects funded by the FY18 Town budget (\$25,000 for Town Hall interior signage, painting and furniture; \$25,000 for the Police Station for a prisoner booking area safety improvement; and \$10,000 for the Pleasant Street Center for various improvements). All other buildings saw modest reductions.

Extraordinary repairs (\$85,000) were reduced by about 20%. The recent historical total spending in this category of \$110,840 (FY15); \$38,231 (FY16); and \$14,711 (FY17) suggests this line item could be significantly reduced in further budgets, and either the FINCOM Reserve Fund or Town Meeting could be relied on for budget transfers if needed.

Remaining lines are increased roughly by 1.4% as a group. These lines include **HVAC** (\$152,000), **Electrical** (\$43,000), **Elevator** (\$49,500), **Alarm** (\$32,000), **Fire Equipment** (\$35,000), **Pest Management** (\$9,500), and **Plumbing** (\$28,000).

FY19 Town Building Budget

Town Meeting will vote on the total for the Town Facilities budget as shown below as a +4.8% increase, which is driven by one set of expenses (cleaning services) that is described below.

FACILITIES: TOWN BUILDINGS	FY18 ACTUAL				FY19 TOWN		CHANGE
	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	to 12/11/17	FY18 BUDGET	MGR BUDGET	
CUSTODIANS	\$ 132,406	\$ 148,808	\$ 194,627	\$ 77,457	\$ 187,850	\$ 201,000	7.0%
CUSTODIAN OVERTIME	\$ 44,557	\$ 40,385	\$ 20,933	\$ 6,165	\$ 30,000	\$ 23,000	-23.3%
LONGEVITY	\$ 1,845	\$ 1,948	\$ 1,948	\$ -	\$ 2,000	\$ -	-100.0%
FAC TOWN BLDG WAGES	\$ 178,808	\$ 191,141	\$ 217,507	\$ 83,622	\$ 219,850	\$ 224,000	1.9%

There is no change proposed for staffing levels. An FY18 increase in Overtime was funded by the Town budget and was for some previously described building projects. The FY19 budget removes that one-time increase. Custodian wages are subject to collective bargaining, and budgeted as shown because the Town intends to discuss changes to paid time off benefits received while considered School employees.

	FY18 ACTUAL				FY19 TOWN		CHANGE
	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	to 12/11/17	FY18 BUDGET	MGR BUDGET	
TOWN BLDG CLEANING SERVICES	\$ 56,894	\$ 49,151	\$ 64,326	\$ 73,350	\$ 64,600	\$ 75,500	16.9%
TOWN BUILDING SUPPLIES	\$ 8,300	\$ 46,942	\$ 14,025	\$ 3,330	\$ 15,485	\$ 14,900	-3.8%
TOWN BUILDING OTHER	\$ -	\$ 4,364	\$ 91	\$ 400	\$ -	\$ -	0.0%
FAC TOWN BLDG EXPENSES	\$ 65,194	\$ 100,457	\$ 78,442	\$ 77,080	\$ 80,085	\$ 90,400	12.9%

The department outsources cleaning services for Town Hall, the Police Station, the Library and the Senior Center. From experience, these buildings get the heaviest use by the public and in-house resources are not sufficient to do this work in a timely fashion. As the table above describes, a nearly 17% increase in these services is forecast for FY19. At some point we may reach a tipping point where it is worth considering hiring a fifth Town custodian.

READING PUBLIC SCHOOLS

Fiscal Year 2019

School Committee's Recommended Budget

July 1, 2018 – June 30, 2019

School Committee Members

Charles Robinson, Chairperson

Elaine Webb, Vice Chairperson

Nick Boivin

Jeanne Borawski

Dr. Linda Snow Dockser

Dr. Sherri VandenAkker

Dr. John F. Doherty

Superintendent of Schools

Reading Public Schools

82 Oakland Road

Reading, Massachusetts

<http://reading.k12.ma.us>

January 8, 2018

District Administrators

Craig Martin, Assistant Superintendent for Learning & Teaching

Gail Dowd, Director of Finance

Carolyn Wilson, Director of Student Services

Kelley Bostwick, RISE Preschool Director

Joseph Huggins, Director of Facilities

Jason Cross, METCO Director

Lynn Dunn, Director of Nursing

Kristin Morello, Director of School Nutrition

Jennifer Bove, Human Resources Administrator

School Administrators

Reading Memorial High School

Adam Bakr, Principal

Michael McSweeney, Assistant Principal

Jessica Theriault, Assistant Principal

Thomas Zaya, Assistant Principal, Athletics & Extracurricular Activities

A.W. Coolidge Middle School

Sarah Marchant, Principal

Brienne Karow, Assistant Principal

W.S. Parker Middle School

Richele Shankland, Principal

Brendan Norton, Assistant Principal

Alice Barrows Elementary School

Heather Leonard, Principal

Birch Meadow Elementary School

Julia Hendrix, Principal

Joshua Eaton Elementary School

LisaMarie Ippolito, Principal

J.W. Killam Elementary School

Sarah Leveque, Principal

Wood End Elementary School

Joanne King, Principal

School Committee's Message

The Reading School Committee respectfully presents the FY19 School Balanced Budget, totaling \$42,723,025 which is an increase of \$1,321,364 or 3.2%. The School Committee is not happy or proud of this budget but it is a reality of the current state of the Town's finances. This balanced budget falls in line with Finance Committee guidance which authorized the use of \$1,200,000 in Free Cash for Town and Schools.

This is not a level service budget as level service would have required \$43,507,576. As a result, the FY19 School Committee Budget represents \$784,551 in cuts from a level service budget. To achieve these savings, the FY19 School Budget includes the reduction of 12 FTE positions comprised of 7 middle school teachers, 3 elementary teachers and 2 regular education tutors. The remaining amount to achieve balancing is comprised of the following: Reduction in vacation cleanings at RMHS, Reduction in number of athletic games (Ave. of 2 per sport/per level), Elimination of after school elementary chorus and elimination of Virtual High School at RMHS. There are also less use of offsets where necessary for sound budgeting practices.

There were several hours of discussion by the committee and the public as to the negative impact all of these cuts would have on the students and the districts mission. On January 22nd the committee voted the aforementioned budget as well as a Reconstruction/Override budget.

The amount of the proposed Reconstruction/Override budget was \$2,436,000. The Reconstruction/Override budget amount is comprised of the following: Restore 6 HS teachers, restore 7 middle school teachers, restore 3 elementary teachers, restore 1 regular education tutor, salary adjustments to retain and attract staff, curriculum updates and renewal, restore teacher training, add districtwide curriculum coordinators for math/science and ELA/Social studies, restructure 2.4 FTE to elementary assistant principal/team chair, restructure 1 Rise preschool director/special education assistant director, restore classroom technology, restore 1 computer technician, clerical support, restore vacation cleanings and restore the reduction in athletic funding

On January 30th, the Board of Selectmen with collaboration from the School Committee and Community voted to put a \$4,150,000 million proposition 2 1/2 override ballot question before the voters of Reading. The portion of this going directly to the schools would be \$2,137,000. This does not represent the full \$2,436,000 mentioned above but it is an amount the committee was comfortable moving forward with as we are able to include most of what is outlined above.

We are grateful for the continued support and collaboration we enjoy from the Town Manager, school department employees, parents, community members, and elected and appointed officials. We would also like to thank the superintendent and staff for all of the work in putting together the two budgets we approved.

Charles R. Robinson
Chair, Reading School Committee

Introductory Section

Budget Summary/"At-A-Glance" Overview

- The FY19 School Committee's Recommended Balanced Budget is \$42,723,025 which is an increase of \$1,321,364 or 3.2%.
 - Non-accommodated costs (everything but special education out of district transportation and tuition) increased 2.2%.
 - Accommodated costs (special education out of district transportation and tuition) increased 12.1%.
- A level service budget would have required \$43,507,576 or an additional \$784,551.
- The financial drivers within the budget include:
 - All salary and benefit obligations to represented and non-represented employees. All five collective bargaining agreements are ending this year and the School Committee will be negotiating new agreements with each collective bargaining unit.
 - Increases in regular day mandatory transportation (for students in Grades K-6 who live over 2 miles from their school). We are currently in the third year of our bus contract.
 - Increases in special education out of district tuition and transportation as a result of an increase in the number of students in out of district placements and an increase in the number of students who require specialized transportation.
 - A decrease of \$200,000 in the state circuit breaker reimbursement program for special education.
 - Addressing \$450,000 in one-time expense reductions and additional free cash allotment in FY18 budget to preserve 7.0 FTE middle school teachers.
 - A reduction of \$100,000 in the special education tuition offset due to a projected decrease in enrollment of students for the 2018-19 school year who are tuitioned into our district programs from other school districts.
 - A reduction of \$50,000 in the athletics revolving account offset due to an anticipated decrease in user fee revenue. This anticipated decrease in revenue is due to a combination of an increase in the number of students who are on free and reduced lunch and that the family cap was not increased last year when the user fee was increased.
 - An increase in athletic expenses, including an increase in contractual coaches' salaries, rental fees for pool and ice, and athletic transportation.
 - An increase in the contractual cleaning services contract at RMHS.
 - A renewal of our anti-virus protection and other technology software services.
 - The following positions have been included in the level service budget due to special education needs and an anticipated increase in kindergarten enrollment.
 - 1.0 FTE RISE Preschool Teacher for Subseparate Classroom (\$85,197)
 - 3.0 FTE RISE Preschool Paraeducators for Subseparate Classroom (\$63,840)
 - 3.0 FTE Special Education Paraeducators for Special Education Programs (\$72,000)
 - 1.0 FTE Kindergarten Teacher (\$60,000), half of this position will be funded out of the Kindergarten Revolving Account through an increase in the offset

- 2.0 FTE Kindergarten Paraeducators (\$38,000), half of these positions will be funded out of the Kindergarten Revolving Account through an increase in the offset
- The following reductions are being recommended from the level service budget to reach the balanced budget amount recommended by the Reading Finance Committee:
 - 7.0 FTE Middle School Teachers
 - 3.0 FTE Elementary School Teachers
 - 2.0 FTE Regular Education Tutor
 - Reduction in vacation contractual cleaning services at RMHS
 - Reduction in the number of athletic games (average 2 per sport per level) for each Freshman, Junior Varsity, and Varsity sport at RMHS.
 - Elimination of after school elementary chorus program.
 - Elimination of Virtual High School at RMHS.

Not included in this budget are funds for potential settlements, known student placements and unanticipated enrollment increases or extraordinary special education costs related to out of district placement tuition, transportation, or other services as required by a student's individualized education plan. It should be noted that during our budgeting process we made a conscious decision to budget less for special education tuition and transportation than we normally would. It is most likely we will need to ask for additional funding from Town Meeting in FY19 in this area.

Superintendent's Message

Normally, I begin the annual budget message by discussing the specifics of the budget; the numbers, the increases and decreases, and the budget drivers and how it will impact our schools. However, this year, I believe it is important to communicate from the very beginning of this process and this document that the budget that my team and I are presenting to the School Committee beginning on January 8th is not in the best interest of the students of Reading. Over the last several years, consecutive below level service budgets have resulted in a slow dismantling of our school district, all during a time of tremendous change in education. When a school district has a combination of declining resources and tremendous change, our response is slower because we do not have the capacity to address the changes like other school districts. The budget that will be presented will continue to provide a strong education for the children of Reading, however, we will see a restructuring of the middle school model, a model that has been very successful in our school district for years because it supports students who are going through a very difficult time in their lives. We will also see higher class sizes in upper elementary grades and the elimination of the double literacy block and foreign language at the middle school. In addition, our extra-curricular and athletics programs will be affected with the elimination of the elementary chorus program and the reduction of games being played at all athletic levels at the high school.

However, we are optimistic in that the second budget that we present to the School Committee and the Community on January 11th, the reconstruction budget, presents a model that will restructure the Reading Public Schools in a way that will help us address change more effectively and efficiently. This "override" budget will restore much needed teaching positions that have been eliminated or will be eliminated, restructure other positions that will support teachers and students, and prepare us to

address the area that we need to focus on the most, closing the achievement gap of our highest need students. We have already begun that work by building the capacity of our administrators and staff and this second budget will allow us to proactively address the needs of our students.

Therefore, I respectfully present to the School Committee and the Greater Reading Community the FY19 Superintendent's Recommended Budget of \$42,723,025 representing an increase of \$1,321,364 or 3.2% over the FY18 budget. This recommended budget aligns with the budget guidance that we received from the Reading Finance Committee on October 10, 2017 and subsequent discussions with the Town Manager and Town Accountant. The Finance Committee's recommended guidance is based on an analysis of current and future town revenue and expense projections of the Community, which are restricted by an annual structural revenue deficit, combined with an inadequate Chapter 70 funding formula and minimal state aid funding increases. Unfortunately, due to the fiscal constraints of the community, this budget is not a level service budget, which would have required a 5.1% increase. A level service budget is defined as the amount of funding that would be required to continue to provide the same programs, course offerings, and services as a school district in the next fiscal year as we are currently providing in the current fiscal year with the normal inflationary and contractual increases. The known increases in FY19 include regular education and athletic transportation, salary increases for represented and non-represented employees, an increase in special education out of district tuition and transportation combined with a decrease of \$200,000 in the state grant circuit breaker for special education reimbursement, addressing \$450,000 in one-time expense reductions and additional free cash allotment in FY18 budget to preserve 7.0 FTE middle school teachers, an increase in athletic facility rental fees (pool and ice), a three year renewal of anti-virus and other software and an increase in contractual cleaning services at Reading Memorial High School.

Because funding is not available for a level service budget, the Superintendent's Recommended FY19 budget reflects a reduction of \$784,551 from a level service budget. In order to reach this baseline budget, reductions to both personnel and non-personnel areas were made. Unfortunately, because this is the fifth consecutive year that the level services budget has been reduced, a significant amount of the reductions are personnel, resulting in a reduction in force of 12.0 FTE positions, 10.0 FTE of which are classroom teachers. In essence, the level service budget from the previous year has been reduced each of the last five years:

Not included in this budget are funds for potential settlements, known student placements and unanticipated enrollment increases or extraordinary special education costs related to out of district placement tuition, transportation, or other services as required by a student's individualized education plan. It should be noted that during our budgeting process we made a conscious decision to budget less for special education tuition and transportation than we normally would. It is most likely we will need to ask for additional funding from Town Meeting in FY19 in this area.

Figure 1: FY19 Budget Projection

School Expenses	Approved FY'18 Budget	Allocated FY'19 Budget	% Change
School Expenses (Non-Accommodated)	\$ 37,367,991	\$ 38,202,191	2.2%
School Expenses (Accommodated)	<u>4,033,670</u>	<u>\$ 4,520,834</u>	12.1%
Total School Expenses	\$ 41,401,661	\$ 42,723,025	3.2%
Projected Level Service Budget for FY'19		\$ 43,507,576	5.1%
Projected Deficit		\$ (784,551)	

Before we begin to analyze the details of the FY19 budget, I want to emphasize to the Greater Reading Community that this budget has a significant negative impact on students and is not a budget that I would ever recommend if resources have not been reduced over the last five years. However, as part of my responsibility as Superintendent, I am obligated to develop and present a recommended budget to the School Committee. This year, we will be presenting two budgets: a balanced budget, which reflects below level service to stay within the Finance Committee guidance, and then also a reconstruction plan for our district if an override question is on the ballot for the April, 2018 local election. The override budget will be presented to the School Committee during the budget meetings and is not included in this budget book. Over the last two months, since the October Financial Forum, the administrative team has done an exhaustive review of our personnel and non-personnel expenses and has tried to determine where reductions could possibly be made with the least possible negative impact on student outcomes. Unfortunately, due to the size of the current deficit and the number of reductions that have already been made in the last several years, this has certainly been a difficult task—given that almost all remaining options at this point will most likely have impact. Our discussions with Principals, Directors, and Central Office Administrators has, unfortunately, ultimately become about which reductions will allow us to continue to provide a strong educational experience for our PreK-12 students. Unfortunately, this will mean loss of programs, higher class sizes in some areas, and a reduction in our extra-curricular and athletic programs. These recommendations will serve as the starting point for our public discussions with the School Committee and community over the next few weeks.

The Superintendent's Recommended FY19 budget, includes funding to primarily address the following financial drivers:

- All salary and benefit obligations to represented and non-represented employees. All five collective bargaining agreements are ending this year and the School Committee will be negotiating new agreements with each collective bargaining unit.
- Increases in regular day mandatory transportation (for students in Grades K-6 who live over 2 miles from their school). We are currently in the third year of our bus contract.
- Increases in special education out of district tuition and transportation as a result of an increase in the number of students in out of district placements and an increase in the number of students who require specialized transportation.

- Addressing \$450,000 in one-time expense reductions and additional free cash allotment in FY18 budget to preserve 7.0 FTE middle school teachers.
- A decrease of \$200,000 in the state circuit breaker reimbursement program for special education.
- A reduction of \$100,000 in the special education tuition offset due to a projected decrease in enrollment of students for the 2018-19 school year who are tuitioned into our district programs from other school districts.
- A reduction of \$50,000 in the athletics revolving account offset due to an anticipated decrease in user fee revenue. This anticipated decrease in revenue is due to the increase in the number of students who are on free and reduced lunch and that the family cap was not increased last year when the user fee was increased.
- An increase in athletic expenses, including an increase in contractual coaches' salaries, rental fees for pool and ice, and athletic transportation.
- An increase in contractual cleaning services at RMHS.
- A renewal of our anti-virus protection and other technology software services.
- The following additional positions were added due to special education needs and an anticipated increase in kindergarten enrollment.
 - 1.0 FTE RISE Preschool Teacher for Subseparate Classroom (\$85,197)
 - 3.0 FTE RISE Preschool Paraeducators for Subseparate Classroom (\$63,840)
 - 3.0 FTE Special Education Paraeducators for Special Education Programs (\$72,000)
 - 1.0 FTE Kindergarten Teacher (\$60,000), half of this position will be funded out of the Kindergarten Revolving Account through an increase in the offset
 - 2.0 FTE Kindergarten Paraeducators (\$38,000), half of these positions will be funded out of the Kindergarten Revolving Account through an increase in the offset

Not included in this budget are funds for potential settlements, known student placements and unanticipated enrollment increases or extraordinary special education costs related to out of district placement tuition, transportation, or other services as required by a student's individualized education plan. It should be noted that during our budgeting process we made a conscious decision to budget less for special education tuition and transportation than we normally would. It is most likely we will need to ask for additional funding from Town Meeting in FY19 in this area.

In addition to the above financial drivers, the FY19 budget strives to help address the second year of a three-year District Improvement Plan which includes the following four student focus areas:

- **Closing the Achievement Gap (Action Plan A)** - To focus our energy and effort in identifying and implementing evidenced based instructional practices and interventions which will close the achievement gap with our students, in particular, our students in the high needs group (special education, English Language Learners, economic disadvantage).
- **Literacy (Action Plan B)** - To improve literacy instruction in all subject areas across the district by providing teachers with time and training, timely supervision and coaching, evidenced based tier 2 student interventions, clear expectations, and a pacing chart.

- **Mathematics Practices (Action Plan C)** - To improve mathematics instruction across the district by providing teachers with time and training, timely supervision and coaching, evidenced based tier 2 student interventions, and clear expectations and pacing chart.
- **Social Emotional Learning (Action Plan D)**-To focus our energy and effort in identifying and implementing evidenced based instructional practices and interventions which will improve social emotional learning for all students.

In addition, the budget prioritizes within our fiscal constraints maintaining adequate class sizes of 18 to 22 students in kindergarten through Grade 2, providing additional support for the Joshua Eaton Elementary School Improvement Plan process, a restructured version of the middle school interdisciplinary model, and supporting our RMHS students in their Junior and Senior years to be able to access course work to be prepared for college and career.

Unfortunately, because of budget reductions, this recommended balanced budget does not fully support all of the regular day programs from the previous school year and, as a result, a few programs and courses will be eliminated or reduced and class sizes will increase at some grade levels and in some courses.

Budget Reductions

Unfortunately, in order to reach the Finance Committee budget guidance, several reductions in personnel will need to be made. These reductions will have an impact at all three levels in a variety of ways, including higher class sizes, reduction or elimination of programs, reduced support for staff and reduced services to students. Although we do not support any reductions in personnel, we identified reductions that allow us to restructure school schedules in a way that will have less of a negative impact on student learning. To reach a balanced budget, which is below level service, the following program reductions, offset decreases, and/or personnel reductions were included in the Superintendent’s FY19 Recommended Balanced Budget (See Figures 2, 3, and 4):

Figure 2: FY19 Budget Reductions-Personnel

Cost Center	FTE	Reduction	Amount
Regular Day	3.0	Elementary Classroom Teachers	\$197,251
Regular Day	7.0	Middle School Teachers	\$485,880
Regular Day	2.0	Regular Education Tutor	\$40,105
Total	12.0		\$723,236

Figure 3: FY19 Budget Reductions-Non-Personnel Reductions

Cost Center	Reduction	Amount
Facilities	Cleaning Services-RMHS	\$18,000
District Wide	Reduce Athletics/Extracurricular/Club Stipends	\$24,953
Regular Day	Eliminate Virtual High School	\$18,362
Total		\$61,315

Figure 4: Revolving Account Reductions to Budget

Revolving Account	Reduction Amount
Athletics	\$50,000
Special Education Tuition	\$100,000

The reduction of 3.0 FTE Elementary teachers will result in some class sizes in grades 3-5 to reach up to 27 students per classroom and may result in some half day kindergarten classrooms being combined with other elementary schools. The reduction of 7.0 FTE Middle School teachers will result in the elimination of one of the double periods of English Language Arts in Grade 6, the elimination of foreign language in Grades 7 and 8, and the restructuring of the middle school schedule to a 6 period day. This restructuring will make it more difficult to support students who may be academically or behaviorally struggling, and provide less time for teachers to meet to address student needs. The elimination of the regular education tutors will result in less support for students who require additional academic intervention at elementary and middle school.

In addition, to the 12.0 FTE in staffing reductions, there are non-personnel reductions as well. It should be noted that due to four consecutive years of level service budget reductions, most non-personnel expenses are already at critical funding levels necessary to provide support for staff and students. In Figure 3, there are non-personnel expenses totaling \$61,315. These include a reduction in the vacation cleaning services contract at RMHS, the elimination of the elementary after school chorus program and the reduction of games being played in most Varsity, Junior Varsity, and Freshmen sports at RMHS. All sports will continue to play their league schedules, with a reduction of 2 non-league games (one home and one away game) in most sports at all levels.

Budget Restructuring

In addition to the above reductions in the Superintendent’s Recommended FY19 balanced budget the funds of some current positions and expenses have been restructured to address some critical needs in our district. No additional funds were used to fund these changes.

Figure 5: FY19 Budget Restructured Areas from FY18 Budget Areas

FY18 Budget Item	Amount	FY19 Restructured Budget	Amount
1.0 FTE Literacy Coach	\$88,000	Data Coach	\$66,000
1.0 High School Secretary	\$35,000	School Business Assistant	\$70,000
Administration Cost Center Expenses	\$13,000		
Remaining Salary from Literacy Coach	\$22,000		
0.5 BCBA	\$45,000	1.0 BCBA	\$75,000
Consultative and Home Services	\$30,000		

A portion of the 1.0 FTE Literacy Coach salary will be restructured to the 1.0 FTE Data Coach position, which is currently being funded out of the School Climate Transformation Grant. In moving forward, our administrative team has determined that the Data Coach position is most critical to provide data information and ongoing support for both teachers and administrators as instructional practices are being made in the classroom. The remaining funds from the Literacy Coach, along with administration

cost center expenses, and a 1.0 FTE High School Secretary are being restructured to restore the 1.0 FTE School Business Assistant position, which was eliminated in the FY18 budget. The position has been vacated for two years and it is evident that we cannot sustain our current level of service in the Finance Department without this position. This position is necessary to provide support for grants management, special education budgeting, budget forecasting, and Medicaid reimbursement. Without this additional support, those functions and the increasing duties that have been put upon the finance office, will result in less revenue for town and school budgets, a financial impact on providing resources for regular day programs, as well as, less detailed analysis of funding and spending projections. The 1.0 Board Certified Behavior Analyst (BCBA) position is being restructured from an existing 0.5 BCBA position that we have been unable to fill and special education consultative and home services which have been used to provide these services from an outside agency. By having a 1.0 FTE BCBA position available, we will have a greater chance of attracting strong candidates for this role and reduce our dependency on more expensive outside agencies to provide these services.

In the Superintendent's FY19 Recommended Budget, some positions have been added as well, due to the addition of a third subseparate classroom in the RISE Preschool, additional special education needs in our indistrict special education programs, and an anticipated increase in kindergarten enrollment for the 2018-19 school year. These positions are captured above in the financial drivers section of this message.

In Closing

In providing closure to this section, I want to express my deep concern for the staff that will be affected by these budget reductions and the impact that it will have on students. For the fifth year in a row, this is a very difficult and challenging budget process and the reductions are in no way a reflection on the dedication, time, and effort that our staff put forward each and every day for our students. I am very concerned that the reductions that we now face are at levels that our district has not experienced in over 25 years. This could have long term implications for our school district and may not be able to position us to address several of the challenges listed throughout this budget document.

Budget Process and Timeline

The process used to develop the FY19 School Committee's Recommended Budget is based on an inclusive process over the last two years of community forums with staff, parents, and the community on the priorities of our school district. In addition, the Superintendent has been holding weekly office hours at the various schools with staff and community members and attended several PTO and School Council meetings about district priorities. Using the above feedback, district and school administrators developed the FY19 School Committee's Recommended budget using the financial guidance given by the Finance Committee in October. In addition, over 20 budget liaisons each representing different schools in the district and the community, will be meeting to discuss the process and inform their school communities on the budget process. This process will continue throughout the month of January when budget presentations for each cost center will be given to the School Committee, who will deliberate the Superintendent's Recommended budget and take a final vote on January 22, 2018.

The budget process begins with the analysis of enrollment and performance data; the development and refinement of district, school, and educator goals based on the needs of students and performance gaps; and the identification of resources needed to achieve effective progress towards those goals and objectives. This process begins at the start of the school year and is completed by the end of October.

In mid-October, as part of the budget process, the town convenes its annual Financial Forum, a joint meeting of the elected and appointed Boards and Committees. At this time, the town establishes its revenue projection as well as its estimate of its "accommodated costs," which are the fixed costs to which available revenues are first allocated. These costs include employee and retiree health insurance, debt service, energy and utility expenses, and special education tuition and transportation expenses. These expenses are subtracted from available revenues and the remaining revenues are allocated to municipal and school budgets based on a historical ratio. Last year, sixty-four percent of the net revenue was allocated for the school department budget.

During the next step of the budget process which occurs in early to late-November, the Director of Finance distributes budget development guidelines, instructions, and forms to district and school administrators. Department and school budget requests are then submitted to the Finance Office by the end of November. Throughout November and December, the Superintendent reviews the budget requests as well as the programmatic and financial implications of these requests taken as a whole. By late December, the Superintendent determines the size and scope of the budget.

In early January, the Superintendent's Recommended Budget is submitted to the School Committee for consideration. During the month of January, the Superintendent, Director of Finance, Assistant Superintendent, and Director of Student Services present the program budgets to the School Committee for review and deliberation. The School Committee either requests changes to the budget or adopts the budget as proposed. Once adopted by the School Committee, the School Committee's budget is then delivered to the Town Manager who, in accordance with Town Charter, must submit a balanced budget to the Finance Committee in February.

During the month of February, the Finance Committee reviews the budgets of each municipal department, including the School Department. The School Committee, Superintendent, and Director of Finance present and defend their budget request to the Finance Committee in early-February. The Finance Committee takes a vote on each departmental budget. It is the responsibility of the Finance Committee to make recommendations to Town Meeting on each departmental request.

This year, the Board of Selectmen may put a Proposition 2 1/2 override ballot question on the April 3, 2018 local election. If they do, it is anticipated that an amount will be determined by late January. If the Community votes to support an override ballot question, both the town and school department budgets will be adjusted accordingly and presented to Town Meeting.

At Reading's Annual Town Meeting, which commences in late April, the Town Manager's Budget is presented to Town Meeting for its review and approval. Once approved, the School Department's FY'19 General Fund Appropriation is set and is implemented for the fiscal year beginning on July 1, 2018.

Overview of FY2019 School Committee's Recommended Budget By Cost Center

The FY2019 School Committee's Recommended Budget is \$42,723,025 representing an increase of \$1,321,364 or 3.2%. The discussion below provides details on the major budget drivers based on expenditure category and cost center. The major drivers of the increase to the FY'19 School Committee's budget include:

- All salary and benefit obligations to represented and non-represented employees. All five collective bargaining agreements are ending this year and the School Committee will be negotiating new agreements with each collective bargaining unit.
- Increases in regular day mandatory transportation (for students in Grades K-6 who live over 2 miles from their school). We are currently in the third year of our bus contract.
- Increases in special education out of district tuition and transportation as a result of an increase in the number of students in out of district placements and an increase in the number of students who require specialized transportation.
- A decrease of \$200,000 in the state circuit breaker reimbursement program for special education.
- A reduction of \$100,000 in the special education tuition offset due to a projected decrease in enrollment of students for the 2018-19 school year who are tuitioned into our district programs from other school districts.
- A reduction of \$50,000 in the athletics revolving account offset due to an anticipated decrease in user fee revenue. This decrease in revenue is due to the increase in the number of students who are on free and reduced lunch and that the family cap was not increased last year when the user fee was increased.
- An increase in athletic expenses, including an increase in contractual coaches' salaries, rental fees for pool and ice, and athletic transportation.
- An increase in contractual cleaning services at RMHS.
- A renewal of our anti-virus protection and other technology software services.
- The following additional positions are included in the base line budget due to special education needs and an anticipated increase in kindergarten enrollment.
 - 1.0 FTE RISE Preschool Teacher for Subseparate Classroom (\$85,197)
 - 3.0 FTE RISE Preschool Paraeducators for Subseparate Classroom (\$63,840)
 - 3.0 FTE Special Education Paraeducators for Special Education Programs (\$72,000)
 - 1.0 FTE Kindergarten Teacher (\$60,000)
 - 2.0 FTE Kindergarten Paraeducators (\$38,000)

Not included in this budget are funds for potential settlements, known student placements and unanticipated enrollment increases or extraordinary special education costs related to out of district placement tuition, transportation, or other services as required by a student's individualized education plan. It should be noted that during our budgeting process we made a conscious decision to budget less for special education tuition and transportation than we normally would. It is most likely we will need to ask for additional funding from Town Meeting in FY19 in this area.

Breakdown by Cost Center

The Reading school budget is divided into five cost centers. These cost centers align to the MA DESE Program Categories and include Administration, Regular Day, Special Education, Other District Programs (which includes Health Services, Athletics, Extracurricular Activities, and District-wide Technology), and School Facilities. As Figure 8 below shows, the overall increase to the FY'19 School Committee's Recommended Budget is 3.2% or an increase of \$1,321,364.

Below is a summary by cost center that highlights the major financial drivers. Details of each cost center are found in the Financial Section of this document.

Administration Cost Center

FY'19 School Committee's Recommended Budget: \$1,043,991

FY'18 Adopted Budget: \$926,857

\$ Increase: \$117,134

The budget assumes cost of living adjustments for the central office administrative assistants, the Director of Human Resources, the Director of Finance, and the Assistant Superintendent of Learning and Teaching. There is no cost of living adjustment budgeted for the Superintendent of Schools.

The budget includes the restructuring of the 1.0 FTE School Business Assistant from a 1.0 FTE Regular Day High School Secretary (\$35,000), savings from the restructuring of the literacy coach position in Regular Day (\$22,000) and Administration Cost Center Expenses (\$13,000). There are also increases in Tax Sheltered Annuity contributions for teachers (contractual obligation) and physicals (mandated) for new employees.

Regular Day Cost Center

FY'19 School Committee's Recommended Budget: \$24,832,291

FY'18 Adopted Budget: \$24,957,436

\$ Decrease: \$125,145

The largest cost center in the budget includes cost of living adjustments, salary steps, and column increases for regular education teachers, regular education paraeducators and tutors, and school secretaries according to collective bargaining agreements in the current fiscal year. All five collective bargaining agreements are ending in the current fiscal year and the School Committee will be negotiating new agreements with each collective bargaining unit. There are also cost of living adjustments for non-represented personnel including building level administrators. There is a 1.0 FTE increase for a Kindergarten Teacher and 2.0 FTE increase in Regular Education Paraeducators to account for an anticipated increase in kindergarten enrollment in the 2018-19 school year, half of the cost of these positions will be funded out of the Kindergarten Revolving Account through an increase to the offset. Expense increases include a contractual increase in regular day mandatory bus transportation and restoring districtwide technology and building based budgets to FY17 levels. In the FY18 budget these two areas were reduced to help restore the 7.0 FTE middle school teachers. At the time, it was stated that these were one-time reductions and would not be sustainable in future budgets.

In addition to the budget increases, there is a 12.0 FTE Reduction in personnel, 10.0 FTEs are classroom teachers. There was also restructuring of a portion of the literacy coach salary and a 1.0 FTE Secretary reduction from regular day to administration for the restoration of the 1.0 School Business Assistant. There is also the elimination of Virtual High School at RMHS and the elementary chorus after school program. The chart below describes the reductions in Regular Day.

Figure 6: FY19 Regular Day Budget Reductions

Cost Center	FTE	Reduction	Amount
Regular Day	3.0	Elementary Classroom Teachers	\$197,251
Regular Day	7.0	Middle School Teachers	\$485,880
Regular Day	2.0	Regular Education Tutor	\$40,105
Regular Day		Virtual High School	\$18,362
Regular Day		Elementary Chorus Stipends	\$4,480
Total	13.0		\$746,078

Special Education Cost Center

FY'19 School Committee's Recommended Budget: \$13,693,652

FY'18 Adopted Budget: \$12,546,594

\$ Increase: \$1,147,058

The increase in this cost center is due to cost of living adjustments, salary steps, and column increases for special education teachers and therapists, and special education paraeducators according to collective bargaining agreements. There is an additional 1.0 FTE RISE Special Education Teacher, 3.0 FTE RISE Special Education Paraeducators, and 3.0 FTE Special Education Paraeducators to address additional needs of incoming preschool students and students in our indistrict special education programs. There are also cost of living adjustments for special education administrators and other non-represented special education employees. Expense increases include special education out of district tuition and transportation and an increase of \$15,000 in special education professional development. This line item was eliminated last year, but a significant decrease in grant funding requires us to reinstate some funding in this line item. In addition, there was a decrease in the state circuit breaker reimbursement program of \$200,000 and a decrease in the special education tuition revolving account offset of \$100,000 due to less students being tuitioned in next year into our indistrict programs from other school districts.

Not included in this budget are funds for potential settlements, known student placements and unanticipated enrollment increases or extraordinary special education costs related to out of district placement tuition, transportation, or other services as required by a student's individualized education plan. It should be noted that during our budgeting process we made a conscious decision to budget less for special education tuition and transportation than we normally would. It is most likely we will need to ask for additional funding from Town Meeting in FY19 in this area.

School Facilities Cost Center

FY'19 School Committee's Recommended Budget: \$1,316,122

FY'18 Adopted Budget: \$1,225,000

\$ Increase: \$91,122

Built into this cost center are cost of living adjustments, salary steps, and column increases for school custodians according to collective bargaining agreements. In addition, there are also cost of living

adjustments for non-represented facility employees. Expense increases include an increase in the contractual cleaning service at RMHS. Next year, we will be in the third year of a three-year contract.

The cost center reflects an \$18,000 reduction in the RMHS cleaning contract for the 2018-19 school year. This will result in a reduction of cleaning during vacation times by the cleaning contractor.

District Wide Programs (Health Services, Athletics, Extra-curricular Activities, District Wide Technology) Cost Center

FY'19 School Committee's Recommended Budget: \$1,836,969

FY'18 Adopted Budget: \$1,745,774

\$ Increase: \$91,195

The increase in this cost center is a result of cost of living adjustments, salary steps, and column increases for nurses, athletic coaches, advisory stipends and the athletic secretary according to collective bargaining agreements. In addition, there is a cost of living adjustment for the non-represented employees including the assistant principal for athletics and extra-curricular activities, District Network Manager, Technicians, and the Director of Nurses. There are also increases in expenses for athletic transportation, pool, and ice rental, as well as increases in district wide technology due to the renewal of our anti-virus and other computer software services.

There is a reduction in the Athletic department of \$24,953 which will result in the reduction of games being played in most Varsity, Junior Varsity, and Freshmen sports at RMHS. This cost is for the transportation and game official expenses associated with one home game and one away game. All sports will continue to play their league schedules, with a reduction of 2 non-league games (one home and one away game) in most sports at all levels.

Financial Overview

FY19 Expenses by Cost Center

The FY19 School Committee's Recommended Budget is organized into five Cost Centers, representing the high-level program categories that comprise the District Budget. These include Administration, Regular Day, Special Education, School Facilities, and Other District Programs (which includes Health Services, Athletics, Extracurricular Activities, and District-wide Technology). These cost centers were established as such by a vote of the School Committee. In accordance with that vote, the Administration is authorized to transfer funds within any cost center. The Administration must, however, obtain approval of the Committee to transfer funds between Cost Centers.

As shown in Figure 7 below, the FY19 School Committee's Recommended Budget reflects an increase of 3.2%. The largest dollar increase to the budget is in the Special Education Cost Center (\$1,147,058). This increase accounts for 86.8% of the total increase of \$1,321,363. The reasons for these increases are highlighted in the Budget Drivers section of this Executive Summary and described in more detail in the Financial Section of this budget document.

Figure 7: Expenditures by Cost Center

General Fund Expenditures by Cost Center						
	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Administration	\$891,123	\$924,880	\$908,483	\$926,857	\$1,043,991	12.6%
Regular Day	\$23,185,387	\$23,793,917	\$23,900,871	\$24,957,436	\$24,832,291	-0.5%
Special Education	\$10,254,181	\$10,969,125	\$11,715,889	\$12,546,594	\$13,693,652	9.1%
School Facilities	\$1,162,815	\$1,249,320	\$1,234,776	\$1,225,000	\$1,316,122	7.4%
Districtwide Programs	\$1,614,893	\$1,554,240	\$1,786,694	\$1,745,774	\$1,836,969	5.2%
Grand Total	\$37,108,399	\$38,491,482	\$39,546,712	\$41,401,661	\$42,723,025	3.2%

FY19 Revenue and Expense Budget Projection

The Town of Reading’s budgeting methodology begins with a projection of available revenues from all sources in the subsequent year. That revenue projection is typically based on historical trends in the various revenue sources. Once the revenue budget is established, which generally happens in late October, the next step is to determine the “accommodated” or shared costs. These are costs that town officials believe must be funded ahead of any other expense of any municipal department. These accommodated costs include items such as health insurance costs, debt service expense, energy and utility costs, snow removal and special education tuition and transportation for out of district placements.

The accommodated costs are then subtracted from the available revenues, and the remaining revenues are divided between municipal government and school department based on historical ratios. Available revenue to the school department is, then, the combination of the funds allocated for the school department’s accommodated costs and the historical share of net available revenues after accounting for accommodated costs.

Figure 8: Budget Projection

School Expenses	Approved FY'18 Budget	Allocated FY'19 Budget	% Change
School Expenses (Non-Accommodated)	\$ 37,367,991	\$ 38,202,191	2.2%
School Expenses (Accommodated)	4,033,670	4,520,834	12.1%
Total School Expenses	\$ 41,401,661	\$ 42,723,025	3.2%
Projected Level Service Budget for FY'19		\$ 43,507,576	5.1%
Projected Deficit		\$ (784,551)	

Next Steps and Contact Information

The FY'19 Superintendent’s Recommended Budget will be presented on the following dates:

- Monday, January 8 (Overview, Administration, District Wide, Facilities Cost Centers, FY19 Capital)
- Wednesday, January 10 (Regular Day, Special Education)
- Thursday, January 11 (Public Hearing, Override Budget)
- Thursday, January 18 (Public Hearing, Questions)
- Monday, January 22 (School Committee Vote)

On January 22nd, the School Committee is scheduled to vote and adopt a budget to present to the Town Manager. The Town Manager then presents a full Town budget to the Finance Committee which is within the available revenues for the Town. According to the Town Charter, the School Committee budget will be presented in early February to the Finance Committee of the Town who votes whether to refer the budget as is to Town Meeting or refer with changes. Town Meeting then has final approval authority. By statute, Town Meeting can only vote the “bottom line” of the School Committee budget. It may vote to increase or reduce the total dollar value, but it cannot specify the line item to which the increase or decrease is to be made.

The timeline for the next steps in the budget development process is summarized below.

Financial Forum	January 24, 2018
FY'19 School Committee Budget Presentation to Finance Committee	February 7, 2018
Local Election (Possible Override Ballot Question)	April 3, 2018
Annual Town Meeting	April 23, April 26, April 30

Copies of the budget document are available at the Office of the Superintendent, the Reading Town Library, the main office of each school, and on the Reading Public School’s website at www.reading.k12.ma.us. For additional information or clarification, please feel free to contact the Central Office Administration for assistance.

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Financial Section

The Financial Section of the budget is designed to provide the reader summary and detailed financial information regarding Reading Public Schools. Information is provided using a pyramid approach moving from summary information to more detailed information in each subsection. The subsections included in this section include General Budget Summaries and Cost Center Budgets.

General Budget Summaries

The Reading school budget is divided into five cost centers. These cost centers align to the MA DESE Program Categories and include Administration, Regular Day, Special Education, Other District Programs (which includes Health Services, Athletics, Extracurricular Activities, and District-wide Technology), and School Facilities. As Figure 10 below shows, the overall increase to the FY'19 School Committee's Recommended Budget is 3.2% or an increase of \$1,321,364.

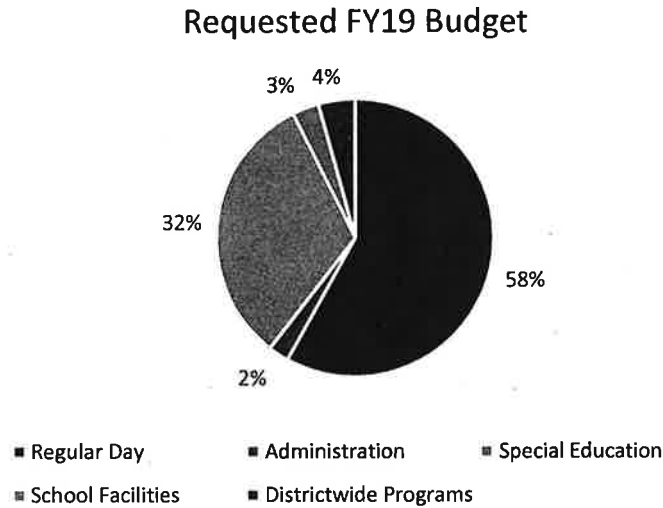
The largest dollar increase is in the area of Special Education (\$1,147,058). This cost center accounted for 86.8% of the overall increase. There were also increases in Administration (\$117,134), School Facilities (\$91,122), and District Wide Services (\$91,195). There was also a decrease in Regular Day (-\$125,145).

Figure 9: General Fund Expenditures by Cost Center

General Fund Expenditures by Cost Center						
	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Administration	891,123	924,880	908,483	926,857	1,043,991	12.6%
Regular Day	23,185,387	23,793,917	23,900,871	24,957,436	24,832,291	-0.5%
Special Education	10,254,181	10,969,125	11,715,889	12,546,594	13,693,652	9.1%
School Facilities	1,162,815	1,249,320	1,234,776	1,225,000	1,316,122	7.4%
Districtwide Programs	1,614,893	1,554,240	1,786,694	1,745,774	1,836,969	5.2%
Grand Total	37,108,399	38,491,482	39,546,712	41,401,661	42,723,025	3.2%

As Figure 10 below shows, the largest cost center for the district budget is regular day at 58.1% of total expenditures. The next largest is special education which comprises 32.1% of total expenditures. School facilities make up 3.1% of the budget. The smallest cost center is district administration which makes up 2.4% of the total FY'19 School Committee's Recommended Budget. Districtwide programs make up 4.3% of the FY19 School Committee's Recommended Budget.

Figure 10: Cost Centers as Percentage of Total FY'19 Budget



As Figure 11 below indicates, there have been modest shifts between costs centers from year to year. The three smallest cost centers, Administration, District Wide Programs and School Facilities have stayed fairly constant, while Special Education has increased and Regular Day has decreased. Because most of the teaching staff is in Regular Day and we have had increased needs in special education the recent history of budget reductions has affected the Regular Day cost center the most.

Figure 12 shows the increase in each cost center budget year over year for FY'13 through the FY19 School Committee's Recommended Budget. The average annual increase to the school department budget between FY'13 and the FY19 School Committee's Recommended Budget is 3.2%.

Figure 11: Cost Center Budget Proportions

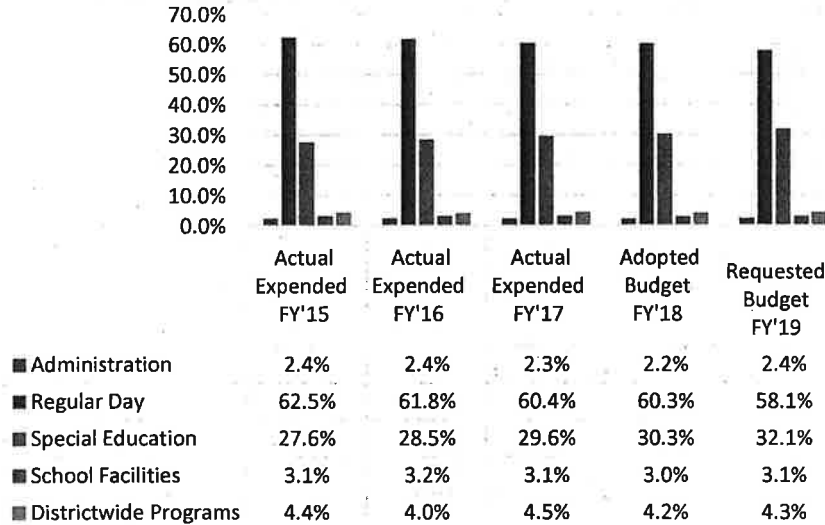


Figure 12: Change in Cost Center Budgets Year over Year

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19
Administration	2.4%	2.4%	2.3%	2.2%	2.4%
Regular Day	62.5%	61.8%	60.4%	60.3%	58.1%
Special Education	27.6%	28.5%	29.6%	30.3%	32.1%
School Facilities	3.1%	3.2%	3.1%	3.0%	3.1%
Districtwide Programs	4.4%	4.0%	4.5%	4.2%	4.3%
Grand Total	100%	100%	100%	100%	100%

Figure 13: Change in Cost Center Budgets Year over Year

	FY'13	FY'14	FY'15	FY'16	FY'17	FY'18	FY'19	Annual Average
Administration	6.3%	1.9%	1.6%	-1.3%	4.1%	-3.8%	12.6%	1.5%
Regular Day	2.8%	2.7%	3.6%	3.4%	1.9%	2.8%	-0.5%	2.9%
Special Education	3.0%	10.2%	6.5%	2.3%	7.7%	3.0%	9.1%	5.5%
School Facilities	10.5%	5.5%	9.7%	1.7%	-1.9%	-50.0%	7.4%	-4.1%
Districtwide Programs	-10.0%	-0.2%	-0.6%	1.4%	1.6%	7.3%	5.8%	-0.1%
Grand Total	2.91%	4.45%	4.18%	2.75%	3.50%	1.40%	3.2%	3.20%

Another view of the budget shows the breakdown by major category of expense: professional salaries, clerical salaries, other salaries, contract services, supplies and materials, and other expenses. Professional salaries are generally salaries of licensed administrators (e.g., central office administrators, building principals), department directors (e.g., facilities, school health), teachers and specialists. Clerical salaries include central office administrative assistants, as well as building and department secretaries. Other salaries are those of our support staff such as paraprofessionals, custodians, and substitutes. Contract services are payments for services rendered by personnel who are not on the payroll and are not regular employees, including all related expenses covered by the contract. Examples include services of legal counsel, transportation services provided under a bus contract, or maintenance contracts. Figure 14 below shows the General Fund expenses and budget by category.

Figure 14: General Fund Expenses and Budget by Category

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Proposed Budget FY'19	% Change
Professional Salaries	26,419,458	27,371,493	28,279,205	29,467,683	29,568,284	0.3%
Clerical Salaries	804,344	835,466	815,055	811,646	870,042	7.2%
Other Salaries	3,859,799	3,913,969	4,148,201	4,250,976	4,635,461	9.0%
Contract Services	2,217,864	2,242,550	2,422,451	2,269,505	2,653,736	16.9%
Supplies & Materials	801,756	803,367	737,130	804,257	882,392	9.7%
Other Expenses	3,005,177	3,324,637	3,144,672	3,797,595	4,113,110	8.3%
Grand Total	37,108,399	38,491,482	39,546,712	41,401,661	42,723,025	3.2%

Professional salaries comprises the largest percentage of the budget. This is not surprising since, as stated earlier, education is a staffing intensive enterprise. Professional salaries make up 68.9% of our district budget while salaries as a whole comprise 82.1% of our district budget. The increase in salaries reflects step and cost of living increases and column changes for represented and cost of living increases for non-represented staff. All five collective bargaining agreements are ending in the current fiscal year and the School Committee will be negotiating new agreements with each collective bargaining unit. The 0.3% increase in professional salaries reflects the amount of personnel reductions recommended in this area for FY19.

The increase in Contract Services stems predominantly from an increase in special education transportation, the cleaning services contract at the High School, and the increase in athletic and regular day transportation.

The increase in other salaries is due to anticipated contractual increases. The increase in Supplies & Materials reflects the restoration of the building based budgets and district wide technology to FY17 levels. These two areas were reduced last year to support the restoration of the 7.0 FTE Middle School Teachers, but was not a sustainable reduction for future years. The increase in other expenses is due to an increase in special education professional development and an increase in district wide technology due to a renewal of antivirus and other computer software services.

Figure 15 below shows the General Fund expenses and budget by cost center and category. Changes in cost centers budgets are discussed in greater detail in the Cost Center Budget section of this document.

Figure 15: General Fund Expenses and Budget by Cost Center and Object

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Administration						
Professional Salaries	507,333	524,038	537,106	540,432	559,573	3.5%
Clerical Salaries	199,572	201,832	179,157	177,061	253,493	43.2%
Contract Services	70,356	73,479	80,118	89,912	91,329	1.6%
Supplies & Materials	5,693	6,818	4,177	8,595	7,795	-9.3%
Other Expenses	108,168	118,714	107,926	110,859	131,801	18.9%
Administration Total	891,123	924,880	908,483	926,857	1,043,991	12.6%
Regular Day						
Professional Salaries	20,588,251	21,268,556	21,451,725	22,329,333	21,941,068	-1.7%
Clerical Salaries	449,385	471,223	474,124	467,098	443,329	-5.1%
Other Salaries	1,028,947	967,992	999,869	991,642	1,111,001	12.0%
Contract Services	78,754	93,912	97,909	77,200	151,000	95.6%
Supplies & Materials	597,407	577,761	536,989	598,062	672,212	12.4%
Other Expenses	442,643	414,473	340,255	494,102	513,681	4.0%
Regular Day Total	23,185,387	23,793,917	23,900,871	24,957,436	24,832,291	-0.5%
Special Education						
Professional Salaries	4,484,815	4,733,026	5,413,021	5,730,212	6,187,965	8.0%
Clerical Salaries	71,991	90,235	86,980	91,322	95,168	4.2%

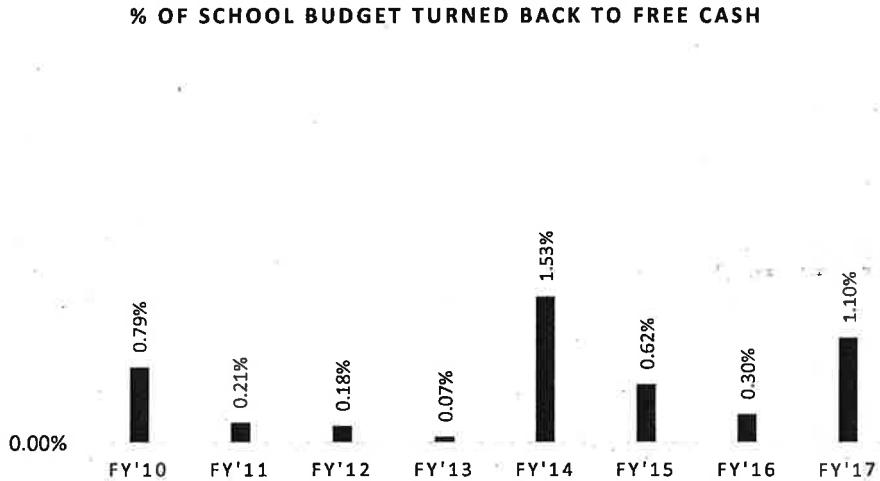
Other Salaries	1,838,792	1,901,588	1,952,461	2,126,630	2,333,531	9.7%
Contract Services	1,554,759	1,508,857	1,619,069	1,450,194	1,666,825	14.9%
Supplies & Materials	77,401	62,295	64,125	48,995	48,995	0.0%
Other Expenses	2,226,423	2,673,123	2,580,232	3,099,240	3,361,168	8.5%
Special Education Total	10,254,181	10,969,125	11,715,889	12,546,594	13,693,652	9.1%
Health Services						
Professional Salaries	547,857	550,207	575,978	610,236	608,155	-0.3%
Clerical Salaries	11,965	12,373	12,636	12,898	13,195	2.3%
Other Salaries	27,701	14,940	10,306	15,625	15,000	-4.0%
Contract Services	8,935	8,838	9,616	9,000	9,000	0.0%
Supplies & Materials	8,589	7,454	7,985	7,190	8,900	23.8%
Other Expenses	1,780	1,994	1,425	3,535	3,100	-12.3%
Health Services Total	606,827	595,806	617,945	658,484	657,350	-0.2%
Athletics						
Professional Salaries	53,645	55,167	59,414	57,757	58,318	1.0%
Clerical Salaries	41,267	43,076	48,626	50,148	51,435	2.6%
Other Salaries	38,295	(12,413)	103,280	54,363	104,694	92.6%
Contract Services	236,667	251,526	289,661	317,998	316,810	-0.4%
Supplies & Materials	31,476	27,023	27,637	35,925	32,000	-10.9%
Other Expenses	27,448	41,392	34,970	46,500	41,000	-11.8%
Athletics Total	428,798	405,771	563,586	562,691	604,257	7.4%
Extra Curricular						
Professional Salaries	38,155	27,831	63,735	31,035	40,780	31.4%
Contract Services	10,235	11,546	11,271	12,100	12,570	3.9%
Supplies & Materials	923	1,177	1,225	1,900	1,900	0.0%
Other Expenses	6,022	9,300	5,024	10,000	10,000	0.0%
Extra Curricular Total	55,335	49,854	81,255	55,035	65,250	18.6%
Technology						
Professional Salaries	86,135	109,396	102,840	91,802	93,783	2.2%
Other Salaries	224,485	265,095	296,449	253,513	253,479	0.0%
Contract Services	27,025	67,861	59,807	98,850	111,450	12.7%
Supplies & Materials	20	1,082	196	6,000	6,000	0.0%
Other Expenses	186,268	59,375	64,617	19,400	45,400	134.0%
Technology Total	523,933	502,808	523,907	469,565	510,112	8.6%
School Facilities						
Professional Salaries	113,267	103,273	75,387	76,875	78,642	2.3%
Clerical Salaries	30,163	16,727	13,532	13,120	13,422	2.3%
Other Salaries	701,580	776,767	785,836	809,203	817,756	1.1%
Contract Services	231,134	226,531	255,000	214,252	294,752	37.6%
Supplies & Materials	80,246	119,757	94,797	97,590	104,590	7.2%
Other Expenses	6,425	6,266	10,223	13,960	6,960	-50.1%
School Facilities Total	1,162,815	1,249,320	1,234,776	1,225,000	1,316,122	7.4%

Grand Total	37,108,399	38,491,482	39,546,712	41,401,661	42,723,025	3.2%
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Historical Budget versus Actual Spending

As a school district, we pride ourselves on responsible fiscal management, spending our resources as requested and returning funds that are not utilized during the course of a fiscal year. As part of our efforts to ensure accountability, we report on the amount of the school budget that we have returned back to the Town’s general fund at the end of the fiscal year in Figure 16 below. As indicated, the school department has returned funds each of the prior eight fiscal years and has not required or requested additional funds for school department operations. On average, the school department has returned 0.6% of its total budget back to the town each year. As shown in Figure 16 below, in FY17, the School Department returned back 1.1% of its total budget. Most of that funding was due to savings in out of district tuition in special education during that school year.

Figure 16: Amount of School Budget Funds Returned to Town Each Year



Allocation of Personnel Resources

Education is, by its very nature, a very staff dependent operation. The total number of staff as well as the allocation of staff resources is determined annually based on enrollment projections and shifts as well as student needs and services required to meet those needs. As a result, 82.1% of our district operating budget is used for employee compensation which is not atypical of school districts in the state or across the country. Staffing is measured in Full Time Equivalents, or FTE’s, which is arrived at by dividing the number of hours that an individual works by the base number of hours for the particular position. For example, paraprofessionals and teachers base hours are 35 per week (70 hours biweekly), secretaries work 37.5 hours biweekly (75 hours biweekly), and custodians work 40 hours per week (80 hours biweekly).

Staffing is driven primarily by enrollment changes and program needs. The table below shows staffing resources for the prior year, current year, and requested for SY’18-19 by position type, and by cost center.

As shown below, the following staffing reductions are being proposed in the School Committee's FY19 Recommended Budget:

Regular Education

Elementary Teacher	3.0 FTE
Middle School Teacher	7.0 FTE
Regular Education Tutor	2.0 FTE

The following positions were changed by restructuring existing FY18 positions and expenses. No additional funds were added to the School Committee's FY19 Recommended Budget for these positions.

Figure 17: Restructured Positions in FY19 Budget

FY18 Budget Item	Amount	FY19 Restructured Budget	Amount
1.0 FTE Literacy Coach	\$88,000	1.0 FTE Data Coach	\$66,000
1.0 FTE High School Secretary Administration Cost Center Expenses	\$35,000	1.0 FTE School Business Assistant	\$70,000
Remaining Salary from Literacy Coach	\$22,000		
	\$13,000		
.5 FTE BCBA Consultative and Home Services	\$45,000	1.0 BCBA	\$75,000
	\$30,000		

The following positions were added to the School Committee's FY19 Recommended Budget due to anticipated increase in kindergarten enrollment, special education needs in the RISE Preschool, and special education needs in some of our special education programs for next year.

Figure 18: Positions Added in FY19 Budget

Additional Staffing	Cost Center
1.0 FTE RISE Preschool Teacher (Subseparate Classroom)	Special Education
3.0 FTE RISE Special Education Paraeducators	Special Education
3.0 FTE Special Education Paraeducators	Special Education
1.0 FTE Kindergarten Teacher	Regular Day
2.0 FTE Kindergarten Paraeducators	Regular Day

Figure 19: Staffing By Cost Center and Position

	FY15 FTE	FY16 FTE	FY17 FTE	Budgeted FY18 FTE	Actual FY18 FTE	Budgeted FY19 FTE
Administration	9.1	9.1	8.1	8.1	8.1	9.1
Administrative Assistant	4.8	4.8	3.8	3.8	3.8	4.8
District Administrator	4.3	4.3	4.3	4.3	4.3	4.3
Regular Education	349.1	347.8	341.8	331.7	332.8	325.1
Assistant Principal	4.3	4.3	4.5	4.5	4.3	4.3
Elementary Teacher	107.0	107.1	103.6	101.6	100.4	98.4
ELL Teacher	1.5	2.5	2.5	2.5	2.5	2.5
Guidance Counselor	5.6	5.6	5.2	5.2	5.6	5.6
High School Dept Chair	3.8	3.8	3.3	3.3	3.3	3.3
High School Teacher	78.4	78.4	74.7	70.9	70.3	70.3
Instructional Coach		2.0	2.0	1.0	0.2	1.0
Library/Media Specialist	7.0	7.0	7.9	7.9	7.9	7.9
Middle School Teacher	65.9	65.7	65.7	65.7	65.8	58.8
Paraprofessional	24.4	21.8	22.0	18.7	21.5	23.5
Principal	8.0	8.0	8.0	8.0	8.0	8.0
Reading Specialist	7.5	7.5	7.3	7.3	7.0	7.0
School Adjustment Counselor	1.0	1.0	1.0	1.0	1.0	1.0
School Psychologist	10.5	9.5	9.6	10.6	10.0	10.6
Secretary	11.0	11.0	11.0	11.0	11.0	10.0
Supervisor of Students	1.0	1.0	1.0	-	-	-
Technology Specialist	2.0	2.0	3.6	3.6	3.4	3.4
Tutor	10.3	9.7	8.9	8.9	10.5	9.6
Special Education	156.9	159.7	163.6	164.4	167.4	172.0
Behavior Analyst (BCBA)		1.0	1.0	1.5	1.6	2.0
District Administrator	1.0	1.0	1.0	1.0	1.0	1.0
District Administrator of Support Services	1.0	0.6	0.6	0.6	0.4	0.4
District Evaluator	1.0	1.0	1.0	1.0	1.0	1.0
Elementary Teacher	22.7	23.2	23.8	25.8	24.0	24.0
High School Teacher	8.2	9.6	10.0	11.0	11.0	11.0
Middle School Teacher	14.5	15.5	15.5	14.5	15.5	15.5
Occupational Therapist	2.9	2.9	3.1	3.1	3.1	3.1
Occupational Therapy Assistant	0.6	0.6	0.6	0.6	0.6	0.6
Paraprofessional	77.8	76.2	76.8	76.8	78.0	82.8
Physical Therapist	1.5	1.5	1.5	1.5	1.5	1.5
Pre-School Teacher	4.9	4.6	5.9	5.7	7.3	7.3
School Adjustment Counselor	1.0	1.0	1.0	1.0	1.0	1.0
Secretary	2.0	2.0	2.0	2.0	2.0	2.0

Social Worker	3.0	2.6	4.0	3.0	3.0	3.0
Speech/Language Pathologist	10.8	10.4	9.6	9.6	9.8	9.8
Team Chair	4.0	6.0	6.2	5.7	6.6	6.0
Athletics	1.5	1.5	1.5	1.5	1.5	1.5
Assistant Principal	0.5	0.5	0.5	0.5	0.5	0.5
Secretary	1.0	1.0	1.0	1.0	1.0	1.0
Extracurricular	0.3	0.3	0.3	0.3	0.3	0.3
Assistant Principal	0.3	0.3	0.3	0.3	0.3	0.3
Health Services	9.3	9.3	9.3	9.3	9.3	9.3
District Administrator	0.2	0.2	0.2	0.2	0.2	0.2
School Nurse	8.8	8.8	8.8	8.8	8.8	8.8
Secretary	0.3	0.3	0.3	0.3	0.3	0.3
District Technology	5.4	6.1	6.4	5.4	5.4	5.4
Computer Technician	4.5	5.3	5.5	4.5	4.5	4.5
District Administrator	0.7	0.7	0.7	0.7	0.7	0.7
Info Systems Specialist	0.2	0.2	0.2	0.2	0.2	0.2
Facilities	20.0	20.0	19.9	19.9	19.9	19.9
Custodian	18.6	18.6	18.5	18.5	18.5	18.5
District Administrator	1.0	1.0	1.0	1.0	1.0	1.0
Secretary	0.4	0.4	0.4	0.4	0.4	0.4
Grant Funded	15.5	17.6	16.8	16.2	16.0	15.2
Data Analyst		1.3	1.0	0.8	0.8	-
District Administrator of Support Services		0.5	0.5	0.5	0.6	0.6
Metco Coordinator	1.0	1.0	1.0	1.0	1.0	1.0
Elementary Teacher	3.8	3.8	3.6	3.6	5.6	5.6
High School Teacher	4.0	3.0	3.0	3.0	2.0	2.0
Middle School Teacher	2.5	2.5	2.5	2.5	2.0	2.0
Pre-School Teacher	1.6	2.0	2.0	1.6	1.0	1.0
Team Chair	1.6	2.0	2.0	2.0	2.0	2.0
Paraprofessional	-	-	-	-	0.5	0.5
Tutor	1.0	1.6	1.2	1.2	0.5	0.5
Grand Total	566.9	571.3	567.6	556.7	560.5	556.7

Cost Center Budgets

Administration

The Administration cost center includes the salaries and expenses for Central Office administration which includes the following primary functions: School Committee, Superintendent, Assistant Superintendent, Business and Finance, Human Resources, and District-wide Data and Information Management.

The Administration cost center currently accounts for 2.4% of the total district budget, which is the average percentage in the last five years. This year, the district administration cost center has increased by \$117,134 or 12.6%. As shown in Figure 20, the major changes in this cost center are as follows:

- Cost of living adjustments for the Central Office Administrators and Staff. Please note that a salary increase has not been allocated for the Superintendent of Schools in the School Committee's FY19 Recommended Budget. (Professional Salaries and Clerical Salaries)
- The restoration of the School Business Assistant position by restructuring some expenses in the Administration cost center, the elimination of a 1.0 FTE High School Secretary Position, and salary savings from the restructuring of the Literacy Coach position. No additional funds were used to restore this position. (Clerical Salaries)
- An increase in employer contribution for Tax Sheltered Annuity (TSA). This is a benefit in the Teacher's Collective bargaining agreement and some members qualify with a \$175 contribution. (Employee Benefits)
- An increase in the cost of new employee physicals (Hiring and Recruiting).

The largest expenditure in this cost center is for the salaries of the four district administrators (Superintendent, Assistant Superintendent for Learning & Teaching, Director of Finance, Human Resources Administrator), and a portion (1/3rd) of the Network Administrator's salary representing his contribution to district data and information management, and the 4.8 FTE administrative assistants that support the district administration.

Figure 20: District Administration Budget by Detail

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Administrator	396,055	413,768	430,001	436,334	451,622	3.5%
Director	79,310	76,599	65,472	67,000	70,000	4.5%
Employee Benefits	-	-	5,287	-	-	0.0%
Manager	31,968	33,671	36,346	37,098	37,951	2.3%
Professional Salaries Total	507,333	524,038	537,106	540,432	559,573	3.5%
Administrative Assistant	234,572	235,653	214,157	217,061	293,493	35.2%
Employee Benefits	-	1,179	-	-	-	-
Revolving Fund Support	(35,000)	(35,000)	(35,000)	(40,000)	(40,000)	0.0%
Clerical Salaries Total	199,572	201,832	179,157	177,061	253,493	43.2%
Consulting Services	10,817	10,297	8,500	10,300	10,609	3.0%
Labor Counsel	15,159	16,194	22,959	27,720	27,720	0.0%
Telecommunications	44,380	46,987	48,658	51,892	53,000	2.1%
Contract Services Total	70,356	73,479	80,118	89,912	91,329	1.6%
Office	5,693	6,818	4,177	8,595	7,795	-9.3%
Supplies & Materials Total	5,693	6,818	4,177	8,595	7,795	-9.3%
Advertising	4,065	13,028	4,983	3,550	5,550	56.3%
Awards	292	71	224	600	600	0.0%
Dues & Memberships	14,600	12,241	13,125	13,495	14,158	4.9%
Employee Benefits	12,050	12,600	14,700	15,750	30,000	90.5%
Equipment	14,961	15,015	13,361	12,750	6,567	-48.5%
Hiring and Recruiting	25,880	31,570	28,211	25,101	31,800	26.7%
Postage	10,289	5,889	4,079	7,102	6,546	-7.8%
Professional Development	11,478	13,407	15,706	15,585	18,340	17.7%
Software Licensing & Support	14,313	12,855	13,537	16,925	18,240	7.8%
Travel	241	2,039	-	-	-	0.0%
Other Expenses Total	108,168	118,714	107,926	110,859	131,801	18.9%
Grand Total	891,123	924,880	908,483	926,857	1,043,991	12.6%

Figure 21: District Administration Staffing

	Budgeted			Actual	Budgeted	
	FY15	FY16	FY17	FY18	FY18	FY19
	FTE	FTE	FTE	FTE	FTE	FTE
Administration	9.1	9.1	8.1	8.1	8.1	9.1
Administrative Assistant	4.8	4.8	3.8	3.8	3.8	4.8
District Administrator	4.3	4.3	4.3	4.3	4.3	4.3

School Committee

The role of the School Committee is to recruit, hire, evaluate, and make employment decisions on the superintendent; review and approve budgets for public education in the district; and establish educational goals and policies for the schools in the district consistent with the requirements of law and statewide goals and standards established by the Board of Education. This District Administration Budget includes any expenses incurred by the School Committee, most notably, the district's membership to the Massachusetts Association of School Committees. Also funded here are incidental expenses related to printing and copying of school committee packets, postage and awards. The increases related to the School Committee within the Administration Budget fund an anticipated increase in dues and memberships and conference expenses for new Committee members.

Superintendent

The Superintendent of Schools serves as the chief educational leader for the school district. He works with the School Committee as well as with building administrators and central office administrators to develop the district's improvement plan strategic goals and objectives, to recommend a budget necessary to fund the district's and schools' strategic initiatives, and to ensure that funding is used to ensure the success of all students. The Superintendent supervises and evaluates all Central Office Administrators, Building Principals, and the Network Manager. In addition, the Superintendent co-supervises the Director of Facilities with the Town Manager. During FY'19, the Superintendent will lead the district and schools in achieving the one district goal and five focus areas as outlined in the Reading Public Schools Strategy for Improvement of Student Outcomes discussed below in the Organizational Section of this document. This includes, but is not limited to closing the achievement gap between the high needs subgroup and the general student population, improving literacy and mathematics instruction in our school district, improving social emotional learning for all students, and improving both external and internal communication with all stakeholders.

This District Administration Budget includes the salaries of the Superintendent and the Executive Assistant to the Superintendent. In addition, it includes expenses related to the operations of the Superintendent's office including the district's membership to the Massachusetts Association of School Superintendents, printing, copying and copier leases, postage, and professional development expenses including tuition reimbursement. The majority of the increase related to the Superintendent within the District Administration Budget funds compensation increases for administrative staff. There is not a salary increase for the Superintendent in the School Committee's FY19 Recommended Budget.

Assistant Superintendent

The role of the Assistant Superintendent for Learning and Teaching is to provide leadership to district administrators, teacher leaders, teachers, and support staff in the area of curriculum, instruction and assessment. The Assistant Superintendent for Learning and Teaching also supervises the Director of Community Education, the METCO Director, the Title 1 Coordinator, and the Elementary Technology Integration Specialist. He is also responsible for coordinating the district's professional development and curriculum planning activities, including the annual professional development institute held in Reading each spring. During FY'19, the primary focus of this position will be the continued implementation of the teaching and learning focus areas of the District Improvement Plan, the implementation of the state's curriculum standards, overseeing the district's professional learning communities, as well as the development of common assessments to inform instructional practices and curriculum alignment.

The District Administration Budget includes the salaries of the Assistant Superintendent for Learning and Teaching as well as a 0.5 FTE Administrative Assistant. Also funded are the incidental expenses such as printing, copying and copier leases, postage, and office supplies, as well as a membership to the Massachusetts Association of School Superintendents. The majority of the increase funds compensation increases.

Business and Finance

The role of the Director of Finance is to lead the school finance operations, including budget, financial reporting, payroll, accounts payable, accounts receivable, transportation, grants management, Medicaid reimbursement and purchasing. In addition, the Director of Finance supervises and evaluates the School Nutrition Director. In FY'19, some of the key areas of focus for this position will be continued

development and implementation of a long-range plan to address classroom and program space constraints. Another area of focus will be to continue to analyze resource allocation to ensure that funds are invested and expended to maximize student success. As always, we continue to work to enhance transparency around how funds are allocated and expended and to develop a system that helps us to measure our performance and connects expenditures to those performance measures. The Director of Finance will also continue to report to the School Committee any potential financial risk to the school district.

The District Administration Budget includes the salaries of the Director of Finance and Operations as well as 2.5 FTE administrative support staff who are responsible for the day to day tasks associated with payroll, accounts payable, accounts receivable, cash management, collections, reporting, grants management and procurement. In the School Committee's FY19 Recommended Budget, the restoration of the School Business Assistant is included. Also included within the District Administration Budget are expenses including membership to the Massachusetts Association of School Business Officials, professional development, printing, copying and copier leases, postage, advertising, and office supplies.

Human Resources

The Human Resources function is responsible for overseeing the recruitment and hiring of staff; monitoring compliance with personnel laws, regulations, policies, and procedures; ensuring compliance with collective bargaining terms and conditions; and complying with federal and state reporting requirements. In FY'19, some of the key areas of focus for this position will be to review and revise our personnel policies and procedures, strengthen our processes to better support staff, improve the hiring process for substitute teachers and paraprofessionals, and assist with the continued implementation of the educator evaluation system.

The District Administration Budget includes the salaries of the Human Resources Administrator as well as a 0.5 FTE administrative support staff. Also included are expenses including membership to the Massachusetts Association for School Personnel Administrators, recruiting and advertising expenses (including the district license for our applicant tracking and on-line application system, School Spring/Talent Ed), employee physical examinations, as well as printing, copying and copier leases, postage, and office supplies. The majority of the increase is due to the TSA contributions, which is a contractual obligation, and the increased costs of mandatory new employee physicals.

Legal Services

This function is for labor counsel employed by the School Committee to offer counsel and guidance in the area of labor law compliance and collective bargaining. The Reading School Committee employs for legal services with the firm of Stoneman, Chandler and Miller. We are level funding this area because the School Committee will be entering negotiations for the second year in a row with all five collective bargaining units as their contracts expire this year.

Information Management and Technology

The primary responsibility for this function is to comply with the data management and reporting requirements of the MA DESE which includes SIMS and EPIMS reporting which is done three times per year. Additional tasks include maintaining the district's student information management system as well as other district databases and systems including Blackboard Connect communication system.

The District Administration Budget includes a 0.25 FTE district data support staff person as well as 0.34 FTE district level technology and network management staff. The increase to this functional area funds salary increases.

Utility Services

This function is where expenses for all telecommunication services are charged, including telephone charges and wireless services for the district (not including equipment repairs which are charged to the district-wide technology budget). The slight increase in the School Committee's FY19 Recommended Budget is an adjustment based on an increase in the telephone contract.

Retirement Contributions

This budget line includes funding for the district's contractual obligation to match \$175 of contributions for teachers' tax sheltered annuity plans for those teachers hired after the 1998-99 school year. Each year for the past several years, additional staff have qualified and taken advantage of this benefit. The FY'19 budget is based on this historical trend.

Figure 20 above shows the District Administration Budget by detailed expense category. This information provides the reader with a line by line analysis of the changes in the district administration budget.

Regular Day

The regular day budget funds all of the salaries and expenses related to delivering core instructional programs to our general education students. This includes the salaries for building principals, professional staff, and support staff supporting the regular education program. Expenses included in the regular day budget include transportation for general education students; curriculum materials; professional development; instructional materials, supplies, and equipment; instructional technology; library materials and technology; and other instructional services. The Regular Day Cost Center budget accounts for 58.1% of the total School Committee's FY19 Recommended Budget.

As Figure 22 indicates, the School Committee's FY19 Recommended Budget includes a 0.5% decrease or -\$125,145 for the Regular Day Cost Center. The major changes in this cost center are as follows:

- A reduction of 3.0 FTE Elementary Classroom teachers (\$197,251)
- A reduction of 7.0 FTE Middle School Classroom teachers (\$485,880)
- A reduction of 2.0 FTE Regular Education Tutors (\$40,105)
- The restoration of districtwide technology funds (\$50,000), per pupil building expenditures (\$100,000), and substitute teachers (\$98,000) to FY17 levels. These were one time unsustainable reductions to address the restoration of the 7.0 FTE Middle School Teachers in the FY18 budget.
- An addition of 1.0 FTE Kindergarten Teacher (\$60,000) to address an increase in kindergarten enrollment, half of which is funded through an increase in the offset from the revolving account.
- An addition of 2.0 FTE Kindergarten Paraeducators (\$38,000) to address an increase in kindergarten enrollment, half of which is funded through an increase in the offset from the revolving account.

- The restructuring of the literacy coach position (\$88,000) to the data coach position (\$66,636). No additional funding was added for this restructuring.
- The restructuring of a 1.0 FTE High School Secretary Position (\$35,000) and salary difference from the data coach restructuring (\$21,364) to the Administration Cost Center along with administration cost center expenses (\$13,000) for the restoration of the 1.0 FTE School Business Assistant. No additional funding was added for this restructuring.
- The addition of a second bus for regular day transportation during the current fiscal year that was not originally budgeted for in the FY18 budget along with a contractual increase in bus transportation. In addition, an increase in homeless student transportation.

Increases in this cost center include salary and benefit obligations to employees per collective bargaining agreements and non-union COLA adjustments. All five collective bargaining agreements are ending in the current fiscal year and the School Committee will be negotiating new agreements with each collective bargaining unit. The FY'19 budget level funds building based per pupil funding from FY17. The School Committee's FY19 Recommended Budget does not include funding for the third and final year of science curriculum implementation. We will address this cost in the override budget recommendations.

Professional salaries in the regular day budget reflects a 1.7% decrease in the FY'19 School Committee's Recommended Budget. This is again due to the 10.0 FTE teacher reductions in the Regular Day cost center. The FY'19 budget funds all salary and benefit obligations to employees per the collective bargaining agreements and non-union COLA adjustments.

Salaries in the regular day budget are also offset by revenues from full day kindergarten (\$949,000) and the state's METCO grant (\$60,000).

Figure 22: Regular Day Budget by Detail

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Assistant Principal	437,180	467,963	472,476	442,413	450,073	1.7%
Department Head Stipend	310,963	314,791	321,202	333,406	337,792	1.3%
Employee Benefits	147,192	46,473	89,200	100,611	87,161	-13.4%
Guidance	361,037	387,576	396,212	391,078	448,168	14.6%
Instructional Specialist	-	159,378	158,402	37,289	66,636	78.7%
Library	535,421	561,053	568,525	594,356	611,962	3.0%
Principal	899,715	915,415	941,092	937,623	965,293	3.0%
Psychologist	733,280	674,922	696,026	845,164	846,452	0.2%
Reading	594,842	605,503	583,137	612,335	598,075	-2.3%
Revolving Fund Support (Full Day Kindergarten)	(820,000)	(870,000)	(900,000)	(900,000)	(949,000)	5.4%
State Grant Support (METCO)	(93,490)	(109,332)	(103,283)	(60,000)	(60,000)	0.0%
Stipends	193,042	206,462	215,074	203,675	216,813	6.5%

Substitutes	180	174,458	159,800	100,000	103,000	3.0%
Teacher	16,977,910	17,405,740	17,559,847	18,378,119	17,916,757	-2.5%
Technology Integration	310,979	328,155	294,014	313,264	301,886	-3.6%
Professional Salaries Total	20,588,251	21,268,556	21,451,725	22,329,333	21,941,068	-1.7%
Employee Benefits	1,200	8,318	3,169	650	-	-100.0%
Secretary	448,185	462,905	470,955	466,448	443,329	-5.0%
Clerical Salaries Total	449,385	471,223	474,124	467,098	443,329	-5.1%
Employee Benefits	2,347	931	750	750	750	0.0%
Paraprofessional	730,948	688,017	686,109	801,372	818,046	2.1%
Substitutes	295,653	279,044	305,231	189,520	292,205	54.2%
Tutoring Services	-	-	7,779	-	-	
Other Salaries Total	1,028,947	967,992	999,869	991,642	1,111,001	12.0%
Instructional Services	1,125	7,600	4,300	-	25,000	
Transportation	77,629	86,312	93,609	77,200	126,000	63.2%
Contract Services Total	78,754	93,912	97,909	77,200	151,000	95.6%
Art	31,733	27,427	29,849	28,050	28,438	1.4%
Business	3,575	3,277	2,474	4,000	4,000	0.0%
Curriculum, Elementary	35,981	49,078	65,115	39,450	39,740	0.7%
Curriculum, High School	4,740	30,037	11,179	37,285	17,215	-53.8%
Curriculum, Middle School	7,885	3,346	2,067	16,600	16,300	-1.8%
English Language Arts	23,145	26,633	31,758	36,650	34,170	-6.8%
Equipment	3,466	695	-	-	-	
Foreign Language	11,743	10,041	4,483	9,750	11,000	12.8%
Furnishings	8,165	6,811	10,835	6,432	8,000	24.4%
Guidance	2,040	742	986	2,000	1,000	-50.0%
Kindergarten	1,937	1,191	900	1,600	600	-62.5%
Library	23,416	17,752	14,769	13,605	14,200	4.4%
Library Technology	75	235	94	1,840	-	
Math	45,278	49,115	52,760	59,927	60,104	0.3%
Office	19,704	14,119	18,075	17,741	18,394	3.7%
Other	76,759	46,049	41,786	42,020	51,503	22.6%
Paper	38,015	40,096	56,249	37,987	42,700	12.4%
Performing Arts	10,364	12,901	7,007	13,730	13,900	1.2%
Peripherals	1,724	-	-	1,200	1,200	0.0%
Physical Education	12,107	10,945	13,342	15,397	12,300	-20.1%
Printer	30,735	23,852	21,809	15,200	27,400	80.3%
Professional Development	6,943	7,096	2,911	4,400	5,250	19.3%
Psychology	459	112	-	358	400	11.7%
Reading	17,607	15,295	11,723	11,406	13,666	19.8%
Science	38,153	27,710	32,930	53,352	100,323	88.0%
Social Studies	7,632	9,660	7,487	13,000	28,100	116.2%
Software	33,808	38,973	48,188	52,380	63,170	20.6%

Teacher Resources	2,078	2,311	8,195	2,100	3,210	52.9%
Teacher Supplies	27,487	19,448	28,373	16,750	19,000	13.4%
Technology	51,709	74,883	5,598	24,093	20,031	-16.9%
Testing	7,191	5,407	3,908	3,600	3,900	8.3%
Workbooks & Consumables	11,754	2,525	2,141	16,158	13,000	-19.5%
Supplies & Materials Total	597,407	577,761	536,989	598,062	672,212	12.4%
Dues & Memberships	14,141	6,129	8,769	17,525	17,035	-2.8%
Equipment	75,498	74,028	64,119	68,829	57,691	-16.2%
Field Trip Travel	620	790	450	1,162	800	-31.2%
Graduation	7,772	7,391	8,620	5,000	6,000	20.0%
Instructional Services	141	-	-	800	300	-62.5%
Library Technology	1,645	-	-	-	-	
Other	570	523	1,116	1,600	600	-62.5%
Professional Development	224,420	170,500	150,022	233,110	209,180	-10.3%
Software Licensing & Support	77,164	105,412	68,863	83,075	83,075	0.0%
Technology	40,671	49,701	38,296	83,000	139,000	67.5%
Other Expenses Total	442,643	414,473	340,255	494,102	513,681	4.0%
Grand Total	23,185,387	23,793,917	23,900,871	24,957,436	24,832,291	-0.5%

Figure 23: Regular Day Staffing

	Budgeted			Actual	Budgeted	
	FY15	FY16	FY17	FY18	FY18	FY19
	FTE	FTE	FTE	FTE	FTE	FTE
Regular Education	349.1	347.8	341.8	331.7	332.8	325.1
Assistant Principal	4.3	4.3	4.5	4.5	4.3	4.3
Elementary Teacher	107.0	107.1	103.6	101.6	100.4	98.4
ELL Teacher	1.5	2.5	2.5	2.5	2.5	2.5
Guidance Counselor	5.6	5.6	5.2	5.2	5.6	5.6
High School Dept Chair	3.8	3.8	3.3	3.3	3.3	3.3
High School Teacher	78.4	78.4	74.7	70.9	70.3	70.3
Instructional Coach		2.0	2.0	1.0	0.2	1.0
Library/Media Specialist	7.0	7.0	7.9	7.9	7.9	7.9
Middle School Teacher	65.9	65.7	65.7	65.7	65.8	58.8
Paraprofessional	24.4	21.8	22.0	18.7	21.5	23.5
Principal	8.0	8.0	8.0	8.0	8.0	8.0
Reading Specialist	7.5	7.5	7.3	7.3	7.0	7.0
School Adjustment Counselor	1.0	1.0	1.0	1.0	1.0	1.0
School Psychologist	10.5	9.5	9.6	10.6	10.0	10.6
Secretary	11.0	11.0	11.0	11.0	11.0	10.0
Supervisor of Students	1.0	1.0	1.0	-	-	-
Technology Specialist	2.0	2.0	3.6	3.6	3.4	3.4
Tutor	10.3	9.7	8.9	8.9	10.5	9.6

Figure 24: Building Budgets

	Initial Fiscal 2018 Per Pupil Analysis			Revised Fiscal 2018 - reflects \$100,000 decrease to balance budget		Fiscal 2019 Per Pupil Analysis		
	10/1/2016	Per Pupil	FY18	FY18	\$ Amount	10/1/2017	Per Pupil	FY19
	Enrollment	Value *	Per Pupil	Revised	of Change	Enrollment	Value	Total Per Pupil
Barrows	385	\$161	\$61,985	\$52,909	-\$9,076	377	\$171	\$64,467
Birch	383	\$161	61,663	\$52,634	-\$9,029	370	\$171	63,270
Meadow	428	\$161	68,908	\$58,818	-\$10,090	388	\$171	66,348
Eaton	427	\$161	68,747	\$58,681	-\$10,066	421	\$171	71,991
Killam	319	\$161	51,359	\$43,839	-\$7,520	290	\$171	49,590
Wood End	466	\$157	73,162	\$62,449	-\$10,713	476	\$157	74,732
Coolidge	572	\$157	89,804	\$76,655	-\$13,149	563	\$157	88,391
Parker	<u>1,270</u>	\$163	<u>207,328</u>	<u>\$176,970</u>	<u>-\$30,357</u>	<u>1,250</u>	\$163	<u>204,125</u>
RMHS								
	4,250		\$682,956	\$582,956	-\$100,000	4,135		\$682,914

As part of the regular day cost center budget, each school is allocated an amount of funds to operate the day to day activities of the school. As show in figure 24 above, this funding is based on the October 1st student enrollment multiplied by a per pupil amount. As indicated in the chart above, the total per pupil was reduced by \$100,000 in the current fiscal year (FY18) as part of a one-time reduction to restore the 7.0 FTE middle school teachers. In FY19, the total school based funding was level funded from FY17, but the per pupil values were redistributed by school level to reflect the change in costs in our school district. The High School per pupil was decreased and the middle school and elementary per pupil values were increased to reflect an increase in expenses at the elementary and middle schools, especially in the transition to a new science program.

The building budget spending line items for all eight schools are distributed throughout Figure 22 above. The expenses are totaled together for all eight schools and are primarily located the in the *Supplies and Materials* section and in the *Other Expenses* section. The total amount spent by a school is located above in their allocated *Total Per Pupil*. Per pupil spending at each building is used for the following expenses:

- Building supplies for office and classrooms
- Text and materials and consumables
- Classroom furniture
- Classroom equipment/technology
- Art and physical education materials and supplies
- Paper
- Copier leases

- Memberships/dues
- Instructional software and ongoing software license and maintenance fees
- Testing supplies
- Conferences/workshops/professional development
- Graduation expenses (High School)

Figure 22 above shows the School Committee's FY19 Recommended Budget for regular day by detailed expenditure category. This information is intended to provide more specific information on regular day expenditures.

Special Education

The special education cost center includes the salaries and expenses necessary to provide special education and related services to the children in our community. The goal of the Student Services Department is to provide high quality programs and services within the district and to identify and place children in out-of-district programs only when the programs or services that are offered within the district are not adequate or appropriate to address a child's particular needs. As mandated by the Individuals with Disabilities Education Act (IDEA) and Section 504 of the Americans with Disabilities Act, we strive to provide programs and services to allow our students with disabilities to be educated in the least restrictive environment that enables them to make effective progress. In-district expenditures make up 67% of the School Committee's FY19 Recommended special education budget while out-of-district expenditures comprise the other 33% of the School Committee's FY19 Recommended special education budget. This is a shift of 7% from FY17 where in district expenditures were 71% and out of district were 29%.

The major financial changes in the cost center are as follows:

- Cost of living adjustments and step and column increases for special education teachers, therapists, and special education paraeducators as per collective bargaining agreements.
- Cost of living adjustments for non-represented personnel.
- An increase in Out of District Placements resulting in increases in tuition expenses and transportation expenses. We have not funded this line item at the full amount and anticipate a need to request additional funding at Town Meeting next November.
- A \$200,000 decrease in Circuit Breaker reimbursement.
- A decrease in the IDEA grant as a result of decreased funding and the proportionate share calculation.
- A decrease in the special education tuition revolving account (\$100,000) due to less students being tuitioned in to our programs next year.
- The addition of a 1.0 FTE RISE Preschool Teacher (\$85,197) for an additional sub-separate classroom for identified three-year-old students with disabilities. This classroom will be added beginning in January, 2018 and was not identified as a need in the FY18 budget.
- The addition of 3.0 FTE RISE Special Education Paraeducators for an additional sub-separate classroom for identified three-year-old students with disabilities. This classroom will be added beginning in January, 2018 and was not identified as a need in the FY18 budget.
- The addition of 3.0 FTE Special Education Paraeducators for identified needs in our special education programs for the 2018-19 school year.

- The restructuring of an existing .5 BCBA (\$35,000) and consultative/home tutoring services (\$40,000) to increase the position to a 1.0 FTE BCBA. No additional funding was used in this restructuring.
- An increase in Special Education Professional Development (\$15,000) from zero to address the decrease in the state program improvement grant. This funding will be used to help analyze reading services in our schools that have language based programs.

The majority of the in-district portion of the budget funds the salaries of the teaching, therapeutic and support staff in our different in-district special education programs. We currently have six different types of in-district programs, described below, as well as a learning center at each school. Program enrollments for each of the program are shown in Figure 26 below.

- **Crossroads:** Students within the Crossroads program have significant cognitive and learning challenges, as compared to students within Learning Center. The Crossroads classrooms provide identified students with specialized and skills based instruction through a modified curriculum primarily in English Language Arts and math, as identified by individual student IEPs. Students are included within the general education classroom for social studies, science and electives/specials. Students also have academic support blocks built in to their schedule. Program specific paraprofessionals may also provide academic, social and behavioral support and accommodations in both the Crossroads and general education classrooms. Located at Wood End, Coolidge, and RMHS.
- **Compass:** Students within the Compass program have significant cognitive and learning challenges, as compared to students within Learning Center or Connections. The Compass classroom provides access to the curriculum through specific entry points, through the use of highly modified curriculum and intensive accommodations. Students receive instruction in the areas of functional daily living skills, communication, academic readiness, and academics. Students may require the use of AAC and other non-verbal modes of communication. Students may attend specials (art, music, PE, library) with their class or an adaptive class. Located at Birch Meadow, Wood End, and Coolidge. This program also provides opportunities for community trips.
- **Connections:** The Connections program is designed for student who have a diagnosis of Autism Spectrum Disorder or suggestion of tendencies that align with a spectrum diagnosis that makes it difficult for the student to make effective progress socially, organizationally and/or academically. The students may social deficits and/or verbal and non-verbal communication deficits that interfere with their ability to make effective progress across settings without support. At the elementary level, the program is co-taught classroom. At middle and high school supports are provided both in and out of the general education setting. Located at Birch Meadow, Coolidge, and RMHS.
- **Therapeutic Support Program (TSP):** TSP was developed to be a support program that provides a flexible inclusion model where students can receive full support in the TSP classroom with the goal of moving toward full inclusion. Designed to meet the individual needs of students as they progress and manage emotional regulation so that they may become successful members of the General Education Classroom. TSP is a safe therapeutic environment that provides academic, behavioral, social and emotional supports in order to improve functioning in these areas. Students can access support staff and program when experiencing difficulty as a result of frustration with academic, emotional and social challenges. The program utilizes the IEP process to provide students with appropriate supports and determine measurable goals to help achieve

student successes. The student's primary disability must be Emotional, Health, or Neurological. The student's IEP Team must determine that the student requires a comprehensive program to meet the needs of his or her disability. Located at Killam, Coolidge, and RMHS.

- **Bridge:** Specific Learning Disability with difficulty in expressive or receptive language when their profile is consistent with a Language Based Learning Disability. A Language Based Learning Disability should be denoted as the primary disability. The student has a language based learning disability that impedes decoding and encoding skills, such that structured, multi-sensory instruction is required. Current evaluations reveal that the student demonstrates average to superior cognitive abilities. Students' profiles typically depict well-developed reasoning and comprehension skills with relative weaknesses in processing speed and working memory. However, students may also have a documented expressive /receptive language disability. The students are struggling in the general education classroom Recent evaluations should include cognitive, educational (reading, written language and math), and speech and language evaluations. Prior to the referral, students should be receiving maximum targeted pull-out services to address their areas of their deficit. The team has determined that the severe discrepancy between academic achievement and their ability are not primarily a result of behavior issues, excessive school absences, or severe attentional issues. Located at Joshua Eaton, Parker, and RMHS.
- **POST:** A collaborative post-secondary program that provides experiential and educational opportunities in the areas of daily living, employment, community inclusion, recreation, leisure and real-world academic skills in order to promote successful transition to adulthood. The main goal for the program is for young adults to gain the skills to become integrated members in our community. A collaboration between the Wakefield Public Schools and the Reading Public Schools. This program services students who are ages 18-22 and is located in Wakefield.
- **Learning Centers** – Students identified with any of the ten disability eligibility categories. Located at each of our schools.

As you can see from Figure 25 below, we have seen a decrease in the number of students on IEPs and an increase in students requiring out of district placements.

Figure 25: Special Education Enrollment

Academic Year	Total Enrollment	# of Students on IEP	% of Students	% of Students Statewide	# of Students Out of District
2005-06	4282	694	16.2%	16.4	73
2006-07	4332	707	16.3%	16.7	67
2007-08	4416	753	17.1%	16.9	73
2008-09	4428	771	17.4%	17.1	63
2009-10	4392	758	17.3%	17.0	59
2010-11	4459	734	16.5%	17.0	51
2011-12	4447	768	17.3%	17.0	64
2012-13	4483	737	16.4%	17.0	64
2013-14	4432	767	17.3%	17.0	50
2014-15	4407	809	18.4%	17.1	61
2015-16	4394	791	18.0%	17.2	64
2016-17	4377	727	16.6%	17.4	53
2017-18	4275	724	16.9%	N/A	69

Special education expenses present a unique challenge to school districts due to their variability and lack of predictability. Our goal is always to provide the highest quality services to students and to provide those within the district. Over the last ten years, our district has increased its in-district special education programs from one program to nine different programs across the district.

Figure 26 below shows the enrollment for our students who receive services via an Individualized Education Plan (IEP) through our learning centers, services, and programs and the number of students who attend out of district placements to receive their services. Descriptions of each program can be found above. The total number of children in our in district special education programs is 169 with the greatest number of students currently in the Connections program.

Figure 26: SY'2016-17 Special Education Program and Learning Center Enrollment

	K	1	2	3	4	5	6	7	8	9	10	11	12	PG	Total
Bridge				3	3	3	2	6	6	4	8	1	0	0	36
Compass	1	4	4	1	2	2	5	0	0	0	0	0	0	0	19
Connections	1	6	3	5	2	4	8	7	4	3	6	2	2	0	53
Crossroads	1	0	2	4	1	3	1	3	1	1	3	1	0	0	21
Learning Center	12	20	33	34	47	40	47	43	42	41	39	41	28		467
Post														2	2
TSP	0	0	1	0	1	5	0	5	5	3	7	6	5		38
Total															636
OOD	2	1	0	1	4	1	3	4	4	5	7	17	11	7	67
	17	31	43	48	60	58	66	68	62	57	70	68	46	9	703

The special education budget comprises 32.1% of the total FY'19 School Committee's Recommended Budget, an increase from 30.3% last year. The Special Education Cost Center budget is projected to increase 9.1% over FY'18 budgeted levels or \$1,147,058 which represents 86.8% of the total increase for FY'19.

Figure 27: Special Education Budget by Detailed Expense Category

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Director	204,976	216,852	227,926	231,618	239,877	3.6%
Employee Benefits	16,372	3,450	3,750	4,250	2,550	-40.0%
Extended Year Services	58,688	79,454	81,028	92,000	99,750	8.4%
Manager	41,508	23,069	23,452	24,974	25,346	1.5%
Nurse	97	3,860	4,611	-	4,200	100.0%
Occupational Therapist	190,413	226,302	244,300	255,326	259,780	1.7%
Physical Therapist	113,192	113,967	119,111	122,740	125,275	2.1%
Psychologist	347,401	345,739	454,951	390,774	403,634	3.3%
Physical Therapist	-	5,167	5,712	6,072	6,393	5.3%
Reading	9,763	-	-	-	-	0.0%
Revolving Fund Support	(636,270)	(913,485)	(578,000)	(628,000)	(528,000)	-18.9%

Special Education Teacher	3,142,778	3,367,847	3,551,956	3,957,995	4,135,545	4.5%
Speech Therapist	720,707	740,178	749,598	781,189	825,813	5.7%
Stipends	51,901	320	-	-	-	0.0%
Substitutes	-	26,229	20,028	-	-	0.0%
Team Chair	223,289	494,076	504,599	491,275	587,802	19.6%
Professional Salaries Total	4,484,815	4,733,026	5,413,021	5,730,212	6,187,965	8.0%
Employee Benefits	2,827	15,400	-	-	-	0.0%
Secretary	69,165	74,835	86,980	91,322	95,168	4.2%
Clerical Salaries Total	71,991	90,235	86,980	91,322	95,168	4.2%
Employee Benefits	1,114	1,341	750	750	375	-50.0%
Extended Year Services	37,077	35,859	41,968	42,000	52,000	23.8%
Paraprofessional	1,798,912	1,860,575	1,906,477	2,083,880	2,281,156	9.5%
Professional Development	225	487	-	-	-	0.0%
Substitutes	1,464	3,327	3,266	-	-	0.0%
Other Salaries Total	1,838,792	1,901,588	1,952,461	2,126,630	2,333,531	9.7%
Districtwide Leadership	75,893	92,137	81,305	75,000	65,000	-13.3%
Field Trip Travel	1,760	2,850	2,263	1,425	1,425	0.0%
Legal Services	76,068	99,945	146,644	81,000	81,000	0.0%
Other Instructional Services	914	5,979	12,615	5,500	5,500	0.0%
Professional Development	2,900	31,267	1,200	-	-	0.0%
Psychological Services	31,544	9,076	21,625	8,500	8,500	0.0%
Pupil Transportation	896,097	931,677	941,551	1,005,000	1,250,000	24.4%
School Leadership	2,117	2,000	-	-	-	0.0%
Substitutes	45,773	-	-	-	-	0.0%
Testing & Assessment	5,358	1,200	(526)	5,400	5,400	0.0%
Therapeutic Services	416,335	332,727	412,393	268,369	250,000	-6.8%
Contract Services Total	1,554,759	1,508,857	1,619,069	1,450,194	1,666,825	14.9%
Equipment	-	1,154	-	-	-	0.0%
Furnishings	923	611	356	-	-	0.0%
General Supplies	10,742	1,047	1,337	2,350	2,350	0.0%
Instructional Equipment	177	-	451	-	-	0.0%
Office	1,493	1,071	1,522	1,000	1,000	0.0%
Other	1,385	2,976	35	1,500	1,500	0.0%
Postage	2,911	3,255	4,501	2,050	2,050	0.0%
Psychology	-	-	-	3,000	3,000	0.0%
Software	233	699	100	200	200	0.0%
Special Education	18,307	19,082	24,810	15,640	15,640	0.0%
Technology	7,181	-	-	-	-	0.0%
Testing	34,048	32,401	31,014	23,255	23,255	0.0%
Supplies & Materials Total	77,401	62,295	64,125	48,995	48,995	0.0%
Advertising	-	-	207	210	210	0.0%
Districtwide Leadership	-	412	-	1,500	1,500	0.0%

Dues & Memberships	765	1,586	1,839	2,284	2,284	0.0%
Equipment	6,873	5,487	3,587	3,540	3,540	0.0%
Instructional Equipment	2,349	2,063	94	-	-	0.0%
Instructional Technology	12,598	8,169	6,606	10,000	5,000	-50.0%
Other Fixed Charges	22,916	21,053	24,673	21,000	25,500	21.4%
Postage	1,700	1,976	695	2,600	2,600	0.0%
Professional Development	26,249	16,351	24,270	-	15,000	100.0%
Pupil Transportation	21,367	12,508	14,574	12,000	15,000	25.0%
Software Licensing & Support	17,799	28,126	17,116	18,000	21,900	21.7%
Therapeutic & Adaptive Equipment	21,145	17,027	13,570	10,000	10,000	0.0%
Travel	2,060	1,685	2,871	1,425	2,800	96.5%
Tuition - Out of District	2,090,602	2,556,680	2,470,130	3,016,681	3,255,834	7.9%
Other Expenses Total	2,226,423	2,673,123	2,580,232	3,099,240	3,361,168	8.5%
Grand Total	10,254,181	10,969,125	11,715,889	12,546,594	13,693,652	9.1%

As described in Figure 27 above, salaries make up the largest share of the special education budget at 63.0% of the total for this cost center. The next largest category is other expense which includes the tuition for students who are placed out-of-district in specialized programs. Contract services follows and this is where the transportation for both in-district and out-of-district students is budgeted. Supplies and materials are the smallest percentage of this cost center budget.

The percentage of increase in professional salaries is driven by several factors, including, step, column change and cost of living increases. Additionally, we are increasing the 0.5 FTE BCBA to a 1.0 FTE BCBA through the restructuring of contracted services and home tutoring funds. Last year this position was posted as a 0.5 FTE position and the District was not able to attract a candidate to fill the position. As a result, BCBA services were contracted out at an estimated \$110 per hour.

During the 17-18 school year we added a substantially separate RISE preschool classroom at Wood End. The preschool teacher along with 3 paraprofessionals have been added to the FY 19 budget. The District is required to provide services to eligible children when they turn 3. During the 17-18 school year the District is anticipating 9 additional students requiring placement in a substantially separate classroom. Through the District's collaboration with Early Intervention we learn of the students and their educational needs approximately 6 months in advance of his or her 3rd birthday.

During the 2014-2015 school year, Walker Associates conducted a comprehensive program review of the special education programs and supports for the Reading Public Schools. This report outlines some of the changes that need to be made for special education.

The District continues to work on implementation of the recommendations with a focus on those items that do not have a financial impact, but result in increased outcomes for our students. During the 2016-2017 school year the following recommendations were implemented

- Through the MTSS framework the District continues to work on the development of a consistent student support process at each building that identifies struggling learners, developed a plan for

interventions and if appropriate refers students for special education evaluations. This continues to be a focus of the work being done through the MTSS framework. This work is enhanced by the addition of intervention blocks at each school to provide targeted assistance to struggling learners. The District Data Coach is also able to provide building teams with accessible data to support this process.

- The TSP programs at all levels have continued to refine the work they are doing. At elementary there was an addition of a 0.5 FTE special education teacher created through a restructuring of paraprofessional positions. This position allows for a continuum of service model where some students are in a substantially separate classroom, some are partial inclusion and some are full inclusion. At the Middle School level, the TSP classroom has developed a chill zone where students can relax or work on coping skills. At the High School level, small group academic classes have been created for those students who require that level of support. The program is also providing a small group PE class which is tailored to the needs of the students in the program.
- The Special Education program PLC time continues to provide teachers the opportunity to review their program descriptions, discuss methodology and review student data. The District hopes to post more program information on the Student Services website at the end of the 2017-2018 school year.
- The District has implemented a procedure for determining when a paraprofessional is needed and is being revised. This process that includes a rubric for the IEP Team to consider is being revised this year based on feedback from staff.
- The District has more stability in the Team Chair role across building. This current year the District had 2.0 FTE vacancies; one from the move of a Team Chair to RISE Preschool Director and one from an on-going vacancy from 16-17 at the High School. As of January 2, 2018, both positions are filled and will allow for consistency in special education process. It should be noted that the District no longer has an Out of District Coordinator which requires all Team Chairs and the Director of Student Services to manage Out of District cases.
- The Team Chairs have been able to provide more leadership in the buildings they work in. Through regular special education department meetings, they are able to ensure more consistent practices, ensure compliance with state and federal regulations and encourage the sharing of practices. In one of our buildings the Team Chair is providing time for teachers to share data with each other to encourage data driven dialogue and collaborative problem solving.

There continue to be areas that need work or have financial implications from the Walker report:

- Space continues to be a challenge in meeting the needs of all special education students. The building principals work closely with staff to arrange schedules that ensure the most appropriate spaces in each building to service students. Although we monitor these spaces closely there are shared spaces and some alternative spaces where services are provided. Our focus is to ensure that students in our substantially separate and partial inclusion programs have comparable spaces to the general education settings. To provide high quality programming, we need to have appropriate spaces.
- The Student Services office is under staffed with both administrative and clerical support. These gaps in staffing impact the ability to complete district level work and also impact the ability to maintain both electronic and paper records that are easily accessible to staff. The Administrative

staff and clerical support are important components to ensuring student success in special education. Administrators provide not only the leadership needed to move the district forward, but also complete the many regulatory requirements that the state and federal government require. The clerical support aides both administrators and teachers as the special education process requires extensive paperwork in order to demonstrate compliance. The clerical support allows teachers to be focused on working with students and not copying or mailing documents.

- The administrative team needs to begin the work on defining inclusion and co-teaching. Some buildings are exploring ways to create more co-taught environments for students. This process requires district level support as well as professional development and co-planning time for the teachers involved.

In the FY 19 budget we are proposing the inclusion of a 1.0 BCBA, as well as the addition of the preschool classroom staff that was added to the FY 18 budget. The preschool staffing includes a full time preschool teacher and 3.0 paraprofessionals for the additional substantially separate classroom.

We currently have a 1.0 BCBA which was added during the 2015-2016 school year. Our current 1.0 BCBA is used to support the Compass, Crossroads, Connections and POST program at all levels. This is over 92 students that she may work as a member of their team. The BCBA provides consultation to teams on behavior intervention plans, she completes functional behavioral assessments and provides staff and parent consultation. With this in-district support we continue to have limitations and need to contract out to support other programs and additional students. During the 2015-2016 school year we utilized grant funding to provide monthly BCBA consultation to the TSP program. This school year we are projecting that we will be spending roughly \$22,500 in BCBA services for approximately 11 students. The addition of the 1.0 FTE BCBA will be used to support only special education students at this time and will continue to focus on our in-district programs, as well as home services that are required per student IEPs. Having BCBA consultation allows us to be responsive to challenging student behaviors and to utilize data to show when students are progressing and when they are not. This budget includes a reduction of \$40,000 in the consultation and home tutoring line in order to support the salary of a 1.0 FTE BCBA which is an increase of 0.5 from last year's budget.

Figure 28: Special Education Staffing

	FY15 FTE	FY16 FTE	FY17 FTE	Budgeted FY18 FTE	Actual FY18 FTE	Budgeted FY19 FTE
Special Education	156.9	159.7	163.6	164.4	167.4	172.0
Behavior Analyst (BCBA)		1.0	1.0	1.5	1.6	2.0
District Administrator	1.0	1.0	1.0	1.0	1.0	1.0
District Administrator of Support Services	1.0	0.6	0.6	0.6	0.4	0.4
District Evaluator	1.0	1.0	1.0	1.0	1.0	1.0
Elementary Teacher	22.7	23.2	23.8	25.8	24.0	24.0
High School Teacher	8.2	9.6	10.0	11.0	11.0	11.0
Middle School Teacher	14.5	15.5	15.5	14.5	15.5	15.5
Occupational Therapist	2.9	2.9	3.1	3.1	3.1	3.1
Occupational Therapy Assistant	0.6	0.6	0.6	0.6	0.6	0.6
Paraprofessional	77.8	76.2	76.8	76.8	78.0	82.8
Physical Therapist	1.5	1.5	1.5	1.5	1.5	1.5
Pre-School Teacher	4.9	4.6	5.9	5.7	7.3	7.3
School Adjustment Counselor	1.0	1.0	1.0	1.0	1.0	1.0
Secretary	2.0	2.0	2.0	2.0	2.0	2.0
Social Worker	3.0	2.6	4.0	3.0	3.0	3.0
Speech/Language Pathologist	10.8	10.4	9.6	9.6	9.8	9.8
Team Chair	4.0	6.0	6.2	5.7	6.6	6.0

Figure 27 above shows the FY'19 School Committee's Recommended Budget by detailed expenditure category. This information is intended to provide more specific information on special education expenditures.

Districtwide Programs

This cost center includes the budgets for Health Services, Athletic Programs, Extracurricular Programs, and Districtwide Networking and Technology Maintenance. These programs are grouped into the Districtwide Programs cost center since none of the expenses can be allocated to either regular day or special education. In other words, these expenses are for the benefit of both general education and special education students.

The major changes to this cost center are as follows:

- Contractual increases for represented and non-represented personnel in this cost center including nurses, technicians, athletic coaches, extra-curricular stipends, athletic director, and network manager.
- Contractual increases in athletic expenses for pool rental, ice rink time, and athletic transportation.

- A decrease of \$50,000 in the athletics revolving account offset due to an anticipated decrease in user fee revenue. This anticipated decrease in revenue is due to a combination of an increase in the number of students who are on free and reduced lunch and that the family caps were not increased last year when the user fee was increased.
- An increase for renewal of our anti-virus protection and other technology software services.
- A reduction in the number of non-league games played per level and per sport. This is the equivalent of one home game and one away game (\$20,473) per level per sport. The savings will include bus transportation for away games and game officials for home games.

Overall, this cost center budget is projected to increase by 5.2%. This cost center accounts for just 4.3% of the total budget and has remained between 4.0% and 4.5% for the last several years. While the proportion overall has not changed significantly, there have been shifts between various programs within this cost center. The Districtwide budget by individual program is shown below in Figure 29 below. The largest program budget is for health services (35.6%), followed by athletics (32.7%), district technology (27.6%); extracurricular is the smallest program budget at 4.0% of the total district-wide programs budget. In total, the increase of \$91,195 comprises 7.6% of the total increase for FY'19.

Figure 29: District-wide Budget by Program

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Athletics	428,798	405,771	563,586	562,691	604,257	7.4%
Extra Curricular	55,335	49,854	81,255	55,035	75,250	36.7%
Health Services	606,827	595,806	617,945	658,484	657,350	-0.2%
Technology	523,933	502,808	523,907	469,565	510,112	8.6%
Grand Total	1,614,893	1,554,240	1,786,694	1,745,774	1,846,969	5.8%

Figure 30: District-wide Program Staffing

				Budgeted	Actual	Budgeted
	FY15	FY16	FY17	FY18	FY18	FY19
	FTE	FTE	FTE	FTE	FTE	FTE
Athletics	1.5	1.5	1.5	1.5	1.5	1.5
Assistant Principal	0.5	0.5	0.5	0.5	0.5	0.5
Secretary	1.0	1.0	1.0	1.0	1.0	1.0
Extracurricular	0.3	0.3	0.3	0.3	0.3	0.3
Assistant Principal	0.3	0.3	0.3	0.3	0.3	0.3
Health Services	9.3	9.3	9.3	9.3	9.3	9.3
District Administrator	0.2	0.2	0.2	0.2	0.2	0.2
School Nurse	8.8	8.8	8.8	8.8	8.8	8.8
Secretary	0.3	0.3	0.3	0.3	0.3	0.3
District Technology	6.1	6.4	6.4	5.4	5.4	5.4
Computer Technician	5.3	5.5	5.5	4.5	4.5	4.5
District Administrator	0.7	0.7	0.7	0.7	0.7	0.7
Info Systems Specialist	0.2	0.2	0.2	0.2	0.2	0.2

Health Services

The Health Services program budget funds the salaries and expenses for servicing the medical needs of the district’s student population. Currently, each building has at least one full-time nurse, with the High School/RISE having 1.8 FTE. The Director of Nursing is housed at the high school and provides additional support to its larger student population, as well as, the RISE Preschool at RMHS. The Director receives clerical support from one of the central office Administrative Assistants who spends 25% of her time supporting Health Services. Ninety-six percent of the health services budget funds salaries.

The Health Services expense budget is effectively level funded in the School Committee’s FY19 Recommended Budget with a 0.2% decrease.

Figure 31: Health Services Program Budget by Detail

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Director	79,877	82,661	80,133	86,030	88,009	2.3%
Nurse	467,981	467,546	495,845	524,206	520,146	-0.8%
Professional Salaries Total	547,857	550,207	575,978	610,236	608,155	-0.3%
Secretary	11,965	12,373	12,636	12,898	13,195	2.3%
Clerical Salaries Total	11,965	12,373	12,636	12,898	13,195	2.3%
Substitutes	27,701	14,940	10,306	15,625	15,000	-4.0%
Other Salaries Total	27,701	14,940	10,306	15,625	15,000	-4.0%
Professional Development	935	838	1,616	1,000	1,000	0.0%
School Physician	8,000	8,000	8,000	8,000	8,000	0.0%
Contract Services Total	8,935	8,838	9,616	9,000	9,000	0.0%
Medical	8,285	7,116	7,399	6,690	8,400	25.6%
Office	303	338	586	500	500	0.0%
Supplies & Materials Total	8,589	7,454	7,985	7,190	8,900	23.8%
Equipment	548	654	-	-	-	
Medical	570	1,193	1,425	3,235	2,800	-13.4%
Postage	392	147	-	300	300	0.0%
Professional Development	270	-	-	-	-	
Other Expenses Total	1,780	1,994	1,425	3,535	3,100	-12.3%
Grand Total	606,827	595,806	617,945	658,484	657,350	-0.2%

The district contracts with a physician as required under MGL, c. 71, §53-55 who provides medical examinations to students as needed. We do not anticipate an increase to this contracted amount in FY'19. The funds allocated for medical supplies will be used to support the safety-centered activities such as replacing expired items in each emergency medical bags and adding equipment, most notably audiology testing equipment, as needed.

Athletics

The Athletics program budget funds the salaries and expenses necessary to operate the High School athletics program. The largest single line of the budget is for the salaries of the athletic coaches that comprise 68.7% of the athletics budget.

The major changes in the athletic budget are as follows:

- Contractual increases for represented and non-represented personnel which includes athletic coaches, athletic secretary, athletic trainer and athletic director.
- Contractual increases in pool rental, ice rental, and athletic transportation.
- A decrease of \$50,000 in the athletics revolving fund support offset due to an anticipated decrease in user fee revenue. This anticipated decrease in revenue is due to a combination of an increase in the number of students who are on free and reduced lunch and that the family

caps were not increased last year when the user fee was increased. Participation during the fall and winter seasons has stayed fairly consistent with last year.

- A reduction in the number of non-league games played per level and per sport. This is the equivalent of one home game and one away game (\$20,473) per level per sport. The reductions will include bus transportation for away games and game officials for home games.

The athletics budget is offset by user fee and gate receipt revenue that is used as a direct offset to coaches' salaries.

As Figure 32 below shows, the Athletics Program budget is projected to increase by 7.4% in the FY'19 in the School Committee's Recommended Budget. This is a function of the decreased offset mentioned above and increases in transportation, pool rentals, ice time, and contractual/non-represented salary increases. Most of the other expenses have either been reduced or are level funded.

Figure 32: Athletics Program Budget by Detail

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Director	53,645	55,167	59,414	57,757	58,318	1.0%
Professional Salaries Total	53,645	55,167	59,414	57,757	58,318	1.0%
Employee Benefits	-	882	-	-	-	
Secretary	41,267	42,194	48,626	50,148	51,435	2.6%
Clerical Salaries Total	41,267	43,076	48,626	50,148	51,435	2.6%
Coach	362,620	362,934	399,148	415,163	415,494	0.1%
Event Detail	5,675	4,653	4,132	6,100	6,100	0.0%
Revolving Fund Support	(330,000)	(380,000)	(300,000)	(366,900)	(316,900)	-13.6%
Other Salaries Total	38,295	(12,413)	103,280	54,363	104,694	92.6%
Athletic Services	236,667	251,526	289,661	317,998	316,810	-0.4%
Contract Services Total	236,667	251,526	289,661	317,998	316,810	-0.4%
Athletic Services	7,529	7,169	7,340	11,000	9,000	-18.2%
Office	1,416	2,185	706	1,500	1,500	0.0%
Team	12,985	9,074	12,618	13,425	13,500	0.6%
Uniforms	9,545	8,594	6,972	10,000	8,000	-20.0%
Supplies & Materials Total	31,476	27,023	27,637	35,925	32,000	-10.9%
Athletic Services	4,460	5,305	5,045	7,000	6,500	-7.1%
Awards	2,608	2,190	2,424	3,000	3,000	0.0%
Dues & Memberships	10,665	10,965	10,765	11,500	11,500	0.0%
Equipment	2,859	15,338	9,141	17,000	12,000	-29.4%
Software Licensing & Support	6,856	7,594	7,594	8,000	8,000	0.0%
Other Expenses Total	27,448	41,392	34,970	46,500	41,000	-11.8%
Grand Total	428,798	405,771	563,586	562,691	604,257	7.4%

Figure 33 shows the participation level in High School Athletics since 2013-14 school year. Spring 2018 participation levels are not included because the season does not begin until the third week in March. Overall participation is up at this point from last year by 28 students.

Figure 33: Participation in High School Athletic Programs (2013-2018)

SCHOOL YEAR	2013-14	2014-15	2015-16	2016-17	2017-18
BASEBALL	54	51	50	51	*
BASKETBALL (B)	47	44	35	38	37
BASKETBALL (G)	42	38	37	34	30
CHEERLEADING	26	21	22	22	25
CROSS COUNTRY	69	71	58	52	53
FIELD HOCKEY	49	31	41	55	60
FOOTBALL	100	89	109	103	102
GOLF	19	14	15	13	14
GYMNASTICS	29	17	17	20	26
ICE HOCKEY (B)	51	54	49	53	54
ICE HOCKEY (G)	23	18	17	22	23
INDOOR TRACK (B)	74	72	71	79	83
INDOOR TRACK (G)	51	36	46	69	86
LACROSSE (B)	66	71	66	65	*
LACROSSE (G)	77	60	61	77	*
OUTDOOR TRACK (B)	108	101	92	99	*
OUTDOOR TRACK (G)	53	73	69	58	*
SOCCER (B)	69	64	67	70	67
SOCCER (G)	65	66	62	59	58
SOFTBALL	41	42	39	37	*
SWIMMING (B)	27	34	24	14	22
SWIMMING (G)	30	28	27	29	31
TENNIS (B)	20	18	15	18	*
TENNIS (G)	17	16	14	17	*
VOLLEYBALL	43	42	44	44	37
WRESTLING	34	34	37	31	26
TOTAL	1,284	1,205	1,182	1229	835

* Participation figures not yet available for spring season sports

Extracurricular Activities

The extracurricular activities program budget funds the salaries, stipends, and a small portion of the expenses necessary to offer extracurricular activities at the high school and the two middle schools. These activities include the high school drama, band, and choral program; the middle school drama, band, and choral program; and the operations of the high school after school fitness center program. As with athletics, these programs are critical to the education of the whole child and provide opportunities for students to grow, learn, and excel in activities that generate enthusiasm and passion outside of the classroom. They also offer students the chance to develop confidence, character, relationships, and leadership abilities.

Sixty-eight percent of the extracurricular program budget funds salaries and stipends including 25% of the salary of the Assistant Principal for Athletics and Extracurricular Activities (representing the effort required to manage this department), as well as the stipends for the various program advisors and the wages for the fitness center monitors. This program budget is partially offset by user fee and ticket revenues.

This revolving fund revenue offsets 40% of the program expenses, similar to the percentage of program expense offset by athletics revenue offsets.

The Extracurricular Activities Program budget is projected to increase 18.6% in the FY'19 School Committee's Recommended Budget. This increase is due primarily to an increase in High School Drama Stipends which increased by \$9,465 in the FY'19 budget.

All other increases/decreases, which may be large in percentage terms, are less than \$700 and are used to support the goals and initiatives of the extracurricular programs.

Figure 34: Extracurricular Activities Program Budget by Detail

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Coordinator	26,822	27,693	27,928	28,879	29,159	1.0%
Revolving Fund Support	(42,000)	(52,000)	(30,000)	(50,000)	(50,000)	0.0%
Stipends	53,333	52,138	65,807	52,156	61,621	18.1%
Professional Salaries Total	38,155	27,831	63,735	31,035	40,780	31.4%
Other Student Activities	10,235	11,546	11,271	12,100	12,570	3.9%
Contract Services Total	10,235	11,546	11,271	12,100	12,570	3.9%
Other Student Activities	-	277	-	400	400	0.0%
Performing Arts	923	900	1,225	1,500	1,500	0.0%
Supplies & Materials Total	923	1,177	1,225	1,900	1,900	0.0%
Dues & Memberships	545	876	720	1,000	1,000	0.0%
Equipment	3,492	6,864	1,831	4,250	4,250	0.0%
Other Student Activities	1,985	1,560	1,515	1,750	1,750	0.0%
Royalties	-	-	959	3,000	3,000	0.0%
Other Expenses Total	6,022	9,300	5,024	10,000	10,000	0.0%
Grand Total	55,335	49,854	81,255	55,035	65,250	18.6%

Districtwide Networking and Technology Maintenance

The districtwide networking and technology maintenance budget funds the salaries and expenses required to operate and maintain our technology infrastructure including our wide area network, wireless networks, servers, computer hardware and peripheral devices, and telecommunications equipment. The majority of this budget funds the salaries of the network administrator (34% of this salary is charged to district administration), 4.5 FTE computer technicians, and 0.2 FTE information systems specialist.

The Districtwide Networking and Technology Maintenance Budget for FY19 is increasing by 8.6%. The major changes in this budget are as follows:

- Cost of living adjustments for technicians and network manager.
- An increase in software licensing and support which includes a three-year agreement for anti-virus protection, firewall maintenance and network management to make technology services in the district more effective and efficient, as well as, protect student and staff data and information.

Figure 35: Districtwide Networking and Technology Maintenance Budget by Detail

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Manager	64,904	68,340	73,751	75,319	77,052	2.3%
Technology Integration	21,231	41,056	29,088	16,483	16,731	1.5%
Professional Salaries Total	86,135	109,396	102,840	91,802	93,783	2.2%
Employee Benefits	3,101	5,447	-	-	-	0.0%
Technician	221,385	259,648	296,449	253,513	253,479	0.0%
Other Salaries Total	224,485	265,095	296,449	253,513	253,479	0.0%
Consulting Services	11,400	15,198	12,863	5,000	10,200	104.0%
Networking & Telecomm	4,036	5,646	5,754	6,000	6,500	8.3%
Software Licensing & Support	11,589	47,017	41,190	87,850	94,750	7.9%
Contract Services Total	27,025	67,861	59,807	98,850	111,450	12.7%
Information Management	-	-	-	6,000	6,000	0.0%
Networking & Telecomm	-	-	196	-	-	0.0%
Technology Maintenance	20	1,082	-	-	-	0.0%
Supplies & Materials Total	20	1,082	196	6,000	6,000	0.0%
Equipment	139,472	25,799	49,788	-	-	0.0%
Information Management	5,601	-	-	-	-	0.0%
Networking & Telecomm	22,426	26,022	-	11,700	11,700	0.0%
Other	-	-	2,781	-	-	0.0%
Postage	145	56	85	200	200	0.0%
Software	17,829	6,302	11,963	6,000	32,000	433.3%
Software Licensing & Support	795	1,196	-	1,500	1,500	0.0%

Other Expenses Total	186,268	59,375	64,617	19,400	45,400	134.0%
Grand Total	523,933	502,808	523,907	469,565	510,112	8.6%

Figure 36 below shows the inventory of technology devices deployed throughout the district during the 2017-18 school year by the year that they were deployed in the school district. As depicted in the chart, 287 of the district computers are 6 years or older.

Figure 36: SY'2017-18 Technology Inventory

School	Ship Year											Grand Total
	2006	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Admin						3	2	8	15	5	2	35
Barrows			1			9	13	36	56	32	2	149
Birch Meadow			3	1		8	24	38	31	32	36	173
Coolidge			3		1	21	36	72	72	88	139	432
EATON				3		39	10	43	32	42	3	172
Killam				3		40	8	24	43	63	7	188
Parker	2	3	3	3	6	15	35	76	86	84	121	434
RMHS		4	21	2	6	30	90	171	138	14	42	518
Wood End			2	1		54	11	22	33	35	11	169
Grand Total	2	7	33	13	13	219	229	490	506	395	363	2270

School Building Facilities

The School Building Facilities budget funds the salaries and expenses necessary to clean our eight school buildings. In November 2015, Town Meeting voted to approve a new structure for School and Town Facilities where the CORE facilities budget was moved to the Town budget. The School Building Facilities budget is projected to increase 7.4% in the FY'19 School Committee's Recommended Budget.

The major changes in the FY19 School Building Facilities Budget are as follows:

- An increase of \$80,500 in the Contract Services line item which reflects an increase in the High School Cleaning Contract. Next year will be the third year of a three-year contract.
- A decrease of \$18,000 in the optional vacation cleanings in the High School Cleaning Contract. This will mean that vacation cleanings will not be done during two of the school vacations.
- Cost of Living Adjustments for collective bargaining employees (custodians) and non-represented employees in this cost center.

The School Building Facilities department includes the salaries of the custodial manager, custodial staff and a 0.4 facilities rental coordinator. Salaries account for the largest share of the School Building Facilities budget at 69.1% of the total (net of offsets). Revenue from fees collected by organizations

renting our school buildings is used to support the School Building Facilities budget and the Town CORE budget.

Figure 37: School Building Facilities Budget by Detail

	Actual Expended FY'15	Actual Expended FY'16	Actual Expended FY'17	Adopted Budget FY'18	Requested Budget FY'19	% Change
Director	47,683	-	-	-	-	
Employee Benefits	6,091	4,242	-	-	-	
Manager	59,493	99,031	75,387	76,875	78,642	2.3%
Professional Salaries Total	113,267	103,273	75,387	76,875	78,642	2.3%
Employee Benefits	325	-	-	-	-	
Secretary	29,838	16,727	13,532	13,120	13,422	2.3%
Clerical Salaries Total	30,163	16,727	13,532	13,120	13,422	2.3%
Custodian	755,964	801,262	804,674	851,025	862,756	1.4%
Employee Benefits	4,305	7,908	29,235	3,178	-	-100.0%
Overtime	48,026	40,854	45,215	55,000	55,000	0.0%
Revolving Fund Support	(200,000)	(150,000)	(165,000)	(180,000)	(180,000)	0.0%
Substitutes	93,285	76,744	71,712	80,000	80,000	0.0%
Other Salaries Total	701,580	776,767	785,836	809,203	817,756	1.1%
Cleaning Services	231,134	226,531	255,000	214,252	294,752	37.6%
Contract Services Total	231,134	226,531	255,000	214,252	294,752	37.6%
Equipment	1,427	2,407	1,803	4,500	11,500	155.6%
Supplies	78,820	117,350	92,994	93,090	93,090	0.0%
Supplies & Materials Total	80,246	119,757	94,797	97,590	104,590	7.2%
Energy Management	3,315	-	-	-	-	
Equipment	607	4,166	8,163	4,000	4,000	0.0%
Software Licensing & Support	955	955	960	960	960	0.0%
Uniforms	1,548	1,145	1,100	9,000	2,000	-77.8%
Other Expenses Total	6,425	6,266	10,223	13,960	6,960	-50.1%
Grand Total	1,162,815	1,249,320	1,234,776	1,225,000	1,316,122	7.4%

Figure 38: School Building Facilities Staffing

	FY15 FTE	FY16 FTE	FY17 FTE	Budgeted FY18 FTE	Actual FY18 FTE	Budgeted FY19 FTE
Facilities	20.0	20.0	19.9	19.9	19.9	19.9
Custodian	18.6	18.6	18.5	18.5	18.5	18.5
District Administrator	1.0	1.0	1.0	1.0	1.0	1.0

Special Revenue Funds

Federal, State, and Private Grants

In the current fiscal year, our district is supported by \$3.17 million in federal, state, and private grant funding. While we have been fortunate over the last five years to have been supported by various American Reinvestment and Recovery Act, Education Jobs Act (Ed Jobs) and Race to the Top Funding, these funds are no longer available to us as of FY'15 and beyond.

Figure 39: Summary of Federal, State, and Private Grants

	Expended 2015	Expended 2016	Expended 2017	Award 2018	Projected 2019
Federal Grants:					
Title I	114,266	132,029	109,850	104,428	78,039
Title I Support (District and School Assistance Grants)	-	2,600	4,670	-	-
Title IIA	7,877	48,759	23,640	123,373	54,500
Title IVA Student Support and Academic Enrichment	-	-	-	2,766	2,766
Safe & Supportive Schools	-	10,000	-	-	-
SPED IDEA (P.L. 94-142)	971,940	978,744	970,864	1,074,423	1,003,860
SPED Early Childhood	17,917	17,919	18,439	16,994	15,634
SPED Program Improvement Early Childhood	2,669	1,402	2,648	-	-
SPED Professional Development	32,957	32,755	33,469	16,107	7,409
Mental Health First Aid	39,258	35,952	21,599	-	-
School Transformation (MTSS)	111,640	239,596	283,647	364,666	250,000
Total - Federal Grants	1,298,523	1,499,756	1,468,826	1,702,757	1,412,208
State Grants:					
Racial Imbalance (METCO)	358,161	387,890	410,080	403,630	395,557
Academic Support	4,039	2,620	-	-	-
Circuit Breaker	1,186,247	952,837	1,060,652	1,062,769	860,352
Financial Education Innovation Fund	-	-	4,807	-	-
Total - State Grants	1,548,447	1,342,847	1,475,539	1,466,399	1,255,909
TOTAL - ALL GRANTS	2,846,970	2,842,603	2,944,365	3,169,156	2,668,118

There is a timing difference in spending for our SPED IDEA, School Transformation, Title I and Title IIA grants. Under current regulations we are allowed to carryover some funds into the next fiscal year. We carried forward a significant portion of our FY17 Title IIA grant into FY'18. We have also carried forward a significant portion of our FY'17 School Transformation Grant into FY'18.

As shown in Figure 40 below, grant funded positions is projected to decrease in FY19 by .8 FTE due to the transfer of the data coach position of a .8 FTE out of the School Transformation Grant into the

operating budget. This position will be funded through the restructuring of the current literacy coach position that is in the operating budget. All other grant funded positions are expected to remain relatively the same in FY19 and are dependent on the final funding available under each grant.

Figure 40: Change in Grant Funded Positions

	FY15 FTE	FY16 FTE	FY17 FTE	Budgeted FY18 FTE	Actual FY18 FTE	Budgeted FY19 FTE
Grant Funded	15.5	17.6	16.8	16.2	16.0	15.2
Data Coach	-	1.3	1.0	0.8	0.8	-
Behavioral Health Coach	-	0.5	0.5	0.5	0.6	0.6
METCO Coordinator	1.0	1.0	1.0	1.0	1.0	1.0
Elementary Teacher	3.8	3.8	3.6	3.6	5.6	5.6
High School Teacher	4.0	3.0	3.0	3.0	2.0	2.0
Middle School Teacher	2.5	2.5	2.5	2.5	2.0	2.0
Pre-School Teacher	1.6	2.0	2.0	1.6	1.0	1.0
Team Chair	1.6	2.0	2.0	2.0	2.0	2.0
Paraprofessional	-	-	-	-	0.5	0.5
Tutor	1.0	1.6	1.2	1.2	0.5	0.5

Special Revenue Funds

Figure 41: Revolving Fund Activity and Status as of June 30, 2017

Revolving Fund:	Balance 30-Jun-16	FY17 Revenue	FY17 Offsets	FY17 Direct Expenditures	Balance 30-Jun-17	Net Gain/(Loss)
School Lunch Program	430,140	1,230,997	-	1,175,480	485,657	55,517
School Transportation	9,105	30,578	-	40,369	(686)	(9,791)
Guidance Revolving Fund	5,837	67,763	-	67,221	6,379	542
Coolidge Extracurricular	4,738	-	-	-	4,738	-
Drama Activities Coolidge	9,155	23,379	-	12,960	19,574	10,419
Parker Extracurricular	3,860	-	-	-	3,860	-
Parker After School Activities	25,681	29,896	-	21,689	33,887	8,207
Drama Activities Parker	26,878	21,854	-	25,276	23,456	(3,422)
Band Extracurricular Activities	9,701	23,052	-	24,714	8,038	(1,662)
Adult Education Program	10,080	48,442	-	41,012	17,510	7,430
Summer School Program	85,822	55,425	-	61,817	79,430	(6,392)
Lost Books	22,690	4,519	-	2,676	24,533	1,843
Total	643,686	1,535,905	-	1,473,214	706,377	62,691
Donation Revolving Funds:						

Elementary Science Materials	1,640	-	-	-	1,640	-
Burns Foundation (Coolidge)	1,314	-	-	1,151.00	163	(1,151.00)
District Donation Fund	12,957	36,584	-	17,560	31,981	19,024.39
Barrows Donations Fund	1,755	2,278	-	1,799	2,234	479.00
Birch Meadow Donation Fund	4,921	7,028	-	3,162	8,787	3,866.00
Joshua Eaton Donation Fund	5,136	2,584	-	966	6,754	1,618.00
JW Killam Donation Fund	3,811	2,674	-	5,825	660	(3,151.00)
Wood End Donation Fund	9,191	13,378	-	5,792	16,777	7,586.00
Coolidge Donation Fund	7,991	15,637	-	18,235	5,393	(2,598.29)
Parker Donation Fund	7,289	14,938	-	12,036	10,191	2,901.78
High School Donation Fund	45,863	17,987	-	16,589	47,261	1,398.05
Special Education Donation Fund	7,573	3,000	-	6,724	3,849	(3,723.55)
Total	109,441	116,088	-	89,839	135,690	26,249
Revolving Funds that Offset the Budget						
Athletic Activities*	46,915	349,346	300,000	37,407	58,854	11,939
Drama Activities RMHS	18,863	115,062	30,000	86,319	17,606	(1,257)
Extended Day Program	955,242	1,414,986	175,000	1,154,529	1,040,699	85,457
RISE Preschool Program	385,190	270,849	330,000	13,768	312,271	(72,919)
Use of School Property	27,908	284,571	125,000	142,384	45,095	17,187
Special Education Tuition	284,969	196,597	248,000	39,598	193,967	(91,002)
Full Day Kindergarten Tuition	618,985	791,410	900,000	-	510,395	(108,950)
Total	2,338,072	3,422,820	2,108,000	1,474,005	2,178,888	(159,185)
TOTAL ALL FUNDS	3,091,199	5,074,814	2,108,000	3,037,058	3,020,955	(70,244)

*Revenue figures also include donations received from "Friends of" all of the athletic groups

The district maintains thirty-two separate special revenue funds that were created and are maintained in accordance with the state's municipal finance laws as well as the Department of Revenue and Department of Elementary and Secondary Education regulations.

Revolving funds are established to dedicate a specific source of revenue from fees or charges to pay expenses associated with providing the services for which the payment was made. Massachusetts General Laws govern the fund balances, other accounting procedures, expenditures, and any required reporting.

Figure 41 shows the revenues and expenses, and change in fund balance between July 1, 2016 and June 30, 2017. The source of revenue for the funds vary by the nature of the fund and include; sales of meals, participation fees, user fees, ticket sales, donations and tuition. The source of expenditures for the funds vary by the nature of the fund and include; salaries, supplies and materials, technology, software licenses and all other expenses. The funds are grouped for ease of explanation.

The first group includes the School Lunch Program which accounts for 68.8% of the \$706,377 June 30th ending balance. Sources of revenue for this fund are breakfast and lunch sales, catering receipts and

state and federal reimbursement for qualifying meals. Sources of expenses for this fund include staff salaries, food purchases, equipment, supplies and materials and other expense needed to operate the program. The fund balance had a net gain of \$55,517 year over year. This program by law can only carry forward three months of operating expenses.

The FY16 budget implemented an increase in the transportation fees. A flat fee of \$450 with no family cap was needed in order to fully fund non-mandated transportation. The net decrease of \$9,171 in the fund balance is a timing difference. The negative balance is the result of timing differences resulting from refunds to families who cancel bus transportation. Prepayment is required by June 30th so we can determine the viability of the second bus. Similar to the Transportation fund, the Summer School fund has a net decrease of \$6,392 as the result of timing differences between enrollment and payment prior to the start of the program and the timing of expenses.

The next group are donation revolving funds. The School Committee accepts all donations. Sources of donations include; PTO's, Reading Education Foundation, and individuals. Most donations are directed, for a specific purpose. These funds are not used to offset the operating budget.

The last grouping of revolving funds are the ones that the district utilizes for offset to the operating budget. Figure 41 provides the summary of FY17 and Figure 42 provides a model forecast for projected ending balances for this group of seven funds. In FY17 the district took a combined offset of \$2,108,0005 from these seven revolving funds. Overall the net loss in FY17 for this group of seven was \$159,185.

The Athletic fund balance had a net gain of \$11,939 which resulted from the reduced offset taken in the prior year due to the timing difference of expenses and revenue receipts. As noted, the athletic user fees were increased in the prior fiscal year and we are currently monitoring the impact of the increased fees, increased number of students eligible for free and reduced fees as well as the impact of not raising the family cap.

The Drama fund balance had a net decrease of \$1,257 for the year. This revolving fund is heavily dependent on ticket sales from the four shows and the cost of the royalties for the shows. Participation has remained steady over the last few years.

The Extended Day Fund had a net gain in the ending balance of \$85,457. As discussed and approved in the prior fiscal year the tuition rates for the Extended Day Program have been reduced by 10% in the current fiscal year in order to address the balance within the fund.

The RISE Preschool program had a net loss of \$72,919 for the year. The current year reflects the 5% increase in tuition.

The Use of School Property had a \$17,187 increase in the fund balance for FY17. Custodial compensation associated with rentals is expended directly to this fund. We do not propose a rental fee increase at this time as our fees are comparable to other districts and towns.

Full Day Kindergarten had a decrease of \$108,590 from last year. This is partly due to the lower number of full day kindergarten students enrolled in the 2016-17 school year, although the percentage of full day students is still very high.

Figure 42: Revenue Offset Summary for FY'18

Revolving Fund:	Balance 30-Jun-17	FY18 Projected Revenue	FY18 Budgeted Offsets	FY18 Direct Expenses	Projected Balance 30-Jun-18	FY19 Projected Revenue	FY19 Budgeted Offsets	FY19 Direct Expenses	Projected Balance 30-Jun-19
Athletic Activities	58,854	370,000	366,900	42,000	19,954	370,000	316,900	45,000	28,054
Drama Activities RMHS	17,605	115,000	50,000	70,000	12,605	115,000	50,000	70,000	7,605
Extended Day Program	1,040,699	1,401,703	180,000	1,237,842	1,024,560	1,401,703	180,000	1,274,974	971,289
RISE Preschool Program	312,271	300,000	380,000	14,000	218,271	300,000	380,000	14,000	124,271
Use of School Property	45,095	285,000	140,000	145,000	45,095	285,000	140,000	145,000	45,095
Special Education Tuition	193,967	150,000	248,000	20,000	75,967	100,000	148,000	20,000	7,967
Full Day Kindergarten Tuition	510,395	840,000	900,000	-	450,395	890,000	949,000	-	391,395
Total	2,178,887	3,461,703	2,264,900	1,528,842	1,846,848	3,461,703	2,163,900	1,568,974	1,575,677

Figure 42 above is a model projection based on trends and assumptions.

The Athletic Activities revenue forecast for FY18 and FY19 is based on early data from fall and winter sports participation. We will continue to monitor the impact of the increased user fee, increased percentage of students eligible for free and reduced as well as the impact of not increasing the family caps. We are recommending a decrease of \$50,000 in the offset as we continue to monitor the items mentioned above.

Drama includes a revenue forecast of both user fees and tickets sales. Depending on the popularity of the fall show determines the amount of revenue forecasted for ticket sales.

The Extended Day Program is currently forecasted to have a decreased balance for FY19. This is due to the additional staffing, updating enrichment offerings and a 10% decrease in the Extended Day rates approved by the School Committee.

The RISE Preschool program offset is recommended to remain consistent in FY'19 as we assess the impact of rate increases as well as student population.

The Use of School Property will need to be continuously monitored. In FY19, we are recommending to maintain the current offset.

The Special Education Tuition fund offset has been decreased to \$148,000 for FY19. This revolving fund much like out-of-district tuition is difficult to project as students withdraw or change placements mid-year. The \$148,000 offset for FY19 is reasonable given the difficult nature of projecting this balance and an anticipated decrease in student placements.

Full Day Kindergarten projected balance is expected to decrease. Assuming enrollment stays steady, the balance will slowly erode, but is sustainable for the near future assuming there is no significant decline in the level of paid full day kindergarten enrollment.

Appendix A:

Organizational Section

Town of Reading



The Town of Reading is in Middlesex County, Massachusetts, United States, some 10 miles (16 km) north of central Boston. Reading was incorporated on June 10, 1644 taking its name from the town of Reading in England. Reading encompasses 9.9 square miles and is located approximately 12 miles North of Boston with easy access to major routes including 125/I-95, I93 and routes 28 and 129. In addition, commuter rail and bus service is available in Reading. The Town of Reading has a Representative Town Meeting form of government. Town Meeting is comprised of 24 members from each of Reading's eight precincts for a total of 192 members. Reading also has a 5

member Board of Selectmen and a Town Manager.

There are eight schools in the Reading Public Schools: Reading Memorial High School (grades 9-12), A.W. Coolidge Middle School (grades 6-8), W.S. Parker Middle School (grades 6-8), and five elementary schools (grades K-5): Alice Barrows, Birch Meadow, Joshua Eaton, J.W. Killam and Wood End. Reading also has the RISE Preschool program, an integrated preschool, with classrooms located at Reading Memorial High School as well as the Wood End Elementary School.

Figure A1-Reading Public School Enrollment As of October 1, 2017

As of October 1, 2017, the enrollment at our schools is:	
RISE Pre-School (grades Pre-K)	94
Alice Barrows Elementary School (grades K - 5)	377
Birch Meadow Elementary School (grades K - 5)	369
Joshua Eaton Elementary School (grades K - 5)	388
J. Warren Killam Elementary School (grades K - 5)	421
Wood End Elementary School (grades K - 5)	290
A.W. Coolidge Middle School (grades 6 - 8)	476
Walter S. Parker Middle School (grades 6 - 8)	563
Reading Memorial High School (grades 9 - 12)	1,250
	4,228

Reading participates in the Metropolitan Council for educational Opportunity (METCO), a voluntary desegregation program which brings approximately 75 students, grades K-12, from Boston to Reading. Reading is also one of ten member districts of the SEEM Collaborative and one of eighteen member districts of the North Shore Education Consortium. Through these collaboratives, Reading Public Schools is able to partner with other districts in the area to provide special education as well as professional development and other services to our students and staff at a lower cost than a single district alone could secure the same services. Reading Public Schools is also a member of The Education Collaborative (TEC). To reduce costs, Reading Public Schools utilizes the TEC collaborative bid process for school and custodial supplies. Through this collaborative purchasing arrangement, Reading Public Schools is able to purchase items at a reduced cost.

Organization Structure

School Committee

The Reading School Committee consists of six members elected by the voters of Reading for three-year terms. Each year, two members' term of office expires and become open for re-election. The current membership and terms of the Reading School Committee are as follows:

Charles Robinson, Chairperson, Term Expires 2019.

Elaine Webb, Vice Chairperson, Term Expires 2018

Nick Boivin, Term Expires 2019

Jeanne Borawski, Term Expires 2020

Linda Snow Dockser, Term Expires 2020

Sherri VandenAkker (Appointed by School Committee and Board of Selectmen until April, 2018)

Under Massachusetts General Laws, Chapter 70, the School Committee has the power to select and to terminate the Superintendent, review and approve the budget, and establish the educational goals and policies for the schools in the district consistent with the requirements of law and statewide goals and standards established by the Board of Education.

District Administration

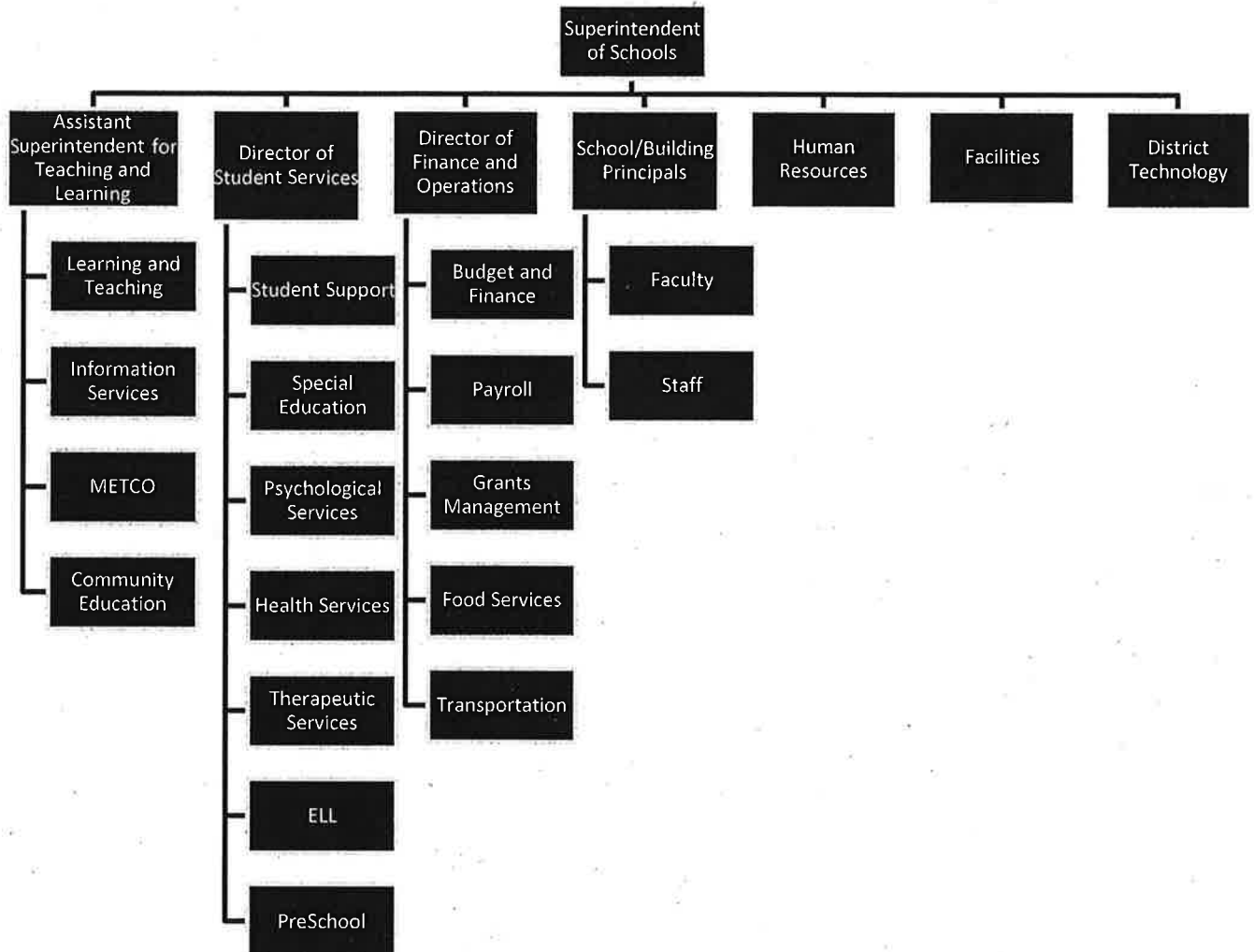
The District is led by the Superintendent of Schools, the Central Office Leadership Team, District Leadership Team, and Administrative Council. The Central Office Leadership Team includes the Superintendent of Schools, Assistant Superintendent for Learning and Teaching, Director of Finance and the Director of Student Services. The District Leadership Team includes the Central Office Leadership Team as well as the eight building principals. The Administrative Council includes the District Leadership Team as well as all Assistant Principals, Special Education Team Chairs, RISE Preschool Director, Human Resources Administrator, District Administrator of Support Services and Department Directors (Facilities, Food Services, and Health Services).

The Superintendent is the supervisor and evaluator of all District Level Administrators and Building Principals. Each District Level Administrator is responsible for a number of different departments and functional areas of district operations. Principals, under the 1993 Education Reform Act, are the supervisors and evaluators of all building based staff including professional and support staff

(paraprofessionals, clerical, custodial, food services). The district also employs one Network Manager who supervises and evaluates technology support staff that is district, not building-based.

Figure A-2 below provides an overview of the organizational structure of the district.

Figure A2: District Organizational Chart



District Partnerships

Reading Public Schools are part of a larger community that believes in collaboration for the purpose of benefiting the children of Reading Public Schools. We are fortunate to have many important partners who enrich the lives of our students through their contributions of resources – both financial and volunteer time.

Town of Reading

The municipal government of the Town of Reading is the district's most important partner. Of course we share in the tax revenues that represent the voters' commitment to a quality of life that values education, public service, and community engagement. We also share many resources and collaborate to efficiently manage the operations of the community.

Reading Education Foundation

The Reading Education Foundation is a volunteer organization of Reading residents working in partnership with the Superintendent of Schools and Reading Public Schools. Its mission is to support innovation and excellence within the Reading Public Schools by raising and providing private money to fund initiatives that are beyond the reach of public funds.

Parent-Teacher Organizations

Each of our schools is fortunate to have a PTO comprised of parent volunteers who support teachers in each building. This support includes parent education, teacher appreciation events, mobilization of classroom and school level volunteers, and funding for technology, enrichment, and other special programs.

Parent Booster Organizations

Reading Public Schools are supported by a significant number of parent booster organizations comprised of parent volunteers who raise, contribute, and dispense funds for the benefit of specific extracurricular activities including athletic teams, academic teams, and fine and performing arts.

District Strategy for Improvement of Student Outcomes

Reading Public Schools Strategy for Improvement of Student Outcomes was developed based on information gathered by the Superintendent from extensive staff, parent, school community, and general community input, as well as input from the Administrative Council and the School Committee. The Strategic Initiatives are all aligned to the District's Strategic Objectives and are evaluated and refined each year based on progress, input, and reflection. Below are the District Improvement Plan Goal for SY'2016-19 and the Five Focus Areas.

Figure A3-Reading Public Schools Strategy and Goals for Improvement of Student Outcomes (2016-19 School Years)

Our Mission			
<i>Instilling a joy of learning and inspiring the innovative leaders of tomorrow</i>			
Our Vision			
<p><i>It is the vision of the Reading Public Schools to instill a joy of learning by inspiring, engaging and supporting our youth to become the innovative leaders of tomorrow. We will accomplish our vision by focusing on a few key strategic initiatives that lead to a meaningful and relevant curriculum, innovative instructional practices, strong analysis and thoughtful dialogue about evidence, a collaborative and team approach to learning and teaching, and a safe and nurturing learning environment. The overall physical and behavioral well-being of our children will be our top priority as students will not learn if they are not physically and psychologically safe. Education will truly be the shared responsibility of both the schools and the community, with families playing active roles in the schools and being full partners in ensuring the success of their children. In the interest of the entire Reading community, the school district and town government shall work cooperatively and collaboratively. As educators and members of our community, we believe that implementing this vision is our ethical responsibility to the children of the Town of Reading.</i></p>			
Our Theory of Action			
<p>If the Reading Public School District strategically allocates its human and financial resources to support high quality teaching, prioritizes a commitment to the academic, social, and emotional needs of our students, emphasizes the hiring and support of effective staff who have the capacity to collaboratively learn, thoughtfully analyzes measurements of school performance and provides differentiated support, then students will make effective progress and be appropriately challenged, graduating from high school ready for college, career, and life as contributing citizens in a global society.</p>			
Our Questions			
<ol style="list-style-type: none"> 1. What is it we want our students to learn? What knowledge, skills, and dispositions do we expect them to acquire as a result of this course, this grade level, and this unit of instruction? 2. How will we know if each student is learning each of the skills, concepts, and dispositions we have deemed most essential? 3. How will we respond when some of our students do not learn? What process will we put in place to ensure students receive additional time and support for learning in a way that is timely, precise, diagnostic, directive, and systematic? 4. How will we enrich and extend the learning for students who are already proficient? 			
District Goal for 2016-19 School Years			
<p>To ensure the success of all students, over the next 3 years the Reading Public Schools will increase student engagement, improve academic achievement, decrease discipline referrals, and enhance parent and community two way communication. We will address the academic, social-emotional and behavioral health needs through a comprehensive multi-tiered system of support (MTSS) framework of data, systems, and practices.</p>			
Focus Areas for District Goal			
Focus Area A Closing the Achievement Gap <i>To eliminate the achievement gap for our high needs student population</i>	Focus Area B Literacy <i>To improve literacy skills for all students</i>	Focus Area C Mathematics Practices <i>To improve mathematics achievement for all students</i>	Focus Area D Social Emotional Learning <i>To improve social emotional learning for all students</i>
<p>Identify and implement evidenced based Tier 1, 2, and 3 interventions for students-<i>In Process</i></p> <p>Provide training and time in the areas of differentiated instruction and Universal Design-<i>In Process</i></p> <p>Continue to implement the recommendations of the Walker Report to improve special education services and programs.-<i>In Process</i></p> <p>Implement K-12 Science Curriculum-<i>In Process</i></p>	<p>Develop K-8 Literacy Curriculum Documents-<i>In Process</i></p> <p>Provide professional development for non-fiction literacy standards in science and social studies-<i>In Process</i></p> <p>Revise supervisory practices to focus on literacy-<i>In Process</i></p> <p>Develop and implement common grade level assessments to improve student learning and classroom practices-<i>In Process</i></p>	<p>Develop K-8 Math Curriculum Documents-<i>In Process</i></p> <p>Provide professional development and time to improve mathematics practices-<i>In Process</i></p> <p>Revise supervisory practices to focus on mathematics instruction-<i>In Process</i></p> <p>Develop and implement common grade level assessments to improve student learning and classroom practices-<i>In Process</i></p>	<p>Create a PreK-12 SEL Curriculum Map-<i>In Process</i></p> <p>Implement health and social emotional learning curriculum, K-8-<i>In Process</i></p> <p>Pilot SBIRT Screening Process in Grade 9-<i>Complete</i></p> <p>Review and update bullying prevention plan-<i>In Process</i></p>
Focus Area E Communication			
<p><i>Improve communication across the district, with families and the Reading community</i></p> <p>Provide ongoing proactive communication using social media tools at the district and building level to School Committee, parents, and community-<i>In Process</i></p>			

District Goal for 2016-19 School Years

Overview

The Reading Public Schools is currently in its second year of a three year District Improvement Plan. The plan consists of one goal with five action plans to address that goal. The overall goal is as follows:

District Goal for 2016-19 School Years

To ensure the success of all students, over the next 3 years the Reading Public Schools will increase student engagement, improve achievement, decrease discipline referrals, and enhance parent and community two way communication. We will address the academic, social-emotional and behavioral health needs through a comprehensive multi-tiered system of support (MTSS) framework of data, systems, and practices.

Our school and district data is informing us that the areas that we need to strengthen focus on closing the achievement gap between our High Needs Subgroup (Students with Disabilities, English Language Learners, Economically Disadvantaged) and the general student population. In addition, we are seeing an increased need to strengthen our curriculum and instructional practices in science, literacy, and mathematics. Therefore, during the three year plan, we are emphasizing the following focus areas:

There are four focus areas that are connected to this goal:

1. **Closing the Achievement Gap (Action Plan A)**- To focus our energy and effort in identifying and implementing evidenced based instructional practices and interventions which will close the achievement gap with our students, in particular, our students in the high needs group (special education, English Language Learners, economic-disadvantage).
2. **Literacy (Action Plan B)**-To improve literacy instruction in all subject areas across the district by providing teachers with time and training, timely supervision and coaching, evidenced based tier 2 student interventions, clear expectations, and a pacing chart.
3. **Mathematics Practices (Action Plan C)**- To improve mathematics instruction across the district by providing teachers with time and training, timely supervision and coaching, evidenced based tier 2 student interventions, and clear expectations and pacing chart.
4. **Social Emotional Learning (Action Plan D)**-To focus our energy and effort in identifying and implementing evidenced based instructional practices and interventions which will improve social emotional learning for all students.

In addition to the above focus areas, there is one additional area, Communication (Action Plan E) which will be continued from last year.

Because of limited resources throughout the district, we are focusing our training and materials purchasing in a few key areas that are aligned with our District Improvement Plan Goal and focus areas.

1. **Writing at the Elementary Level (Focus Area B)**-In Grades K-5, we are providing training and support materials in the area of Writer's Workshop. This model is an interdisciplinary writing technique which can build students' fluency in writing through continuous, repeated exposure to the process of writing.
2. **Science Curriculum Implementation (Focus Area A)**-We are currently in Year 2 of our Science Curriculum implementation. During the 2017-18 school year, we are potentially piloting some lessons in Grades K-2, continuing implementation in Grades 3-8, and beginning implementation in Grades 9-12. The funding for this school year is providing online interactive curriculum material, technology hardware to support the curriculum, and training to implement the instructional strategies to support the curriculum.

3. **Implementing Advisory at the Middle School Level (Focus Area D)**-Both Middle Schools have been restructuring their advisory period to focus more on social and emotional learning. This year they are implementing *Facing History and Ourselves*, a program which helps students learn about hatred and bigotry with the intention of stopping these types of incidents from happening in the future. The outcomes of the program foster empathy and reflection, improve students' academic performance, and build safe and inclusive schools.
4. **Level consolidation (Focus Area A and C)**-Both the middle schools and the high school have begun consolidating level classes to support closing the achievement gap. At the middle school, math levels have been reduced from three levels to two in Grade 7 this year and will continue next year in Grade 8. At the High School, each department is phasing in the consolidation differently. Science is consolidating to two levels in Grade 9, Social Studies has consolidated to two levels in Grades 9 and 10, and English is consolidating in Grades 9 and 12. Training is being provided to staff and intervention blocks are scheduled to support students as this process is being implemented.
5. **Review of Special Education Language Based Programs (Focus Area A)**-We are focusing this year on a review of our language based (Bridge) Special Education Programs and specialized reading services. This will include parent and teacher feedback, as well as having an outside consultant that specializes in language based program reviews participate in the process.

Measures of Progress Towards our Goal During the Next Three Years

As we continue implementation of our action plans, we will be monitoring and measuring areas to help inform us of our practice and make changes, where necessary. We should see progress in the following areas:

- A. **Closing the Achievement Gap (Action Plan A)**
 - a. A decrease in the achievement gap on state and local assessments between high needs subgroup (special education, English Language learners, and high poverty) and the general population of students.
 - b. An increase in students having equitable access to higher level classes.
 - c. An increase in students having a greater opportunity to access high quality Tier 1 instruction.
- B. **Literacy (Action Plan B)**
 - a. An improvement in state and local assessments including MCAS and Next Generation MCAS state assessments, SAT scores, AP Scores and participation, college acceptances, and local assessments.
 - b. Through participation in workshops and classroom observations, the implementation of Writer's Workshop in Grades K-5.
- C. **Mathematics Practices (Action Plan C)**
 - a. An improvement in state and local assessments including MCAS and Next Generation MCAS state assessments, SAT scores, AP Scores and participation, college acceptances, and local assessments.
 - b. An increase in the number of students ready to take higher level math courses in high school.
- D. **Social Emotional Learning (Action Plan D)**
 - a. A decrease in discipline referrals, including suspensions for all students, with special attention to different subgroups.
 - b. A decrease in student anxiety by gender, race, and general population as evidenced by the Youth Risk Behavior Survey (YRBS) results and other student data.
 - c. A decrease in the use of drugs, alcohol, and other substances by gender, race, and general population as evidenced by the Youth Risk Behavior Survey results and other student data.

d. An increase in students indicating that they have an adult that they can connect with as evidenced by the YRBS and other student data.

e. A decrease in the number of students who have 10 more absences.

E. Communication (Action Plan E)

a. Improved communication between parents, community, and schools as evidenced by surveys and other data.

Appendix B: Information Section

Information Section

The Information Section of the budget is designed to provide the reader with information necessary to set the context for the funds requested in the School Committee's FY19 Recommended Budget. This section includes student demographic data for the district as a whole, as well as benchmark comparisons with peer districts in Massachusetts.

The School Committee and Administration are appreciative of the support that the taxpayers of Reading provide to the schools and are mindful of the budgetary implications on the taxpayers when developing our budget proposal. We feel a strong obligation to be transparent and accountable as to how we use the resources we are provided. The sections that follow are intended to provide readers with a better sense of how resources are utilized in the district to improve student outcomes.

Allocation of District Resources

Resource allocation is one of our four district strategic objectives. The objective is to improve the alignment of human and financial resources to achieve all of our strategic objectives and initiatives to support teaching and learning and, ultimately, ensure students are college and career ready. The intent of this section is to provide the reader with an understanding of how district resources are spent, both at the district level as well as at the school level.

Per Pupil Spending

As we know, educating children is a labor intensive enterprise. Our school district spends 82.1% of the funding it receives on the staff salaries. The remainder is spent on such items as instructional supplies, materials, and equipment; technology; out-of-district tuition and transportation; energy and utilities; and building repair and maintenance.

All districts in Massachusetts file an End of Year Pupil and Financial Report with the MA DESE. This report allows a district to examine per pupil spending across a number of broad spending categories. Using a per pupil amount allows for better comparability both within the district and between school districts as it normalizes for enrollment. Examining per pupil spending by category helps us better understand where investments are made and where they may be lacking. Comparison between districts allows us to target districts with comparable financial means that may be achieving better results in areas that we are looking to improve, seek out the best practices and/or strategic investments being made in those districts, and potentially transfer those best practices or investment decisions to our district to improve our outcomes.

Per Pupil Spending by Category

The MA DESE reporting system categorizes expenditures into eleven general functional areas that are listed in Table B1 below. The expectation would be, of course, that the highest level of per pupil spending would be in the "Classroom and Specialist Teacher" category.

Table B1: FY16 Per Pupil Spending by DESE Category

FY'16 Per Pupil Spending by Category	General Fund Appropriations	Grants, Revolving and Other Funds	Total Expenditures all Funds	Function as Percentage of Total	Expenditure Per Pupil	State Average per Pupil	Difference b/w District & State
Administration	\$1,633,469	\$187,815	\$1,821,284	3.1%	\$418	\$550	(\$132)
Instructional Leadership	3,855,896	202,845	4,058,741	6.9%	\$932	\$1,017	(\$85)
Classroom and Specialist Teachers	19,373,304	2,816,678	22,189,982	37.9%	\$5,093	\$5,832	(\$739)
Other Teaching Services	4,082,181	24,332	4,106,513	7.0%	\$943	\$1,241	(\$298)
Professional Development	1,221,276	246,537	1,467,813	2.5%	\$337	\$207	\$130
Instructional Materials, Equipment and Technology	1,599,151	240,410	1,839,561	3.1%	\$422	\$468	(\$46)
Guidance, Counseling and Testing	1,788,404	59,613	1,848,017	3.2%	\$424	\$460	(\$36)
Pupil Services	1,517,745	2,099,094	3,616,839	6.2%	\$830	\$1,501	(\$670)
Operations and Maintenance	4,533,258	327,623	4,860,881	8.3%	\$1,116	\$1,129	(\$13)
Insurance, Retirement Programs and Other	8,290,916	83,394	8,374,310	14.3%	\$1,922	\$2,619	(\$697)
Expenditures Within The District	47,895,600	6,288,341	54,183,941	92.5%	\$12,437	\$15,024	(\$2,587)
Expenditures Outside the District	3,799,593	953,463	4,410,584	7.5%	*	*	
TOTAL EXPENDITURES	51,695,193	7,241,804	58,594,525	100.0%	\$13,285	\$15,545	(\$2,260)

*(Note per DESE site) Expenditures made on out-of-district tuitions and transportation - previous versions of this report included an out-of-district per pupil expenditure. However, this measure was difficult to interpret when comparing districts because it is typically a combination of high-cost special education placements and lower-cost school choice, charter school, and other out-of-district settings. If we were able to assign students to each tuition function to calculate per pupil expenditures at that level, it might be more useful, but that information is not available.

A comparison to the state average shows that this is the category with the second largest difference between district and state per pupil spending. Average teacher salaries in Reading are lower than the state average teacher salary with Reading at \$65,291 compared to the state average of \$73,847, a difference of \$8,556. This is due in part to our salary schedule being lower than other comparable districts but also due to the fact that we have a more junior staff than many of our comparable districts. In Reading, forty-one percent of our staff has fewer than ten years of experience teaching; on average in Massachusetts, that figure is around thirty percent.

Another category in which we are significantly below the state average per pupil is in insurance, retirement and other benefits. This is likely due to the GIC-type tiered health insurance plan that we have for our employees which is very cost competitive. Furthermore, the employer-employee cost share in Reading is 71% employer paid and 29% employee. The average in the state is closer to 80% employer and 20% employee.

Pupil Services is another category that appears underfunded when compared to the state average per pupil. This category includes transportation and other student activities such as athletics or extracurricular. The reason why Reading is significantly below the state average is due to the fact that we have such little bussing in the district. Because we have neighborhood schools, we require only one bus for each school day for transporting children. This is significantly below most other districts in the area as well as the state.

The one area where we have historically spent more per pupil than the state average is the professional development category \$130 above the state average. There are many line items that comprise the DESE per pupil expenditure for professional development including the following:

- Staff Professional Development Days (non-student days)-This is the most significant amount for Reading within this category. A portion of each staff member's salary is allocated based upon the contractual number of days in each bargaining unit for non-student days. In FY16, there were five days in each bargaining unit that were above and beyond the number of student days for professional development.
- District Wide Professional Development-This includes curriculum work, workshops and other professional development.
- Tuition Reimbursement (contractual for each bargaining unit)-
- Substitute coverage for PD days
- Curriculum/PD/Teacher Mentor/Elementary Assistant Principal Stipends
- Miscellaneous items—new teacher induction supplies, food if provided as part of PD, PD materials.

The main reason why we are ranked higher in this category than most districts is because we allocate 5 professional development days in the school calendar for teacher inservice days. Most school districts allocate less than five. FY'11 is the first year in many years that the district's per pupil amount was lower, although not significantly lower. Between FY'10 and FY'12 we reduced our professional development as well as our curriculum expenses significantly in order to minimize personnel cuts during these lean budget years. In FY'12 this trend reversed as a result of the increase to the professional development budget due to common core and educator evaluation implementation as well as other training needs. The FY16 Budget restructured the use of some professional development funds to support the addition of instructional coaches for math and literacy.

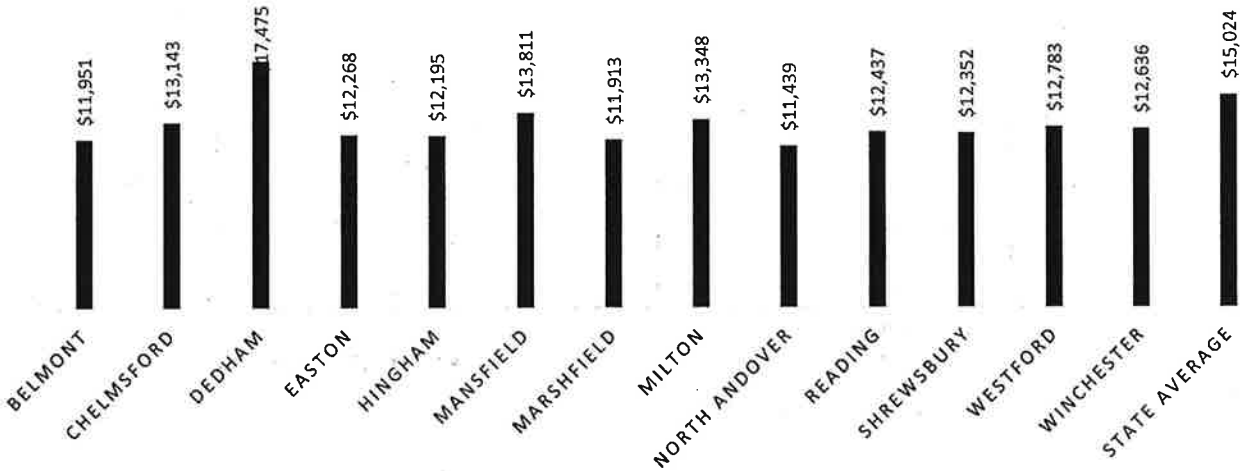
The overall message to be gleaned from this comparison of categorical per pupil expenditures is that the vast majority of all of our expenditure categories appear underfunded when compared to the state average and that re-allocation of resources from one category to another would merely cause a particular category to be even further underfunded. The one area that we have looked to as a source of funds is out-of-district tuition. With the average out-of-district special education placement costing the

district over \$65,000, the ability to offer in-district programs for these students is not just best for students but also financially beneficial as well.

Comparable District Spending

As mentioned in the introduction to this section, comparing our district’s per pupil spending with comparable peers helps us to determine how we might consider allocating resources differently to be able to achieve key performance goals, be they student or other goals. The first step in this process is to determine a reasonable set of comparable peers. For our comparisons, the peers that have been selected are those that have similar enrollment and similar financial profiles. An analysis was performed using nine different demographic and financial metrics including population, per capita income, equalized property value, average single family tax bill and size of municipal budget.

Table B2: FY’16 In-District Per Pupil Spending



In comparing per pupil spending for the various functional categories that DESE tracks (see Table B3), one can see that in FY16 Reading ranks among the lowest of the comparable districts in all categories with the exception of professional development and supplies, materials & equipment. As we mentioned earlier, professional development includes the staff salaries for the amount of inservice days in the school calendar. The chart below shows that in FY16, Reading ranks 7th out of 13 in per pupil spending for in-district students at \$12,437. The average per pupil spending for these thirteen comparable districts is \$12,904 or \$467 above our district per pupil. If our district were funded at the average per pupil for these comparable districts, it would translate to an additional \$2,044,059 in funding to the district’s budget. The table below also shows that we are most significantly behind both the state average and our comparable average in the Classroom and Specialist Teachers category which represents salaries paid to these staff.

Table B3: FY'16 Per Pupil Expenditures by Category for Comparable Districts

District	Total In-District Expenditures	Rank	Administration	Rank	Instructional Leadership	Rank	Teachers	Rank	Other Teaching Services	Rank	Professional Development	Rank	Instructional Materials, Equipment and Technology	Rank
Belmont	\$11,951	11	\$373	9	\$870	6	\$5,119	10	\$865	10	\$130	8	\$470	3
Chelmsford	\$13,143	4	\$416	7	\$676	12	\$5,485	7	\$949	7	\$21	13	\$910	1
Dedham	\$17,475	1	\$916	1	\$1,013	2	\$6,686	1	\$1,556	1	\$284	3	\$400	4
Easton	\$12,268	9	\$417	6	\$699	11	\$5,313	9	\$1,116	9	\$106	9	\$273	10
Hingham	\$12,195	10	\$338	12	\$888	5	\$5,600	4	\$1,269	4	\$80	10	\$186	12
Mansfield	\$13,811	2	\$386	8	\$907	4	\$5,829	2	\$1,247	2	\$295	2	\$287	9
Marshfield	\$11,913	12	\$497	3	\$865	7	\$5,505	6	\$1,331	6	\$52	11	\$268	11
Milton	\$13,348	3	\$497	4	\$1,090	1	\$5,682	3	\$930	3	\$135	7	\$302	8
North Andover	\$11,439	13	\$373	10	\$654	13	\$5,046	13	\$914	13	\$38	12	\$178	13
Reading	\$12,437	7	\$418	5	\$932	3	\$5,093	11	\$943	11	\$337	1	\$422	5
Shrewsbury	\$12,352	8	\$339	11	\$796	9	\$5,087	12	\$1,444	12	\$216	5	\$332	6
Westford	\$12,783	5	\$343	13	\$735	10	\$5,473	8	\$1,063	8	\$227	4	\$314	7
Winchester	\$12,636	6	\$625	2	\$860	8	\$5,574	5	\$995	5	\$151	6	\$385	4
Average	\$12,904		\$457		\$845		\$5,499		\$1,125		\$159		\$364	
Reading vs. Average	-\$467		-\$39		\$87		-\$406				\$178		\$59	
State Average	\$15,024		\$550		\$1,017		\$5,832				\$207		\$468	
Reading vs. State Average	-\$2,587		-\$132		-\$85		-\$739				\$130		-\$46	

Special Education Spending

Special education expenses present a unique challenge to school districts due to their variability and lack of predictability. Our goal is always to provide the highest quality services to students and to provide those within the district. Over the last ten years, our district has increased its in-district special education programs from one program to six different programs across the district. The figure below shows the number of students in each of the programs in the current school year. Descriptions of each program can be found in the Special Education Cost Center discussion in the Financial Section of this document. The total number of children in special education programs is 169 with the greatest number of students currently in the Connections program.

Table B4: SY 17-18 Special Education Program and Learning Center Enrollment

	K	1	2	3	4	5	6	7	8	9	10	11	12	PG	Total
Bridge				3	3	3	2	6	6	4	8	1	0	0	36
Compass	1	4	4	1	2	2	5	0	0	0	0	0	0	0	19
Connections	1	6	3	5	2	4	8	7	4	3	6	2	2	0	53
Crossroads	1	0	2	4	1	3	1	3	1	1	3	1	0	0	21
Learning Center	12	20	33	34	47	40	47	43	42	41	39	41	28		467
Post														2	2
TSP	0	0	1	0	1	5	0	5	5	3	7	6	5		38
Total															636
OOD	2	1	0	1	4	1	3	4	4	5	7	17	11	7	67
	17	31	43	48	60	58	66	68	62	57	70	68	46	9	703

When we are unable to provide the necessary services for a child to be able to make effective progress, then it becomes necessary to place the child in an out of district program. In that case, the district is responsible for the tuition and transportation expense for that child. Depending upon the placement, out-of-district tuitions can range from a low of \$40,000 to a high of over \$300,000 for a private residential placement. Table B5 shows the historical special education expenditure trends for Reading Public School. This data shows the extreme variability in special education expenditures, particularly out-of-district tuition expense. Between SY'2004 and SY'2005, for example, out of district tuition increased 25.4%. In SY'2010, this expense decreased 13.1% from the prior school year. The data also show the significant in-district increases that occurred in the years between 2003 and 2009 as our in-district programs were growing with staffing added to support those programs.

Table B5: Historical Special Education Spending (FY04-FY15)

Fiscal Year	In-District Instruction	Yr/Yr % Change	Out-of-District Tuitions	Yr/Yr % Change	% of School Operating Budget	State Average Percentage
2004	4,002,687		2,929,036		21.3	18.6
2005	4,468,696	11.6%	3,671,734	25.4%	23.2	18.9
2006	4,250,615	-4.9%	4,018,504	9.4%	21.8	19.1
2007	4,603,329	8.3%	4,241,134	5.5%	22.2	19.4
2008	5,011,644	8.9%	4,387,747	3.5%	22.8	19.8
2009	5,407,638	7.9%	4,503,089	2.6%	23.6	20.1
2010	5,316,345	-1.7%	3,913,861	-13.1%	22.2	19.8
2011	5,391,569	1.4%	3,552,879	-9.2%	20.9	19.9
2012	5,575,866	3.4%	3,702,507	4.2%	21.5	20.5
2013	6,674,941	19.7%	3,085,288	-16.7%	21.7	20.9
2014	7,046,289	5.6%	3,054,986	-1.0%	21.6	20.9
2015	7,282,752	3.4%	3,680,219	20.5%	22.3	21.0

The data shows that our in-district expenses have significantly increased from FY'12 to FY'13 this is due to a 12.7% or \$650,279 increase to teaching and a 95.6% increase to other instructional expenditures which includes supervisory, textbooks, materials and instructional equipment. During this same time

period we benefited from a 16.7% reduction in out-of-district tuitions due in part to our in district programs and students aging out of the school system. The FY'14 data indicates an increase in In-District Instruction of 5.6% and a 1.0% reduction in Out-of-District Tuitions. Reading's % of Schools Operating Budget has averaged 21.6% for the past three years and the gap between the percentage of budget for special education costs between our district and the statewide average has been consistent over the same three years.

Table B6 shows that we are spending less on special education as a percent of the total budget than our comparable peers. From FY'08 to FY'10, we ranked fourth in the percent of the total budget that special education expense comprises. As of FY'15, we are ranked 10th when compared to these other twelve districts. In essence, this indicates that our district has been working hard to stabilize special education expenses and has been successful relative to other comparable districts.

Table B6: Special Education Spending as a Percent of Total Budget for Reading and Comparable Districts

District	FY'11		FY'12		FY'13		FY'14		FY'15	
	% of Total Budget	Table Rank	% of Total Budget	Table Rank	% of Total Budget	Table Rank	% of Total Budget	Table Rank	% of Total Budget	Table Rank
BELMONT	20.2	8	21.8	9	21.9	9	22.2	8	24.1	6
CHELMSFORD	21.3	6	23.3	4	23.3	4	23.9	5	27.3	2
DEDHAM	25.6	1	26.2	1	27.4	1	26.1	1	25.3	4
EASTON	18.3	11	18.7	12	21.7	11	22.1	9	22.4	9
HINGHAM	19.6	9	23.1	5	23.3	5	22.7	7	22.9	8
MANSFIELD	21.3	5	22.1	7	22.5	8	24.5	3	24.3	5
MARSHFIELD	22.4	4	23.6	3	24.0	3	19.6	12	20.0	12
MILTON	18.2	12	21.9	8	21.9	10	21.1	11	20.8	11
NORTH ANDOVER	22.9	3	22.1	6	23.3	6	24.8	2	27.0	3
READING	20.9	7	21.5	10	21.7	12	21.6	10	22.3	10
SHREWSBURY	24.6	2	24.3	2	25.2	2	24.1	4	28.4	1
WESTFORD	14.1	13	15.3	13	16.9	13	17.6	13	17.9	13
WINCHESTER	19.6	10	20.6	11	22.6	7	22.8	6	22.9	7
State Total, All Districts	19.9		20.5		20.9		20.9		21.0	

Appendix C: Student Demographics

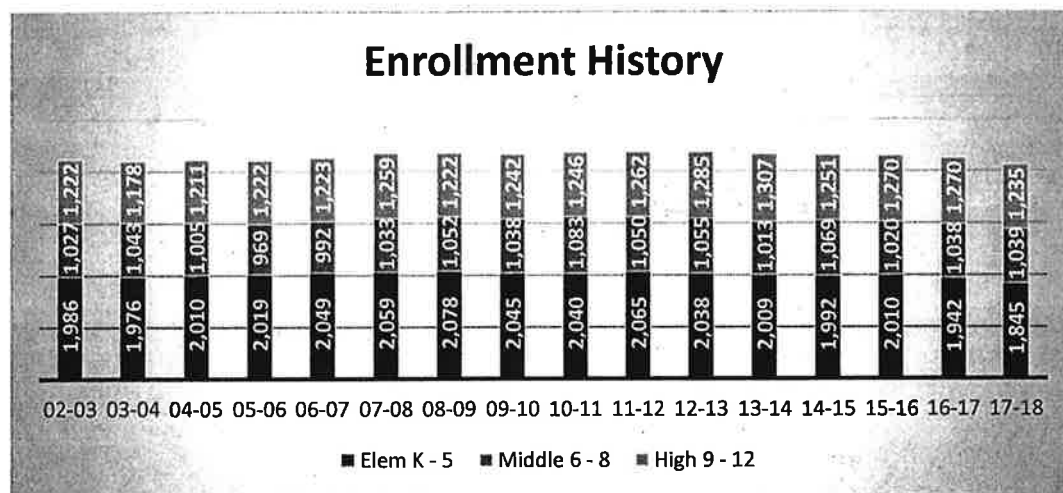
This section provides student demographic information such as enrollment by school, by grade, and by population and class size information.

District Enrollment and Student Demographics

School districts in Massachusetts are required to report student enrollment and demographic data to the Massachusetts Department of Elementary and Secondary Education (MA DESE) three times per year: October 1, March 1, and Year End. The October 1 figures are used to evaluate staffing needs and patterns for the School Committee Budget each year.

Enrollment in our district has remained relatively stable and while we have declined (6.0%) since our highest enrollment level in SY12-13. Over the last ten years we have decreased our enrollment by 215 students. The three largest increases in enrollment came during SY'2007-08, SY'2010-11, and SY'2006-07.

Table C1: Historical Enrollment by Grade Level



It has been more than 8 years since the District convened an enrollment study. K-12 Enrollment has been fairly consistent over the past fourteen years, peaking in FY12-13 at 4,378. Current K-12 enrollment is 4,119. This year, enrollment decreased at elementary by 97 students, primarily in Kindergarten and the exit of a larger Grade 5. Middle school increased by 1 student and High School enrollment decreased by 35 students due to the graduation of a historically large senior class. Historically, anywhere from 4% to 13% of eighth grade students do not move on to Reading Memorial High School. Tables C2 and C3 show the historical enrollment by school and grade level.

Table C2: Historical Enrollment by School

	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18
Alice Barrows	405	409	375	387	406	407	390	399	389	388	369	359	385	385	377
Birch Meadow	527	532	350	363	418	422	412	419	412	393	384	387	387	383	370
Joshua Eaton	490	525	496	482	465	450	442	425	446	453	455	471	462	428	388
J. Warren Killam	554	544	447	453	427	451	455	447	451	446	463	440	460	427	420
Wood End			351	364	343	348	346	350	367	358	338	335	316	319	290
A.W. Coolidge	509	473	442	426	436	466	476	490	466	462	449	476	471	466	476
Walter S. Parker	534	532	527	566	597	586	562	593	584	593	564	593	549	572	563
Reading Memorial	1,178	1,211	1,222	1,223	1,259	1,222	1,242	1,246	1,262	1,285	1,307	1,251	1,270	1,270	1,235
RISE	65	67	72	68	65	76	67	90	100	105	103	95	94	91	94
District	4,262	4,293	4,282	4,332	4,416	4,428	4,392	4,459	4,477	4,483	4,432	4,407	4,394	4,341	4,213
% Change	-0.7%	0.7%	-0.3%	1.2%	1.9%	0.3%	-0.8%	1.5%	0.4%	0.1%	-1.1%	-0.6%	-0.3%	-1.2%	-2.9%

Table C3: Historical Enrollment by Grade Level

	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2002-03	58	321	336	354	310	308	357	344	363	320	303	325	292	302	4,293
2003-04	65	300	361	344	350	312	309	348	335	360	277	298	328	275	4,262
2004-05	67	337	331	341	345	349	307	315	350	340	327	272	308	304	4,293
2005-06	72	282	369	328	343	346	351	312	313	344	315	327	281	299	4,282
2006-07	68	324	316	375	328	353	353	355	320	317	315	314	331	263	4,332
2007-08	65	324	345	318	388	335	349	348	364	321	305	319	323	312	4,416
2008-09	76	324	343	358	318	393	342	343	347	362	292	304	319	307	4,428
2009-10	67	280	345	349	363	318	390	353	341	344	334	298	298	312	4,392
2010-11	90	348	308	351	349	369	315	387	353	343	324	327	301	294	4,459
2011-12	100	319	362	315	356	347	366	311	390	349	312	327	326	297	4,477
2012-13	105	302	342	361	324	356	353	362	309	384	323	314	321	327	4,483
2013-14	103	287	319	351	370	327	355	347	362	304	353	323	308	323	4,432
2014-15	95	322	298	314	362	366	330	356	346	367	270	357	319	305	4,407
2015-16	94	319	337	305	308	375	366	326	357	337	328	273	346	323	4,394
2016-17	91	267	343	342	307	313	370	356	324	358	306	336	276	352	4,341
2017-18	94	293	273	341	334	299	305	360	353	326	325	306	331	273	4,213

The Reading Public Schools provides special education services to eligible students ages three to twenty-two years deemed eligible through the special education team evaluation process. Eligibility is based on a determination that the child has a qualified disability that will limit the child's ability to achieve effective progress in the regular education program without special accommodations. Instructional or other accommodations are outlined in the child's Individual Education Program (IEP). Table C4 shows historical data regarding the number of students with IEPs based on October 1 enrollment data. As this

table indicates, the total percentage of students receiving special education services has increased by .1% or a decrease of 14 students between last school year and this school year. In addition, we have seen an increase in the number of students in out of district placements from last year to this year by 9 students. Our analysis has shown that several of these students are being placed in out of district placements for social emotional or behavioral needs. The overall decrease in the number of students on IEP's are due to a continued emphasis by our Special Education Department and our building principals on keeping students in our school district with strong programs and a continued emphasis by our schools to use the multi-tiered system of supports to support students who are struggling with a strengthening of the eligibility process for special education.

Table C4: Special Education Enrollment

Academic Year	Total Enrollment	# of Students on IEP	% of Students	% of Students Statewide	# of Students Out of District
2005-06	4282	694	16.2%	16.4	73
2006-07	4332	707	16.3%	16.7	67
2007-08	4416	753	17.1%	16.9	73
2008-09	4428	771	17.4%	17.1	63
2009-10	4392	758	17.3%	17.0	59
2010-11	4459	734	16.5%	17.0	51
2011-12	4447	768	17.3%	17.0	64
2012-13	4483	737	16.4%	17.0	64
2013-14	4432	767	17.3%	17.0	50
2014-15	4407	809	18.4%	17.1	61
2015-16	4394	791	18.0%	17.2	64
2016-17	4377	727	16.6%	17.4	53
2017-18	4275	724	16.9%	N/A	69

Table C5 shows the enrollment for our high needs population, as defined by the Massachusetts Department of Elementary and Secondary Education (DESE). Much of the financial support that the district receives from state and federal grants and reimbursement programs (e.g. Title I, school nutrition reimbursements, or circuit breaker) is driven by enrollments of certain populations of students. These groups often need additional services beyond the general education classroom. These populations include students receiving special education services, students whose first language is not English or who have limited proficiency in English, or low income students. The figures below show enrollment for these subgroups in our district. What is apparent from the table below is that our ELL and low income populations have been steadily rising over the last several years. We are also seeing a steady increase over the last several years in the number of students who are low-income. This year alone we saw a total increase of 57 students in this high needs group. This increase has a financial impact in the types of services that we offer and the number of students who will qualify for financial assistance in full day kindergarten, bus transportation, athletics, and extra-curricular programs.

Table C5: Enrollment History for Other High Needs Populations

Enrollment History for other High Needs Populations													
Academic Year	First Language Not English		Limited English Proficient		Low-Income		Free Lunch		Reduced Lunch		Students on IEP		
	#	%	#	%	#	%	#	%	#	%	#	%	
2007-08	85	1.9	17	0.4	158	3.6	114	2.6	44	1.0	753	17.1%	
2008-09	78	1.8	14	0.3	172	3.9	125	2.8	47	1.1	771	17.4%	
2009-10	83	1.9	16	0.4	204	4.6	152	3.5	52	1.2	758	17.3%	
2010-11	75	1.7	14	0.3	231	5.2	176	3.9	55	1.2	734	16.5%	
2011-12	72	1.6	15	0.3	254	5.7	204	4.6	50	1.1	768	17.3%	
2012-13	81	1.8	20	0.5	261	5.8	213	4.8	48	1.1	737	16.4%	
2013-14	79	1.8	26	0.6	294	6.6	239	5.4	55	1.2	767	17.3%	
2014-15	75	1.7	26	0.6	398	9.2	340	7.8	58	1.4	809	18.4%	
2015-16	89	2.0	46	1.0	390	8.9	342	7.8	48	1.1	791	18.0%	
2016-17	94	2.2	46	1.1	380	8.8	333	7.7	47	1.1	727	16.6%	
2017-18	100	2.3	43	1.0	437	10.2	345	8.1	92	2.2	713	16.7%	

Class Size

The Reading School Committee and Reading Public Schools do not have a policy that mandates class size. However, at the elementary level, the district uses guidelines that include a recommended class size of 18 to 22 in grades K-2, and 20 to 25 in grades 3-5. As Table C6 shows, the vast majority of the elementary schools are within these ranges. In FY19, one of the proposed reductions is for 4.0 Elementary Teachers in grades 3-5 for the 2018-19 school year. This reduction will result in some classes in those grades to reach up to 27 students per classroom.

Table C6: Average Class Size by Grade and School (2017-18 School Year)

School	Grade K	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8	Grade 9	Grade 10	Grade 11	Grade 12
Barrows	22.3	18.3	20	21	19.6	17.7							
Birch Meadow	20	20.5	17.5	19.3	20.3	20							
Joshua Eaton	19.7	20.5	17.5	19.3	20.3	20							
Killam	22	22.3	20.3	20.3	22.7	19.3							
Wood End	20.5	22.5	24	23	23	20.5							
Coolidge							28.7	25.3	25.3				
Parker							23.5	25.1	21.8				
High School										20	21.3	17.6	16.8
Average	20.9	21	20	20.9	21.4	19.1	26.1	25.2	23.6	20	21.3	17.6	16.8

Middle school class size ideally should be between 20 and 26 students. As Figure A16 shows, middle school class sizes are all essentially within the ideal range at Parker Middle School, but slightly higher at Coolidge Middle School.

At the High School level, “average” class size is more difficult to determine and assess given the various types of programs and levels of each program offered (college prep, strong college prep, honors, and advanced placement) and the number of courses taught, both required and elective. The average class sizes shown in Table C6 above are for required classes at each grade level. Over the last 2 years, 7.0 FTE teachers have been reduced at Reading Memorial High School resulting in students not being able to access all of the coursework that they need in a timely manner for graduation. Table C7 below shows the current class sizes at the High School by grade, core subject, and level.

Figure C7: SY'2016-17 High School Class Size

Grade Subject	College Prep				Strong College Prep				Honors				AP
	9	10	11	12	9	10	11	12	9	10	11	12	
English	NA	NA	NA	NA	21	20	20	18	23	23	23	22	10
Math	16	16	18	26	21	21	21	23	27	23	22	NA	24
Science	NA	21	18	13	21	22	17	17	23	22	21	21	20
Social Studies	NA	NA	8	NA	18	19	21	19	22	24	22	12	23
French	NA	NA	NA	NA	15	23	15	8	25	32	20	11	14
Spanish	14	NA	NA	NA	22	20	16	8	23	25	17	6	20
Latin	17	18	NA	NA	22	19	NA	NA	NA	NA	16	16	1
Average	16	18	15	20	20	21	18	16	24	25	20	15	16

Appendix D: School District Challenges

Challenges

In September, 2016, the Reading Public Schools released a document which informed the Community of the challenges facing our school district. The document described the challenges as follows:

1. Retaining and Attracting Staff
2. Developing well-balanced and prepared students for college, career, and life
3. Supporting teachers and administrators as we transition to more rigorous standards and curriculum
4. Continuing to improve our special education services and in district programs
5. Identifying long term space needs to address program changes
6. Remaining comparable and competitive with other towns and school districts

Below is a description of these challenges. Many of these challenges are not addressed in the FY19 School Committee's Recommended budget, but will be addressed in the override budget. These areas do need to be prioritized in future budgets if we are to remain a strong competitive school district for our students.

1. Retaining and Attracting Staff

Over the last four fiscal years, the Reading Public Schools has had to make \$2,636,364 in personnel and non-personnel reductions/offset adjustments to level service budgets. In the FY18 budget alone, there is a reduction of 10.9 positions (6.4 teachers) as part of an overall \$813,405 reduction from a level service budget. In addition, when reviewing the salary schedules of 30 comparable communities that our Municipal and school department uses for budgetary purposes, Reading is in the bottom half for teacher salaries and compensation. The lack of additional resources in clerical and mid-level supervisory support has led to an increased workload for our teachers and administrators in an era of increased expectations and accountability for education. This combination has led to an increase in staff leaving the district for other communities over the last few years for higher wages and benefits and decreased workload. Moreover, it has been more difficult to attract teachers to come to Reading. This past school year alone, four teachers who were offered positions in Reading declined our offer to teach in other districts for higher wages and benefits.

To support this challenge, we have seen a steady increase in the number of teachers who have resigned in the school district since 2010. During our exit interview process, teachers are indicating that they are leaving for a variety of reasons, including family situations, relocation, advancement in their career, and working closer to their home. However, we are also seeing an increase in teachers leaving because of the workload/demands of the position and the compensation/benefits we offer. Anecdotally, we have seen teachers resign from the Reading Public Schools and receive a 6-8% increase in pay and benefits for a similar position in another school district. We have also experienced situations where perspective candidates have been offered positions in our school district and have declined to take an offer in another district for higher wages and benefits.

It is critical that our district remain competitive in salaries, benefits, and working conditions with other districts. Each time a teacher leaves the district, there is not only a financial and administrative cost to recruit, train and mentor the new teacher, but more importantly, there is a negative cultural impact to a school, classroom, and students.

2. Developing well balanced and prepared students for college, career, and life

States and school districts across the country are at various stages of updating their math, literacy, and science curriculum, improving their instructional practices, and developing an assessment system that identifies what students are truly learning. Our students are learning more rigorous and challenging curriculum and our teachers are working extremely hard to stay current in the type of classroom instruction that addresses today's student.

All school districts are experiencing student challenges that did not exist 10 years ago. Students are facing a greater degree of peer pressure, social media, and societal pressures, at a time when they are expected to achieve at a higher level. These pressures on our students have led to an increased number of students who are being diagnosed with anxiety and depression which has led to an increased number of students who have been hospitalized. In the 2015 administration of the Youth Risk Behavior Survey (YRBS), we are seeing trends where 25% of RMHS students are feeling sad or hopeless two weeks in a row, 16% of RMHS students purposely injured themselves without the intention of killing themselves and 11% of RMHS students have seriously considered suicide. These pressures can also lead to an increase in risky behaviors such as drug and alcohol use, including the use of Opioids and other illegal substances. Recently, we have seen an increase the number of students who have been placed out of district for social emotional or behavioral health reasons. In addition, we are having a growing population of students who are struggling academically. To help address these needs, the Reading Public Schools has been putting into place different levels of supports and programs for students based on need. However, additional staffing is needed to provide those academic and social/emotional supports. If we are able to proactively address these challenges when a child is first struggling, it will help the student and potentially avoid more expensive interventions and supports (i.e. special education) at a later date.

One of the areas that we are not addressing adequately is health education. Unlike other school districts, the Reading Public Schools does not have a comprehensive health education program in Grades K-12. Currently, there are 10 lessons of health education per year in Grades 3-5, and semester courses in Grades 9 and 11. This year, we have increased the number of health education lessons at the middle school during the student's physical education/wellness classes and we will continue that trend in the future. A Grade 7 middle school health education course was eliminated due to budget reductions in 2013. A middle school health education program would focus on prevention and educate students on making good healthy decisions, improve peer relations, and understand how to live a healthy and productive lifestyle. It is important for students to have this foundation before reaching high school.

Finally, anecdotally, we are beginning to hear from some families that their children are not being accepted into their top college choices. When we have researched this concern, we are hearing that our students do not have access to as many Advanced Placement Courses as other school districts. Reading Memorial High School has one the lowest number of available

Advanced Placement Courses in the region. In addition, we do not have the types of elective courses available to our high school students that allow them to explore and go more into depth areas that will prepare them better for their college interests. The availability of Advanced Placement Courses and elective opportunities is a critical component in making students more competitive when they are applying to colleges and Universities and to better prepare them for their future choices. Additional staffing is needed to provide these courses.

3. Supporting teachers and administrators as we transition to more rigorous standards and curriculum

Giving teachers and administrators the time, support, and professional training is essential so that they are able to address the needs of today's students. As part of this support, it is important to maintain and update our current levels of technology hardware, training, and infrastructure so that teachers have the instructional tools in the classroom. Moreover, we need to continue to provide professional development time for teachers to learn new curriculum, update instructional practices, and have time to collaborate with each other so that there is consistency in learning experiences across all schools.

One area that is critical, but is currently a challenge in our district is the amount of administrative and supervisory support that is available for staff. On average, our building level administrators supervise and evaluate 47 staff at each of our schools. This ratio is much higher than our comparable communities and is a cause for concern because it does not allow our administrators to adequately help support teachers and other staff while managing the day to day operations of the school. Essentially, because of the lack of administrative support, Principals are forced to focus more on the day to day operations of the school and spend less time on continually improving the school. Ultimately, this affects student learning and success.

Most comparable school districts have these additional supports in the form of elementary assistant principals, curriculum coordinators, and curriculum directors. In FY15, which is the latest figures that we have from the Department of Elementary and Secondary Education (DESE), Reading is ranked 27th out of 30 comparable communities in per pupil expenditures for District and School Instructional Leadership. One of the school districts that was ranked below us, North Andover, recently added two K-12 curriculum coordinator positions, which will most likely rank them above us in a future ranking. In addition to providing supervision, these positions focus on curriculum coordination so that students in every classroom across the school district are receiving the same learning experiences by grade and subject area. In an era of increased accountability and expectations, school districts are recognizing the importance of these positions and the impact that they can have on students.

4. Continuing to improve our special education services and programs

In 2015, the Reading Public Schools had Walker Associates conduct a complete evaluation of our special education programs and services in the school district. As part of that report, there was a finding of increased administrative turnover and workload for the Director of Student Services and Team Chairs. The Director of Student Services currently oversees all of the Age 3-22 special education programs and services, special education transportation, English Language Learner services, Health Services, and Social Emotional Learning coordination. Additional support is needed in this area so that the Director's focus can be on improving special education programs

and services throughout the school district. By strengthening our in district special education programs, we will be able to educate more of our special education students in district instead of enrolling them in out of district placements. This has both a fiscal benefit for the community and an educational benefit for students as it will allow students to stay in their local school district with their peers in a more inclusive setting. For example, a student who is in the Compass Program (in district program for students with severe autism) will cost \$52,000 less per year than an out of district private special education program and \$17,000 less per year than a public collaborative program that service the same disability. By strengthening our in district special education programs, the savings that results from those investments can ultimately be used for all students in the district.

5. Identifying long term space needs to address program changes

The Reading Public Schools has had space constraints over the last several years due to programmatic changes and additions in special education, full day kindergarten, preschool and other program offerings. In addition to the special education program needs described above, there has been a growing demand for full day kindergarten and preschool. In the 2017-18 school year, 75% of our kindergarten students will be in tuition-based full day kindergarten. According to the Massachusetts Department of Elementary and Secondary Education, in the 2017-18 school year, 94.7% of all kindergarten students in Massachusetts public schools were enrolled in full day kindergarten. In addition, 80% of all Massachusetts School Districts now have tuition free full day kindergarten and that percent is increasing annually. Our space needs were partially addressed with the addition of six modular classrooms last year at the elementary level. These modular classrooms will provide much needed classroom space for at least 10-15 years. Unfortunately, the space needs continue to grow as we continue to strengthen our in district special education programs and more families are choosing full day kindergarten.

In addition, Killam Elementary School, which was built in 1969, is beginning to show its wear and tear and will need work done in the next five to ten years. Recently, The Town of Reading Water Department conducted water testing for lead in all of our schools. The lead in water test results have indicated that over 80% of the faucets at Killam are showing above lead levels in water of 15 parts per billion or greater. This is due to plumbing fixtures and pipes that contain high lead content. The only long term solution to solving the high lead content is to completely replace all of the plumbing in the building. In addition, Killam is the only school building in the district that has not had a renovation or new construction. It is anticipated that this could be a possible option to add additional classroom space in the district to accommodate these programmatic changes. A feasibility study in the next few years may provide sufficient information on how to move forward in this challenge.

6. Remaining comparable and competitive with other towns and school districts

Addressing each of the above challenges (1-5) will keep our school district comparable and competitive with area towns and school districts. As mentioned in Challenges 1 and 3, we need to become more comparable in salary, working conditions, and benefits to be able to retain and attract teachers and administrators. In addition, we need to keep our programs, curriculum, and learning experiences strong so that we can provide opportunities and options for our families so that they will send their children to the Reading Public Schools.

Final Thoughts

A significant amount of gratitude goes out to the Central Office Administrators, Principals, and Directors who worked tirelessly to develop a recommended FY19 budget that, in spite of the fiscal realities facing our community, keeps the focus on our students. The decisions that were made to develop this budget looked at the priorities, both short term and long term, that our school district is facing and how we have to adapt to the challenges described above. Similar to FY18, we do not support the reduction of staff, however, given the fiscal realities, our options are limited and we had to prioritize reductions that long term had the least negative impact on our PreK-12 students, as well as, providing adequate support for teachers in training, materials, and supplies in the 2017-18 school year.

Our school district has a lot to be proud of and we see it each and every day in our classrooms. Our overall data is showing that Reading Public School students are performing above the state average on the latest state assessments. We are also beginning to see some positive downward trends in some of our key Youth Risk Behavior Data, including significant decreases in the use of cigarettes, alcohol, and marijuana since 2005. This is due to our dedicated and hard-working teachers, administrators, and support staff who work tirelessly in the best interest of all of our students. In addition, we have an excellent working relationship with town officials who see education as one of the priorities of our community.

Earlier, we described the challenges that our school district is facing and obviously, we are concerned about the financial and human impact these reductions will have on our school district. We are very appreciative and value the financial support that our community has given to public education over the last several years. Unfortunately, our latest state financial data (FY16) shows that Reading ranks 295th out of 326 Massachusetts communities in per pupil spending. It is well documented that our community has a revenue challenge as we become more and more reliant on cash reserves each year to fund our budgets. It is to our town's credit that through mutual respect and collaboration, town boards have stretched our dollars to provide the quality education and services, of which Reading is so proud.

While of course a particular "per pupil expenditure" is not the point, nor a guarantee of educational excellence (for instance, there are many school districts where higher spending does not necessarily translate to greater student achievement), it's important to make clear that the objective is not the specific dollar amount—but rather a sustainability from year to year that is comparable to other communities in the state. For many years, Reading's per pupil expenditure was in the average to low average range for the state, and we were proud that we were still able to attain above average results. The significance in the state "per pupil" ranking is not any specific dollar amount but rather the yearly comparison to all the other communities in the state. As the drastic decline in the state ranking indicates however—dropping in the last decade from 232 to 295 with a low point of 305 (out of 326 communities), Reading has unfortunately not kept pace in sustainability with other communities in the commonwealth. In order to continue providing our students with the most effective programs and also to continue attracting/retaining excellent educators, this is clearly an issue that needs further attention as we move forward.

Our continuing decline in per pupil expenditure is beginning to have an impact on our school system, especially during the times of transition that our schools are currently facing. Over the last five years, the average budget increase has been 3.2%, however, expenses in health care costs, utilities, supplies, special education costs and compensation have come in at much higher increases. This leads to overall decreased funding for school services and programs. We are in the midst of tremendous educational

change in our state and in our country with more rigorous curriculum frameworks, a next generation assessment system, and the expectation to make sure all students are college and career ready. We also need to address the areas mentioned earlier in behavioral health. During these times of transition, it is more important than ever to sustain our previous levels of support and to add resources to address additional needs. In the upcoming school years we will need to continue to update our science and engineering curriculum, provide time and resources for teachers to implement these new curricula, continue to improve our special education services and programs, add more tutorial and social emotional support for struggling students, offer dedicated health education classes at our elementary and middle schools, increase our Advanced Placement course offerings at the high school and elective offerings at all levels, and update the High School Graduation requirements to help prepare our students for college and future opportunities. The resources necessary to move forward in these areas are not in the FY19 School Committee's Recommended Budget.

Equally important, we need to continue to attract and retain the best educators. Over the past few years alone educators left our district and took employment in another school district in the Metro Boston area for higher compensation, better benefits and improved working conditions related to caseload and paperwork. In addition, four candidates who were offered positions in our school district declined to accept our offer and accepted a position in another school district for higher compensation and benefits.

While the FY19 School Committee's Recommended Budget allows us to fund most of the core areas of our school district, other areas are affected, and financial constraints limit our ability to pursue many of the innovative programs, structures, and systems that we believe will make our students even more successful. The Reading Public Schools is at a crossroads when it comes to the amount of funding available and what we are able to do to continue to improve education in our district. While each district's per pupil spending might be impacted by varying needs, what is evident has been our inability to sustain what had been effective levels of services from year to year. What we are finding is that, in the last several years, we are losing ground, and finding it harder to compete with comparable communities. In FY15, the School Department needed to reduce a level service budget by \$285,000. In FY16 the School Committee's Recommended budget was reduced by \$849,620 from a level service budget. The FY17 Recommended budget had been reduced from the FY16 level service budget by \$658,193 and the FY18 Recommended budget was reduced by \$813,405 from the FY17 level service budget. As described in this FY19 School Committee's Recommended Budget, the gap is \$843,551.

In conclusion, our district will continue to stay focused on the academic, social, emotional, and behavioral well-being of our students. While we are proud of the fact that we are a district that is on the forefront in many areas, we have many challenges, described above, that lie ahead. The increasing accountability demands on public education and the needs of our students have increased significantly over the last five years and we need to identify additional resources and restructure some existing resources so that our teachers and administrators can continue to do the hard work necessary to improve student learning. We need resources to create more opportunities for teachers to collaboratively work together to share their work, and improve their practices, and to provide instructional coaching support so that teachers can see firsthand what it looks like in the classroom. The FY19 School Committee's Recommended Budget unfortunately, cannot reflect all of those priorities.

Although this is an uncertain budgetary time in our schools, we have an opportunity to make positive substantive changes. It is difficult work, but we are up to the challenge of providing the best learning

experiences for our students. We are proud of the work that our teachers and administrators do every day to improve teaching and learning in our district. In addition, we have enthusiastic and respectful students who arrive to school every day eager to learn. This is a testament to our parents and our community who value the importance of education and the role that it needs to play in a community. There is no question that a major indicator of the quality of life for everyone in a community can be measured by the quality of its schools and by a community's commitment to its children. In this way, the quality of a school district affects every single person in a community, and the Town of Reading is no exception.

We appreciate the support that we have received from the community in the past and we look forward to working with town officials during this budget process and in providing sustainable funding solutions for FY19 and beyond.

ENTERPRISE FUNDS

FY19 BUDGET

Enterprise Funds Overview

Infrastructure Planning

We do a thorough review at least twice each year to make sure our infrastructure repair and replacement planning is still on the best path forward, which is a balance between the condition of infrastructure and the estimated costs of repairs/replacements.

Water Enterprise Fund costs may be divided into three categories as shown below:

	Approved FY-2018	Proposed FY-2019	Projected FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026
MWRA	3,145,025	2,987,130	3,093,194	3,192,288	3,292,486	3,404,089	3,522,313	3,647,194	3,769,467
Infrastructure & Maint	1,476,183	1,857,400	1,970,300	2,074,800	2,450,300	2,181,800	2,099,300	2,234,600	2,259,100
Operations	2,118,610	2,193,975	2,259,794	2,327,588	2,397,416	2,469,338	2,543,418	2,619,721	2,698,313
PROJECTED COSTS		4.4%	4.0%	3.7%	7.2%	-1.0%	1.4%	4.1%	2.7%
MWRA	47%	42%	42%	42%	40%	42%	43%	43%	43%
Infrastructure & Maint	22%	26%	27%	27%	30%	27%	26%	26%	26%
Operations	31%	31%	31%	31%	29%	31%	31%	31%	31%

MWRA: These costs include the remaining buy-in as well as annual purchases of water, and they represent almost 50% of the total. Debt service for the buy-in is almost \$700,000 in FY19 and is fully repaid in FY28. Water purchase costs are forecast at +5% annually. Conservation is the only lever we have to reduce these costs, and Reading is already one of the best MWRA communities as measure by low household water usage.

Infrastructure/Maintenance: In FY19, \$1.2 million of existing debt and \$0.7 million of other costs are planned. By contrast in FY26 only \$0.5 million of existing debt and \$1.8 million of other costs are planned. This flexibility in scheduling local improvements is where the balance of the condition of infrastructure meets the impact on the ratepayer.

Operations: These tend to grow at a 3% annual rate, but are less flexible.

A similar look at the Sewer Enterprise Fund is shown below:

	Approved FY-2018	Proposed FY-2019	Projected FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026
MWRA	4,867,200	5,100,000	5,355,000	5,622,750	5,903,888	6,199,082	6,509,036	6,834,488	7,176,212
Infrastructure & Maint	679,611	729,710	864,400	1,062,900	1,192,800	1,194,300	1,129,000	905,700	1,470,400
Operations	937,060	970,460	999,574	1,029,561	1,060,448	1,092,261	1,125,029	1,158,780	1,193,543
PROJECTED COSTS		4.9%	6.2%	6.9%	5.7%	4.0%	3.3%	1.6%	10.6%
MWRA	75%	75%	74%	73%	72%	73%	74%	77%	73%
Infrastructure & Maint	10%	11%	12%	14%	15%	14%	13%	10%	15%
Operations	14%	14%	14%	13%	13%	13%	13%	13%	12%

MWRA: These costs dominate the overall costs in the fund. The MWRA forecasts over a +5% long-term trend, but sometimes there is volatility year-to-year. This volatility is more easily mitigated in the Water

EF through capital planning, but the Sewer EF remains more exposed. In several years the MWRA will have completed repaying debt for harbor clean-up and other capital projects, so it is possible the increase will slow below 5%.

Infrastructure/Maintenance: Local costs will increase as sewer station repair projects are underway. Work on the Charles Street area is complete, and next up is Sturges with design work in FY20. This will leave four smaller stations to repair, including Joseph’s Way, Brewer Lane, Collins Avenue and Small Lane. None of these projects are urgent, but every effort should be made to include them as shown in the capital plan over the next ten years,

Operations: As with the Water EF, these tend to grow at a +3% annual rate.

Water & Sewer Rates

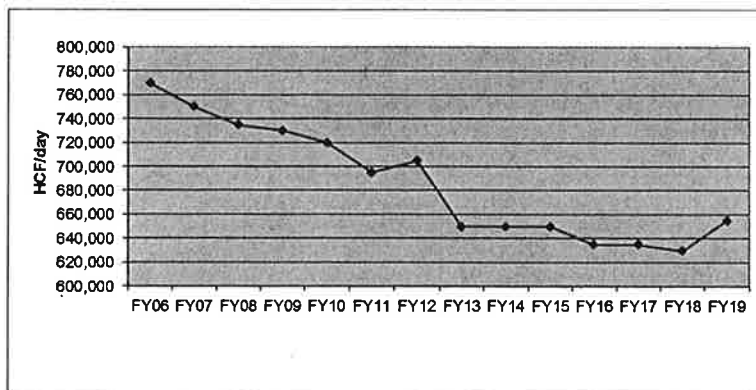
As shown previously, somewhat uncontrollable MWRA costs represent a significant portion of the Water and Sewer budgets. In addition to the capital planning that adds flexibility, the use of Reserves to smooth out rates is also a helpful financial tool.

In case of infrastructure emergencies, a certain amount of Target financial reserves must be held aside. Current reserves are well in excess of these levels.

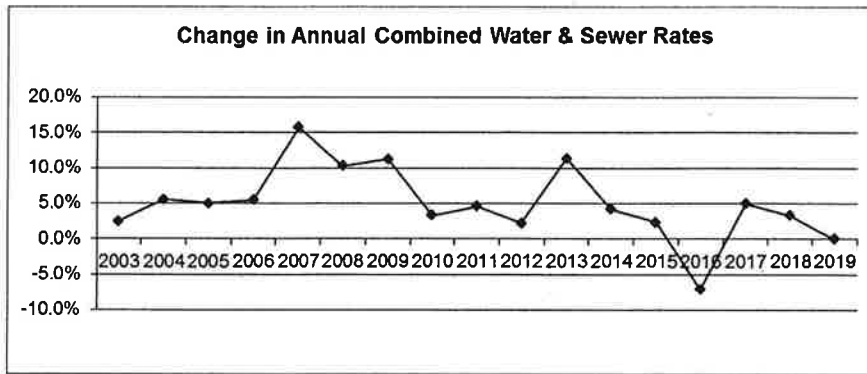
Reserves (000s)	Jan. '18	Target	Surplus	FY19
Water	\$4,103	\$2,000	\$2,103	\$550
Sewer	\$4,929	\$2,000	\$2,929	\$475
St. Water	\$978	\$350	\$628	\$200

Water & Sewer rates are set by a combination of underlying budgets, customer payment patterns, use of reserves and the volume of water the community uses. Because a significant amount of the total budget costs are fixed, water conservation efforts cause the town to ‘sell less water’ which places upward pressure on rates.

The chart below shows the water usage forecasts we have used to set rates. Note the FY19 uptick in expected water usage, driven by recent economic development, which has a downward pressure on rates by over 3%.



The sharp decrease in water usage in FY13 corresponds to a sharp increase in rates as shown below. Note the FY16 decrease was driven by eliminating the early payment discount, in which rates previously had to be set artificially high.



Upcoming Projects

For the first time in several years, no debt authorizations are planned for FY19 in any of the three Enterprise Funds. Some FY19 capital expenses are planned to examine the infrastructure of the Downtown area, important because of significant Economic Development that is already underway. In many cases, large development projects will pay impact fees which will serve as revenues for these funds, and mitigate the cost to the ratepayers. Until the results of this work are known, each fund (including the General Fund) has as a placeholder of \$1.0 million in debt planned for FY20.

The Mt. Auburn water tank is scheduled to be replaced, with \$3.5 million of debt planned for FY20. Meter replacements are scheduled for FY21, and as mentioned the Sturges sewer station repair project is also planned for FY21. All of these projects are included in the previously discussed infrastructure costs.

If a renovation or replacement to the current DPW garage occurs, then all three Enterprise Funds will pay a share of the costs, as determined by the Town Accountant. The share will be a combination of equipment storage space and the current overhead costs allocation method. For planning purposes, this is shown in the Capital Improvement Plan in FY22 as a placeholder, although there is a great deal of work that must go into that project before serious financial planning may be done. Recall the driver of the DPW garage project is the Economic Development opportunities in the Walkers Brook area, as the town searches for more revenues with lower recurring annual costs.

There are no significant projects planned for the Storm Water fund in FY19, however, the \$40/household cost is very likely to increase in coming years because of significant drainage projects planned in a few areas around town.

WATER ENTERPRISE FUND

FY19 BUDGET

Water Supply is responsible for the administrative management, operation, technical support, maintenance and security of the drinking water supply in accordance with all Federal, State and local regulations. **Water Distribution** is responsible for maintaining and operating the municipal water distribution system in accordance with industry standards and all applicable regulations. In addition, this division oversees water meter installation, repair and meter reading as well as the maintenance of all fire hydrants.

	FY15	FY16	FY17	FY18	FY18	FY19 TOWN	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL to 1/9/18	BUDGET	MGR BUDGET	CHANGE
Salaries	\$ 686,455	\$ 677,181	\$ 656,400	\$ 339,605	\$ 700,175	\$ 753,475	7.61%
Overhead Expenses	\$ 394,607	\$ 426,738	\$ 492,315	\$ 333,603	\$ 516,935	\$ 549,500	6.30%
Operational Expenses	\$ 253,667	\$ 297,212	\$ 276,613	\$ 148,176	\$ 341,500	\$ 323,000	-5.42%
General Fund Support	\$ 427,470	\$ 439,225	\$ 551,888	\$ -	\$ 560,000	\$ 574,000	2.50%
WATER OPERATIONAL COSTS	\$ 1,762,198	\$ 1,840,357	\$ 1,977,215	\$ 821,383	\$ 2,118,610	\$ 2,199,975	3.84%
Capital	\$ 58,899	\$ 119,905	\$ (744,028)	\$ 152,897	\$ 275,000	\$ 520,000	89.09%
Debt	\$ 1,616,653	\$ 1,521,561	\$ 1,594,818	\$ 1,377,678	\$ 2,052,150	\$ 1,900,000	-7.41%
WATER LOCAL COSTS	\$ 3,437,749	\$ 3,481,823	\$ 2,828,006	\$ 2,351,958	\$ 4,445,760	\$ 4,619,975	3.92%
MWRA Expenses	\$ 1,931,410	\$ 2,032,766	\$ 2,109,549	\$ 1,105,617	\$ 2,314,125		
MWRA Forecast Expenses						\$ 2,300,000	-0.61%
WATER GROSS COSTS	\$ 5,369,159	\$ 5,514,589	\$ 4,937,555	\$ 3,457,575	\$ 6,759,885	\$ 6,919,975	2.37%
Use of Reserves					\$ (500,000)	\$ (550,000)	10.00%
WATER NET COSTS					\$ 6,259,885	\$ 6,369,975	1.76%
<i>VOTED WATER BUDGET (GROSS COSTS - GF Support)</i>						\$ 6,345,975	

Salaries

	FY15	FY16	FY17	FY18	FY18	FY19 TOWN	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL to 1/9/18	BUDGET	MGR BUDGET	CHANGE
WTR SUPERVISOR	\$ 36,770	\$ 39,532	\$ 40,800	\$ 20,100	\$ 42,075	\$ 43,650	3.74%
WTR SUPPLY SUPERVISOR	\$ 86,221	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
WTR SUPPLY COORDINATOR	\$ 27,140	\$ 64,842	\$ 69,024	\$ 34,195	\$ 70,000	\$ 72,900	4.14%
WTR FOREMAN	\$ 56,697	\$ 69,985	\$ 71,827	\$ 36,950	\$ 73,800	\$ 75,700	2.57%
WTR WORKING FOREMAN	\$ 105,869	\$ 111,495	\$ 114,968	\$ 59,115	\$ 118,100	\$ 121,100	2.54%
WTR EQUIPMENT OPERATOR	\$ 127,974	\$ 159,463	\$ 164,336	\$ 84,324	\$ 168,500	\$ 171,500	1.78%
WTR SKILLED/LABORER	\$ 112,969	\$ 114,978	\$ 107,253	\$ 61,299	\$ 122,650	\$ 126,500	3.14%
WTR ASST COLLECTOR	\$ -	\$ -	\$ -	\$ 13,033	\$ 27,050	\$ 28,125	3.97%
WTR SUPPORT STAFF	\$ 22,049	\$ 23,585	\$ 25,638	\$ -	\$ -	\$ 10,500	100.00%
WTR TEMP STAFF	\$ 7,193	\$ 9,828	\$ 15,023	\$ 8,286	\$ 10,000	\$ 34,000	240.00%
WTR OVERTIME	\$ 64,918	\$ 62,599	\$ 40,698	\$ 16,094	\$ 57,500	\$ 60,000	4.35%
WTR OUT OF GRADE WORK	\$ 5,627	\$ 5,173	\$ 4,813	\$ 1,793	\$ 5,500	\$ 5,000	-9.09%
WTR ON-CALL PREM	\$ 12,041	\$ 11,880	\$ 11,739	\$ 4,416	\$ 12,000	\$ 12,000	0.00%
WTR LONGEVITY PAY	\$ 35,558	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
WTR SICK LEAVE BUYBACK	\$ (5,385)	\$ 3,821	\$ -	\$ -	\$ -	\$ -	0.00%
WTR SNOW REMOVAL	\$ (9,186)	\$ -	\$ (9,713)	\$ -	\$ (7,000)	\$ (7,500)	7.14%
WATER ENT FUND WAGES	\$ 686,455	\$ 677,181	\$ 656,400	\$ 339,605	\$ 700,175	\$ 753,475	7.61%

An additional DPW clerk is shared 0.25 FTE in the Water Fund, with increased use of technology by the public and employees causing more office work. Additional long-term seasonal workers are also needed in FY19, and will be evaluated thereafter to avoid outsourcing some work. There are some offsetting reductions in expenses in FY19. Without these two changes, the wage increase is +2.7% in FY19.

Expenses

Local overhead expenses are higher because of annual pension assessments plus an estimate for health insurance. Local operational expenses are down by about 5% as successful conservation efforts have lowered future requirements. General Fund support costs were all increased by about 2.5% according to a methodology developed by the Town Accountant.

	FY15	FY16	FY17	FY18	FY18	FY19 TOWN	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL to	BUDGET	MGR	CHANGE
				1/9/18		BUDGET	
WTR RETIREMENT ASSESSMENT	\$ 113,368	\$ 118,470	\$ 166,923	\$ 174,435	\$ 174,435	\$ 183,000	4.91%
WTR HEALTH INSURANCE PREMIUM	\$ 175,517	\$ 190,283	\$ 210,919	\$ 113,150	\$ 225,000	\$ 243,000	8.00%
WTR OPT-OUT HEALTH INS PMNT	\$ 1,500	\$ 9,050	\$ 5,806	\$ -	\$ -	\$ -	0.00%
WATER OPEB CONTRIBUTIONS	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ 52,500	5.00%
WTR MEDICARE EMPL BENEFITS	\$ 8,614	\$ 10,647	\$ 11,163	\$ -	\$ 12,000	\$ 13,000	8.33%
WTR PROP & CASUALTY INS PREM	\$ 31,436	\$ 33,813	\$ 31,268	\$ 32,745	\$ 38,500	\$ 40,500	5.19%
WTR WORKER COMP INS PREM	\$ 14,172	\$ 14,475	\$ 16,236	\$ 13,273	\$ 17,000	\$ 17,500	2.94%
WATER ENT FUND OVERHEAD EXPENSES	\$ 394,607	\$ 426,738	\$ 492,315	\$ 333,603	\$ 516,935	\$ 549,500	6.30%
WTR PARTS & MAINTENANCE	\$ 116,744	\$ 131,703	\$ 116,661	\$ 66,836	\$ 138,000	\$ 148,000	7.25%
WTR SUPPLIES & EQUIPMENT	\$ 27,153	\$ 59,901	\$ 42,792	\$ 27,947	\$ 46,000	\$ 46,000	0.00%
WTR QUALITY & SAFETY	\$ 30,697	\$ 11,359	\$ 27,178	\$ 8,989	\$ 32,500	\$ 25,000	-23.08%
WATER CONSERVATION PROMOTION	\$ 22,860	\$ 17,048	\$ 14,700	\$ 3,765	\$ 40,000	\$ 20,000	-50.00%
WTR GAS & UTILITIES	\$ 29,778	\$ 31,585	\$ 44,320	\$ 17,931	\$ 45,000	\$ 46,000	2.22%
WTR OFFICE SUPPLIES & EQUIPMENT	\$ 6,098	\$ 21,273	\$ 4,771	\$ 3,439	\$ 10,000	\$ 10,000	0.00%
WTR PROFESSIONAL DEVELOPMENT	\$ 5,586	\$ 10,417	\$ 8,077	\$ 3,287	\$ 12,500	\$ 8,000	-36.00%
WTR POLICE DETAILS	\$ 14,752	\$ 13,925	\$ 18,114	\$ 15,982	\$ 17,500	\$ 20,000	14.29%
WATER ENT FUND OPERATING EXPENSES	\$ 253,667	\$ 297,212	\$ 276,613	\$ 148,176	\$ 341,500	\$ 323,000	-5.42%
WAGE SUPPORT-ADM SVCS	\$ 80,588	\$ 82,804	\$ 28,472	\$ -	\$ 28,900	\$ 29,625	2.51%
EXP SUPPORT- ADM SVCS	\$ 35,710	\$ 36,692	\$ 18,480	\$ -	\$ 18,750	\$ 19,225	2.53%
WAGE SUPPORT-FINANCE	\$ 36,913	\$ 37,928	\$ 24,490	\$ -	\$ 24,850	\$ 25,475	2.52%
EXP SUPPORT-FINANCE	\$ 23,856	\$ 24,512	\$ 5,025	\$ -	\$ 5,100	\$ 5,225	2.45%
WAGE SUPPORT-DPW	\$ 114,390	\$ 117,536	\$ 364,918	\$ -	\$ 370,250	\$ 379,500	2.50%
WAGE SUPPORT-ENGINEERING	\$ 107,524	\$ 110,481	\$ -	\$ -	\$ -	\$ -	0.00%
WAGE SUPPORT-HIGHWAY	\$ 7,354	\$ 7,556	\$ -	\$ -	\$ -	\$ -	0.00%
EXP SUPPORT-DPW	\$ 21,135	\$ 21,716	\$ 110,503	\$ -	\$ 112,150	\$ 114,950	2.50%
WATER ENT FUND GENL FUND SUPPORT	\$ 427,470	\$ 439,225	\$ 551,888	\$ -	\$ 560,000	\$ 574,000	2.50%

Capital & Debt

Capital planning and debt financing are shown below. The combined total is projected to be just below \$3 million through FY27.

Four significant sets of water main repairs are anticipated. The first is complete at a cost of about \$10 million with debt service out through FY27. Three remaining sets of repairs are shown below as WM: 2 through 4. The projected cost of \$30 million is not yet planned, but anticipated to begin in FY28.

Water Ent. Fund	Approved FY-2018	Proposed FY-2019	Projected FY-2020	Legend: Debl (issued); debtn (not issued); debtna (not yet approved)								FY19-29	
				FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY-2029	TOTAL
Total Capital & Debt	2,307,083	2,557,030	2,661,619	2,745,119	3,094,719	2,805,418	2,702,119	2,816,325	2,809,825	2,837,913	2,125,250	1,604,000	28,759,336
Water CAPITAL	275,000	675,000	80,000	75,000	134,000	114,000	75,000	75,000	135,000	335,000	135,000	100,000	1,933,000
Water Supply													
MWRA partial join 1	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt			
MWRA partial join 2	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt		
MWRA partial join 3	Debt												
Well abandon													
Auburn Tank 9													225,000
Replace Meters 10													
DPWBldg project 11													
Bear Hill Tank													
Water Distribution													
WM: Hvrh/Hwrd 4a	Debt	Debt	Debt	Debt	Debt								
WM: MWRA loan 4b	Debt	Debt	Debt	Debt	Debt								
WM: 1R#1 5	Debt	Debt	Debt	Debt	Debt	Debt	Debt						
WM: 1R#2a 6	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt			
WM: 1R#2b 7	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt		
DownInn Infrastr		100,000											
DownInn Improv 8													
WM: 2 12													
WM: 3													
WM: 4													
Flushing	30,000	30,000	30,000							35,000	35,000	35,000	165,000
Lining	50,000	50,000	50,000	50,000	50,000	75,000	75,000	75,000	75,000	75,000	100,000	100,000	775,000
EmLthrop	60,000	340,000											340,000
SCADA				25,000						25,000			50,000
Water Vehicles													
Pickup #3						39,000							39,000
Pickup #12				42,000									42,000
Truck #6		155,000											155,000
Backhoe #420E	135,000												
Pickup #15				42,000									42,000
Water DEBT	2,032,083	1,882,030	2,581,619	2,670,119	2,960,719	2,691,418	2,827,119	2,741,325	2,674,825	2,502,913	1,990,250	1,504,000	26,826,336
MWRA partial join 1	214,930	204,980	211,269	204,869	198,469	192,069	185,569	178,975	162,375	156,188			1,694,861
MWRA partial join 2	534,750	494,650	480,050	465,450	445,950	431,550	417,150	402,750	388,350	370,825	355,250		4,251,975
WTP 3	81,220												
WM: Hvrh/Hwrd 4a	185,000	185,000	185,000	185,000	185,000								740,000
WM: MWRA loan 4b	20,000	20,000	20,000	20,000	20,000								80,000
WM: 1R#1 5	401,200	401,200	401,200	401,200	401,200	401,200	401,200						2,407,200
WM: 1R#2a 6	159,400	154,600	144,900	140,300	135,700	131,100	126,500	121,900	117,300				1,072,300
WM: 1R#2b 7	435,583	421,600	409,200	396,800	384,400	372,000	359,600	347,200	334,800	322,400			3,348,000
DownInn Improv 8			240,000	232,000	224,000	216,000	208,000						1,120,000
Auburn Tank 9			490,000	476,000	462,000	448,000	434,000	420,000	406,000	392,000	378,000	364,000	4,270,000
Replace Meters 10				148,500	144,000	139,500	135,000	130,500	126,000	121,500	117,000		1,062,000
DPW Bldg project 11					360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	2,880,000
WM: 2 12								780,000	780,000	780,000	780,000	780,000	3,900,000
WM: 3													
WM: 4													

SEWER ENTERPRISE FUND

FY19 BUDGET

The Sewer Division is responsible for operating the municipal sewer collection systems in accordance with all applicable state, federal and MWRA regulations for the collection and discharge of wastewater. This ranges from maintaining and repairing over 100 miles of sewer mains and 12 pumping stations to responding to customer service needs for individual sewer and drainage problems.

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18	FY18	FY19 TOWN	CHANGE
				ACTUAL to 1/9/18	BUDGET	MGR BUDGET	
Salaries	\$ 280,277	\$ 300,861	\$ 295,143	\$ 160,735	\$ 307,025	\$ 359,075	16.95%
Overhead Expenses	\$ 118,276	\$ 126,576	\$ 142,530	\$ 94,252	\$ 152,075	\$ 161,075	5.92%
Operational Expenses	\$ 166,240	\$ 122,360	\$ 121,290	\$ 52,463	\$ 245,000	\$ 211,500	-13.67%
General Fund Support	\$ 292,965	\$ 301,022	\$ 229,953	\$ -	\$ 232,960	\$ 238,810	2.51%
SEWER OPERATIONAL COSTS	\$ 857,759	\$ 850,819	\$ 788,916	\$ 307,451	\$ 937,060	\$ 970,460	3.56%
Capital	\$ 111,853	\$1,078,643	\$ (159,423)	\$ 189,324	\$ 250,000	\$ 150,000	-40.00%
Debt	\$ 115,874	\$ 82,940	\$ 90,750	\$ 68,941	\$ 495,000	\$ 485,000	-2.02%
SEWER LOCAL COSTS	\$ 1,085,486	\$2,012,402	\$ 720,243	\$ 565,715	\$ 1,682,060	\$ 1,605,460	-4.55%
MWRA Expenses	\$ 4,642,124	\$4,624,378	\$ 4,769,928	\$ 2,469,717	\$ 4,867,200		
MWRA Forecast Expenses						\$ 5,125,000	5.30%
SEWER GROSS COSTS	\$ 5,727,610	\$6,636,780	\$ 5,490,171	\$ 3,035,432	\$ 6,549,260	\$ 6,730,460	2.77%
Use of Reserves					\$ (450,000)	\$ (475,000)	5.56%
SEWER NET COSTS					\$ 6,099,260	\$ 6,255,460	2.56%
<i>VOTED SEWER BUDGET (GROSS COSTS - GF Support)</i>						<i>\$ 6,491,650</i>	

Salaries

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18	FY18	FY19 TOWN	CHANGE
				ACTUAL to 1/9/18	BUDGET	MGR BUDGET	
SEWER SUPERVISOR	\$ 36,770	\$ 41,275	\$ 40,814	\$ 20,100	\$ 42,075	\$ 43,650	3.74%
SEWER WORKING FORMAN	\$ 52,785	\$ 56,764	\$ 58,638	\$ 30,147	\$ 60,225	\$ 61,800	2.62%
SEWER EQUIPMENT OPERATOR	\$ 49,669	\$ 58,688	\$ 59,049	\$ 29,779	\$ 60,675	\$ 59,800	-1.44%
SEWER SKILLED/LABORER	\$ 60,340	\$ 63,782	\$ 67,467	\$ 40,163	\$ 73,000	\$ 101,200	38.63%
SWR ASST COLLECTOR	\$ -	\$ -	\$ -	\$ 13,046	\$ 27,050	\$ 28,125	3.97%
SWR SUPPORT STAFF	\$ 21,971	\$ 23,637	\$ 24,801	\$ -	\$ -	\$ 10,500	100.00%
SEWER OVERTIME	\$ 47,763	\$ 47,799	\$ 41,711	\$ 23,556	\$ 40,000	\$ 50,000	25.00%
SEWER OUT OF GRADE WORK	\$ 3,138	\$ 2,935	\$ 3,169	\$ 1,185	\$ 3,500	\$ 3,500	0.00%
SEWER WGS ON-CALL PREMIUM	\$ 1,869	\$ 2,160	\$ 2,457	\$ 2,760	\$ 3,000	\$ 3,000	0.00%
SEWER WAGES LONGEVITY	\$ 7,925	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
SEWER SICK LEAVE BUYBACK	\$ -	\$ 3,821	\$ -	\$ -	\$ -	\$ -	0.00%
SEWER SNOW REMOVAL	\$ (1,954)	\$ -	\$ (2,963)	\$ -	\$ (2,500)	\$ (2,500)	0.00%
SEWER ENT FUND WAGES	\$ 280,277	\$ 300,861	\$ 295,143	\$ 160,735	\$ 307,025	\$ 359,075	16.95%

An additional DPW clerk is also shared 0.25 FTE in the sewer fund, with increased use of technology by the public and employees causing more office work. Other increases include a need for more OT in the

budget, and a promotion of a Laborer to a Skilled Laborer. Without these three changes, the increase is +3.0% in FY19.

Expenses

Local overhead expenses are higher because of annual pension assessments plus an estimate for health insurance. Local operational expenses are down by over 13% as capital expenditure has reduced some operating costs. General Fund support costs were all increased by about 2.5% according to a methodology developed by the Town Accountant.

	FY15	FY16	FY17	FY18	FY18	FY19 TOWN	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL to	BUDGET	MGR	CHANGE
				1/9/18			
SEWER RETIREMENT ASSESSMENT	\$ 33,800	\$ 35,320	\$ 43,612	\$ 45,575	\$ 45,575	\$ 47,875	5.05%
SEWER HEALTH INSURANCE PREM	\$ 42,116	\$ 53,565	\$ 59,659	\$ 31,172	\$ 65,000	\$ 70,000	7.69%
SEWER OPEB CONTRIBUTIONS	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ 20,000	\$ 21,000	5.00%
SEWER MEDICARE EMPL BENEFITS	\$ 2,211	\$ 2,262	\$ 2,516	\$ -	\$ 2,500	\$ 2,700	8.00%
SEWER PROP & CASUALTY INS PREM	\$ 897	\$ 1,966	\$ 1,568	\$ 1,852	\$ 2,500	\$ 2,500	0.00%
SEWER DEDUCTIBLES/CLAIMS	\$ 5,389	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
SEWER WORKER COMP INS PREM	\$ 13,864	\$ 13,463	\$ 15,176	\$ 15,653	\$ 16,500	\$ 17,000	3.03%
SEWER ENT FUND OVERHEAD EXPENSES	\$ 118,276	\$ 126,576	\$ 142,530	\$ 94,252	\$ 152,075	\$ 161,075	5.92%
SWR PARTS & MAINTENANCE	\$ 75,426	\$ 38,397	\$ 33,569	\$ 11,045	\$ 130,000	\$ 95,000	-26.92%
SWR SUPPLIES & EQUIPMENT	\$ 10,825	\$ 7,878	\$ 12,056	\$ 5,353	\$ 14,500	\$ 14,000	-3.45%
SWR QUALITY & SAFETY	\$ 42,506	\$ 30,319	\$ 38,423	\$ 14,889	\$ 50,000	\$ 52,000	4.00%
SWR GAS & UTILITIES	\$ 28,393	\$ 23,501	\$ 28,615	\$ 13,833	\$ 35,000	\$ 32,500	-7.14%
SWR OFFICE SUPPLIES & EQUIPMENT	\$ -	\$ 381	\$ 240	\$ 201	\$ -	\$ -	0.00%
SWR PROFESSIONAL DEVELOPMENT	\$ 5,603	\$ 20,680	\$ 5,591	\$ 4,246	\$ 10,500	\$ 10,500	0.00%
SWR POLICE DETAILS	\$ 3,488	\$ 1,205	\$ 2,797	\$ 2,895	\$ 5,000	\$ 7,500	50.00%
	\$ 166,240	\$ 122,360	\$ 121,290	\$ 52,463	\$ 245,000	\$ 211,500	-13.67%
WAGE SUPPORT-ADM SVCS	\$ 71,688	\$ 73,660	\$ 11,863	\$ -	\$ 12,040	\$ 12,350	2.57%
EXPENSE SUPPORT-ADM SVCS	\$ 33,710	\$ 34,637	\$ 7,700	\$ -	\$ 7,825	\$ 8,025	2.56%
WAGE SUPPORT-FINANCE	\$ 34,920	\$ 35,880	\$ 10,204	\$ -	\$ 10,350	\$ 10,610	2.51%
EXPENSE SUPPORT-FINANCE	\$ 22,524	\$ 23,143	\$ 2,094	\$ -	\$ 2,125	\$ 2,175	2.35%
WAGE SUPPORT-DPW	\$ 51,875	\$ 53,302	\$ 152,050	\$ -	\$ 154,000	\$ 157,850	2.50%
WAGE SUPPORT-ENGINEERING	\$ 65,630	\$ 67,435	\$ -	\$ -	\$ -	\$ -	0.00%
WAGE SUPPORT-HIGHWAY	\$ 2,643	\$ 2,716	\$ -	\$ -	\$ -	\$ -	0.00%
EXPENSE SUPPORT-DPW	\$ 9,975	\$ 10,249	\$ 46,042	\$ -	\$ 46,620	\$ 47,800	2.53%
SEWER ENT FUND GENL FUND SUPPORT	\$ 292,965	\$ 301,022	\$ 229,953	\$ -	\$ 232,960	\$ 238,810	2.51%

Capital & Debt

Capital planning and debt financing are shown below. The combined total is projected to increase to about \$1 million.

Significant repairs to all 12 sewer stations were identified several years ago, and many are now complete. Sturges at \$2 million is planned in FY20 for design and then FY21 for repairs. The remaining four stations are estimated to cost \$3.5million, and are shown beginning in FY26. It is important that these projects are completed within the next ten years.

Sewer Ent. Fund Cap	Approved	Proposed	Projected ==>							Legend: DEBT (issued) and debtna (not yet approved)				FY19-29
	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY-2029	TOTAL	
Total Capital & Debt	679,611	729,710	864,400	1,062,900	1,192,800	1,194,300	1,129,000	905,700	1,470,400	1,465,900	1,368,400	1,358,400	12,739,910	
Sewer CAPITAL	250,000	290,000	242,000	50,000	50,000	117,000	75,000	75,000	925,000	925,000	830,000	1,200,000	4,779,000	
Sewer Main projects	50,000	50,000	50,000	50,000	50,000	75,000	75,000	75,000	75,000	75,000	100,000	100,000	775,000	
Sta: Charles	2	DEBT	DEBT	DEBT	DEBT	DEBT	DEBT	DEBT						
Sta: Sturges	4			150,000	debtna	debtna	debtna	debtna	debtna	debtna	debtna		150,000	
Sta: Jos Way									850,000				850,000	
Sta: Brewer										850,000			850,000	
Sta: Collins											700,000	700,000	1,400,000	
Generatr											30,000		30,000	
Sta: Small												400,000	400,000	
Downntn Infrastr		100,000											100,000	
Downth Improv	3		debtna	debtna	debtna	debtna	debtna							
Replace Meters	5			debtna	debtna	debtna	debtna	debtna	debtna	debtna	debtna			
DPW Bldg project	6				debtna	debtna	debtna	debtna	debtna	debtna	debtna	debtna		
Backhoe 430D		140,000											140,000	
Vac Truck(50%)		200,000												
Pickup #6			42,000										42,000	
Pickup #11						42,000							42,000	
	429,611	439,710	622,400	1,012,900	1,142,800	1,077,300	1,054,000	830,700	545,400	540,900	536,400	158,400	7,960,910	
MWRAI&I	1	67,410	88,510	42,200	42,200	42,200							215,110	
Sta: Charles	2	362,201	351,200	340,200	329,200	313,200	302,400	291,600	280,800				2,208,600	
Downth Improv	3			240,000	232,000	224,000	216,000	208,000					1,120,000	
Sta: Sturges	4			261,000	261,000	261,000	261,000	261,000	261,000	261,000	261,000		2,088,000	
Replace Meters	5			148,500	144,000	139,500	135,000	130,500	126,000	121,500	117,000		1,062,000	
DPW Bldg project	6				158,400	158,400	158,400	158,400	158,400	158,400	158,400	158,400	1,267,200	

STORM WATER ENTERPRISE FUND

FY19 BUDGET

The Storm Water Division consists of some activities conducted under the general fund budget, and some in the enterprise fund budget. As a whole, the Division is responsible for the construction, maintenance and repair of all catch basins and storm drainage systems.

	FY15	FY16	FY17	FY18	FY18	FY19 TOWN	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL to 1/9/18	BUDGET	MGR BUDGET	CHANGE
Salaries	\$ 143,923	\$ 128,760	\$ 90,090	\$ 46,765	\$ 97,300	\$ 99,600	2.36%
Overhead Expenses	\$ 36,091	\$ 38,444	\$ 31,123	\$ 17,620	\$ 33,500	\$ 35,625	6.34%
Operational Expenses	\$ 9,672	\$ 12,172	\$ 30,583	\$ 58,538	\$ 87,000	\$ 87,000	0.00%
General Fund Support	\$ -	\$ -	\$ 91,981	\$ -	\$ 93,160	\$ 95,500	2.51%
STORM WATER OPERATIONAL COSTS	\$ 189,686	\$ 179,376	\$ 243,777	\$ 122,923	\$ 310,960	\$ 317,725	2.18%
Capital	\$ 29,550	\$ 74,707	\$ (2,326)	\$ 214,110	\$ 250,000	\$ 400,000	60.00%
Debt							0.00%
STORM WATER LOCAL COSTS	\$ 219,236	\$ 254,083	\$ 241,451	\$ 337,033	\$ 560,960	\$ 717,725	27.95%
Use of Reserves					\$ (200,000)	\$ (200,000)	
STORM WATER NET COSTS	\$ 219,236	\$ 254,083	\$ 241,451	\$ 337,033	\$ 360,960	\$ 517,725	43.43%
<i>VOTED STORM WATER BUDGET (GROSS COSTS - GF Support)</i>						\$ 622,225	

Note that a \$150,000 increase to capital spending is largely financed by an increase in the annual charge to ratepayers, the second change since the fund was introduced over ten years ago.

Salaries

There is no change in staffing levels. Note that in FY17 an engineering position was removed and placed in the General Fund. Offsetting General Fund support payments (shown below in the last section) were instituted by the Town Accountant in line with practices followed by the other Enterprise Funds.

	FY15	FY16	FY17	FY18	FY18	FY19 TOWN	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL to 1/9/18	BUDGET	MGR BUDGET	CHANGE
STMWTR SKILLED/LABORER	\$ 82,398	\$ 85,664	\$ 87,664	\$ 45,205	\$ 90,300	\$ 92,600	2.55%
STMWTR ASST CIVIL ENGINEER	\$ 56,482	\$ 40,414	\$ -	\$ -	\$ -	\$ -	0.00%
STM WTR - OVERTIME	\$ 4,043	\$ 2,384	\$ 1,742	\$ 1,092	\$ 4,000	\$ 4,000	0.00%
OUT OF GRADE WORK	\$ 1,000	\$ 299	\$ 685	\$ 468	\$ 3,000	\$ 3,000	0.00%
STORM WATER ENT FUND WAGES	\$ 143,923	\$ 128,760	\$ 90,090	\$ 46,765	\$ 97,300	\$ 99,600	2.36%

Expenses

	FY15	FY16	FY17	FY18	FY18	FY19 TOWN	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL to 1/9/18	BUDGET	MGR BUDGET	CHANGE
STMWTR PENSION ASSESSMENT	\$ 13,060	\$ 13,648	\$ 10,030	\$ 10,482	\$ 10,500	\$ 11,000	4.76%
STMWTR HEALTH INS PREMIUMS	\$ 15,617	\$ 16,917	\$ 13,662	\$ 7,138	\$ 15,000	\$ 16,125	7.50%
STMWTR OPEB CONTRIBUTIONS	\$ 6,000	\$ 6,000	\$ 6,000	\$ -	\$ 6,000	\$ 6,500	8.33%
STMWTR MEDICARE BENEFITS	\$ 1,414	\$ 1,880	\$ 1,431	\$ -	\$ 2,000	\$ 2,000	0.00%
ST WTR ENT FUND OVERHEAD EXPENSES	\$ 36,091	\$ 38,444	\$ 31,123	\$ 17,620	\$ 33,500	\$ 35,625	6.34%

	FY18				FY19 TOWN			
	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	ACTUAL to 1/9/18	FY18 BUDGET	FY19 MGR BUDGET	CHANGE	
DRAINAGE MAINTENANCE	\$ 7,555	\$ 12,172	\$ 16,986	\$ 3,302	\$ 20,000	\$ 20,000	0.00%	
STM WTR EQUIPMENT RENTAL	\$ -	\$ -	\$ 3,202	\$ -	\$ 5,000	\$ 5,000	0.00%	
STM WTR PROF/TECH SERVICES	\$ 1,517	\$ -	\$ 1,000	\$ -	\$ 5,000	\$ 5,000	0.00%	
MS4 PERMITTING	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	0.00%	
PROFESSIONAL DEV/TRAINING	\$ 600	\$ -	\$ 1,048	\$ -	\$ 2,000	\$ 2,000	0.00%	
SOFTWARE LICENSING & SUPPORT	\$ -	\$ -	\$ 2,250	\$ 2,250	\$ -	\$ -	0.00%	
GASOLINE	\$ -	\$ -	\$ 6,097	\$ 2,986	\$ 5,000	\$ 5,000	0.00%	
ST WTR ENT FUND OPERATING EXPENSES	\$ 9,672	\$ 12,172	\$ 30,583	\$ 58,538	\$ 87,000	\$ 87,000	0.00%	

WAGE SUPPORT-ADM SVC	\$ -	\$ -	\$ 4,745	\$ -	\$ 4,820	\$ 4,950	2.70%
EXPENSE SUPPORT- ADMIN SUPPORT	\$ -	\$ -	\$ 3,080	\$ -	\$ 3,125	\$ 3,200	2.40%
WAGE SUPPORT-FINANCE	\$ -	\$ -	\$ 4,082	\$ -	\$ 4,145	\$ 4,250	2.53%
EXPENSE SUPPORT-FINANCE	\$ -	\$ -	\$ 838	\$ -	\$ 850	\$ 875	2.94%
WAGE SUPPORT-DPW	\$ -	\$ -	\$ 60,820	\$ -	\$ 61,580	\$ 63,125	2.51%
WAGE SUPPORT-HIGHWAY	\$ -	\$ -	\$ 18,416	\$ -	\$ 18,640	\$ 19,100	2.47%
ST WTR ENT FUND GENL FUND SUPPORT	\$ -	\$ -	\$ 91,981	\$ -	\$ 93,160	\$ 95,500	2.51%

Capital & Debt

Capital planning and planned debt financing are shown below. Significant drainage improvement projects were identified a few years ago. Bond St. and Grove St. projects are complete, Surges is planned in FY19, and some Main St. repairs are scheduled for FY21, to some degree awaiting work by the state. Use of excess Reserves should allow the household charge to remain below \$100, at least until \$6 million in drainage work on the Saugus and Aberjona Rivers (shown below as debt) are considered.

Storm Water Ent. Fund Capital	Approved	Proposed	Projected ==>										FY19-29 TOTAL
	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY-2029	
Storm Water Capital	250,000	400,000	50,000	50,000	50,000	75,000	75,000	250,000	425,000	75,000	75,000	100,000	1,625,000
Storm Water Debt	-	-	240,000	472,000	528,000	512,000	496,000	280,000	72,000	552,000	536,000	520,000	4,208,000
Total Capital & Debt	250,000	400,000	290,000	522,000	578,000	587,000	571,000	530,000	497,000	627,000	611,000	620,000	5,833,000
Storm Water CAPITAL	250,000	400,000	50,000	50,000	50,000	75,000	75,000	250,000	425,000	75,000	75,000	100,000	1,625,000
Drainage Improv. (projects)	50,000	50,000	50,000	50,000	50,000	75,000	75,000	75,000	75,000	75,000	75,000	100,000	750,000
Downtown Infrastructure Assessment	-	100,000	-	-	-	-	-	-	-	-	-	-	100,000
Sturges Park	-	250,000	-	-	-	-	-	-	-	-	-	-	250,000
Downtown Improve II \$1.0mil/5y	-	-	debtna	debtna	debtna	debtna	debtna	-	-	-	-	-	-
Main St Drain repair \$1mil/5yr	-	-	debtna	debtna	debtna	debtna	debtna	-	-	-	-	-	-
DPW Bldg Project/25 yrs TBA	-	-	-	debtna	debtna	debtna	debtna	debtna	-	-	-	-	-
Saugus River Design/Permit	-	-	-	-	debtna	debtna	debtna	debtna	200,000	debtna	debtna	debtna	200,000
Saugus Rvr Improv. (I) \$2mil	-	-	-	-	-	-	-	-	-	debtna	debtna	debtna	-
Saugus Rvr Improv. (II) \$2mil	-	-	-	-	-	-	-	-	-	-	-	-	-
Aberjona River Design/Permit	-	-	-	-	-	-	-	-	150,000	-	-	-	150,000
Aberjona Rvr Improv. \$2mil	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacuum Truck (split with Sewer)	200,000	-	-	-	-	-	-	-	-	-	-	-	-
Sweeper: Elgin Pelican	-	-	-	-	-	-	-	175,000	-	-	-	-	175,000
Storm Water DEBT	-	-	240,000	472,000	528,000	512,000	496,000	280,000	72,000	552,000	536,000	520,000	4,208,000
Downtown Improve II \$1.0mil/5y	-	-	240,000	232,000	224,000	216,000	208,000	-	-	-	-	-	1,120,000
Drainage Projects \$1.0 mil	-	-	-	240,000	232,000	224,000	216,000	208,000	-	-	-	-	1,120,000
DPW Bldg Project/25 yrs TBA	-	-	-	-	72,000	72,000	72,000	72,000	72,000	-	-	-	578,000
Saugus Rvr Improv. (I) \$2mil	-	-	-	-	-	-	-	-	480,000	484,000	448,000	-	1,392,000
Saugus Rvr Improv. (II) \$2mil	-	-	-	-	-	-	-	-	-	-	-	-	-
Aberjona Rvr Improv. \$2mil	-	-	-	-	-	-	-	-	-	-	-	-	-



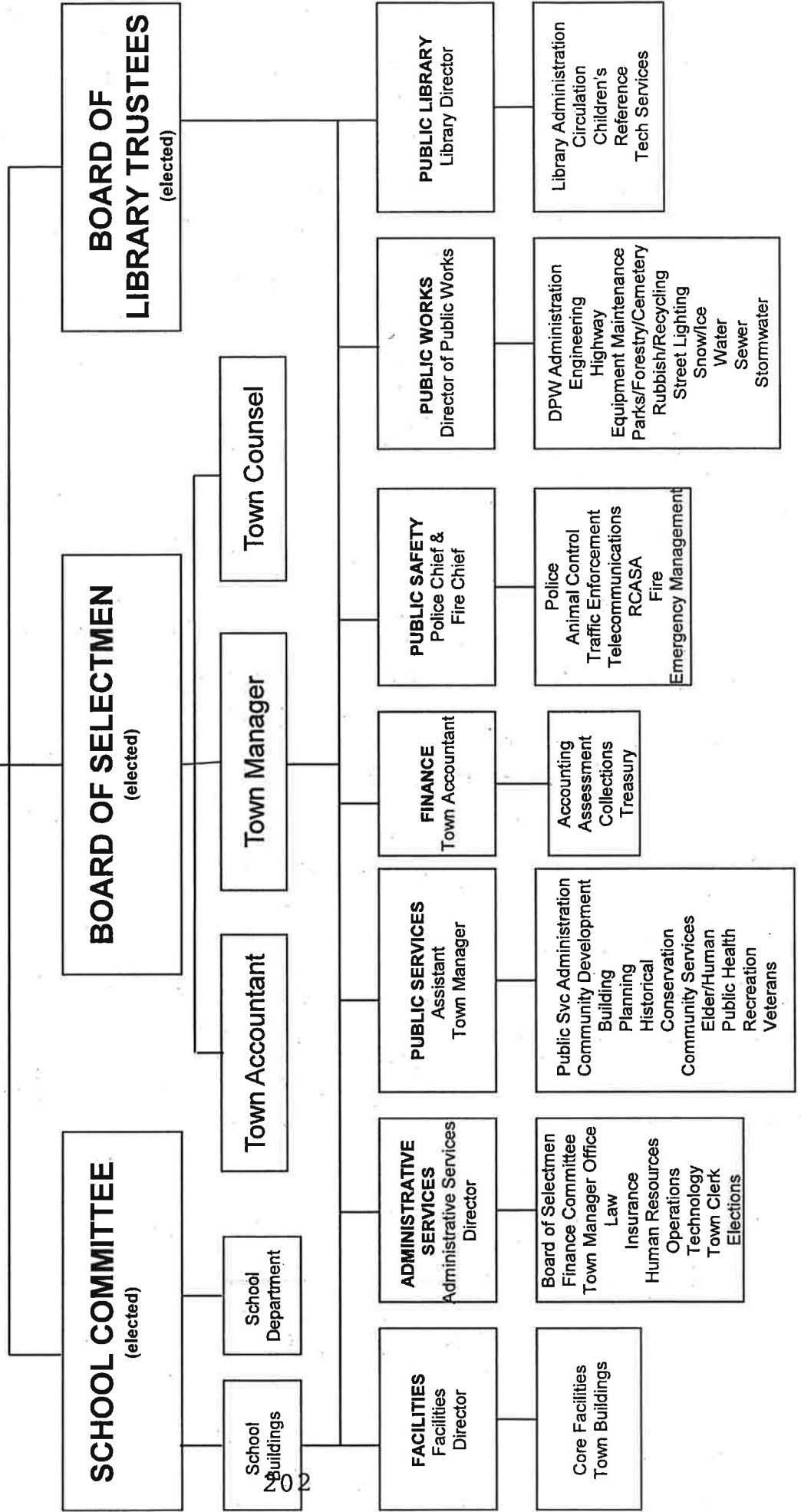
Town of Reading, MA

Executive Branch

Table of Organization

(April 2018 Town Meeting – no changes)

VOTERS



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**Capital Improvement Plan
FY18 to FY28**

	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY19-28
2/27/2018 9:02												
Summary												
Facilities - General/CORE	230,000	150,000	150,000	150,000	195,000	185,000	195,000	195,000	195,000	175,000	150,000	1,741,000
Facilities - School Buildings	564,000	680,000	265,000	551,000	40,000	-	1,492,000	-	1,549,500	625,000	470,500	5,673,000
Facilities - Town Buildings	69,000	570,000	-	140,000	-	348,500	150,000	450,000	-	-	-	1,659,500
Public Schools - General	185,000	155,000	185,000	155,000	180,000	125,000	197,500	125,000	150,000	150,000	150,000	1,572,500
Administrative Services	140,000	100,000	500,000	100,000	125,000	125,000	125,000	125,000	150,000	150,000	150,000	1,650,000
Public Services	15,000	115,000	15,000	15,000	25,000	25,000	220,000	610,000	875,000	710,000	1,025,000	3,635,000
Finance	-	-	-	-	-	-	-	-	600,000	-	-	600,000
Public Library	-	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000
Public Safety - Fire/EMS	355,000	81,600	901,000	230,000	367,000	-	35,000	950,000	90,000	1,415,000	368,000	4,437,600
Public Safety - Police/Dispatch	-	15,000	57,500	-	435,000	40,000	-	-	42,500	60,000	-	650,000
Public Works - Equipment	601,400	209,000	231,000	500,000	616,000	485,000	340,000	50,000	280,000	-	-	2,711,000
Public Works - Parks & Cemetery	50,000	250,000	100,000	300,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,350,000
Public Works - Roads	600,000	600,000	600,000	625,000	625,000	625,000	625,000	650,000	650,000	650,000	650,000	6,300,000
TOTAL CAPITAL REQUESTS	2,809,400	2,925,600	3,014,500	2,776,000	2,718,000	2,070,500	3,489,500	3,265,000	4,692,000	4,045,000	3,073,500	32,069,600
FINCOM policy: 5% debt + capital	4,415,579	4,572,567	4,718,479	4,870,559	5,029,958	5,155,707	5,284,600	5,416,715	5,552,132	5,690,936	5,833,209	52,124,872
- Net included Debt	1,870,711	1,514,551	1,710,932	1,648,976	1,494,044	1,345,851	1,289,444	622,588	145,800	140,400	0	9,912,586
FINCOM 5% Target Cap. Fndng	2,544,868	3,058,017	3,007,547	3,221,583	3,535,914	3,809,856	3,995,156	4,794,127	5,406,332	5,550,536	5,833,209	42,212,286
- Temp shift to Oper budgets	285,468	132,417	(6,953)	5,693	10,914	9,856	20,156	19,127	6,332	536	8,209	206,186
FINCOM Target Capital Funding	2,259,400	2,925,600	3,014,500	3,216,000	3,525,000	3,800,000	3,975,000	4,775,000	5,400,000	5,550,000	5,825,000	44,265,500
Original Funding Voted or Proposed	2,259,400	2,925,600	3,014,500	3,216,000	3,525,000	3,800,000	3,975,000	4,775,000	5,400,000	5,550,000	5,825,000	42,006,100
Additional FINCOM funding												
Additional Funding Nov TM	550,000											
Additional Funding April TM												
TOTAL CAPITAL REQUESTS	2,809,400	2,925,600	3,014,500	2,776,000	2,718,000	2,070,500	3,489,500	3,265,000	4,692,000	4,045,000	3,073,500	32,069,600
Annual Surplus (Deficit)	-	-	-	440,000	807,000	1,729,500	485,500	1,510,000	708,000	1,505,000	2,751,500	
Cumulative Surplus (Deficit)	-	-	-	440,000	1,247,000	2,976,500	3,462,000	4,972,000	5,680,000	7,185,000	9,936,500	
Debt to Be Discussed												
Bldg Security - BASIC - \$2.5mil TBD												
Bldg Security - enhanced - \$1.5 mil TBD												
Artificial Turf I @RMHS (replace) \$1.75mil TBD												
Artificial Turf II @RMHS (replace) \$2.25mil TBD												
RMHS track (resurface) \$1.0mil TBD												
RMHS Fishhouse floor/beachers \$1.4 mil TBD												
Birch Mdw lighting \$1.3 mil (was \$1.5mil) TBD												
Birch Mdw Complex \$1.0 mil TBD												
Killam Building project TBD												
Community Center TBD												
DPW Bldg project TBD												

Please note that these projects listed on the left are under consideration, but they are not yet included in any funding plan. They have always been listed in the Capital Plan, as they are here in different sections that follow, but are also shown on this summary page for better transparency.

Also note from above (Annual Surplus (Deficit)) that under the FINCOM 5% Debt & capital policy, there is room to fund such projects starting with a projected \$440,000 of funding in FY21 and growing to \$2.7 million in FY28. In fact a total of almost \$10 million of funding is available. Many factors will determine the future funding paths chosen for these projects, but none are under immediate consideration.

**Capital Improvement Plan
FY18 to FY28**

2/23/2018 14:29	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY19-28
Facilities - CORE	230,000	150,000	150,000	150,000	185,000	185,000	195,000	195,000	195,000	175,000	150,000	1,741,000
Energy (Performance Contract) \$4.95mil	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt			-
Energy (Green Repairs) \$1.05mil	Debt	Debt	Debt	Debt								-
EMS upgrades to buildings												-
Bldg Security Sys. Evaluation												-
Bldg Security - essential BASIC (removed - \$450k)												-
Bldg Security - BASIC - \$2.5mil TBA												-
Bldg Security - enhanced - \$1.5 mil TBA												-
Permanent Bldg Committee	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,500,000
RMHS Building project - \$55mil	xDebt	xDebt	xDebt	xDebt	xDebt	xDebt	xDebt					-
RMHS Building project - \$6 mil. litigation	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt		-
RMHS Retaining Wall \$0.5mil	Debt	Debt	Debt	Debt								-
RMHS A/C TBA \$1.5mil unplanned												-
Parker Building project	Debt											-
Barrows/Wood End Bldg projects \$0.8mil	xDebt	xDebt	xDebt	xDebt	xDebt	xDebt	xDebt	xDebt				-
Barrows/Wood End Bldg projects	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt		-
Killam Building project TBA												-
Modular Classrooms \$1.2m	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt		-
Artificial Turf I @RMHS (replace) \$1.75mil TBA												-
Artificial Turf II @RMHS (replace) \$2.25mil TBA												-
RMHS track (resurface) \$1.0mil TBA												-
RMHS Fidhouse floorbleachers \$1.4 mil TBA												-
Library Building project \$18.4 mil	xDebt	xDebt	xDebt	xDebt	xDebt	xDebt	xDebt	xDebt	xDebt	xDebt		-
Community Center TBA												-
DPW Bldg project TBA												-
Electrician Van Ford E350 Econoline (2014)							45,000					45,000
Carpenter's Pickup Ford F-350 (2012)					45,000							45,000
F-350 Box Truck (2006)	40,000											-
Pickup Truck Chevy 2500HD (1999)	40,000											-
Pickup Truck Chevy 2500HD (2015)								45,000				45,000
Van E350 Econoline (2016)									45,000			45,000
Bobcat Skid - snowplow (2008)						36,000						36,000
Bobcat Utility - snowplow (2013)										25,000		25,000

**Capital Improvement Plan
FY18 to FY28**

2/23/2018 14:29	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY19-28
Buildings - Schools (Total)	564,000	660,000	265,000	551,000	40,000	-	1,492,000	-	1,549,500	625,000	470,500	5,673,000
HVAC/Energy Mgmt Systems	Sch	605,000	235,000	26,000	-	-	800,000	-	924,500	-	470,500	3,061,000
Windows & Doors	Sch	480,000	30,000	-	-	-	-	-	-	-	-	50,000
Water Heater	Sch	-	-	50,000	40,000	-	12,000	-	-	-	-	102,000
Capex/Flooring	Sch	84,000	-	-	-	-	-	-	-	-	-	55,000
Roofing	Sch	-	-	475,000	-	-	660,000	-	625,000	625,000	-	2,405,000
TOTAL for School	AB	25,000	20,000	-	-	-	-	-	382,500	-	-	402,500
HVAC/Energy Mgmt Systems	AB	-	10,000	-	-	-	-	-	382,500	-	-	392,500
Windows & Doors	AB	25,000	-	-	-	-	-	-	-	-	-	10,000
Capex/Flooring	AB	-	-	-	-	-	-	-	-	-	-	-
TOTAL for School	BM	10,000	10,000	-	-	-	-	-	625,000	625,000	-	1,270,000
HVAC/Energy Mgmt Systems	BM	-	10,000	-	-	-	-	-	625,000	-	-	20,000
Roofing	BM	-	-	-	-	-	-	-	625,000	625,000	-	1,250,000
TOTAL for School	JE	10,000	-	14,000	-	-	-	-	-	-	-	24,000
HVAC/Energy Mgmt Systems	JE	-	-	14,000	-	-	-	-	-	-	-	14,000
Windows & Doors	JE	10,000	-	-	-	-	-	-	-	-	-	10,000
TOTAL for School	K	24,000	10,000	10,000	-	-	-	-	-	-	470,500	480,500
HVAC/Energy Mgmt Systems	K	-	-	-	-	-	-	-	-	-	-	470,500
Windows & Doors	K	-	-	10,000	-	-	-	-	-	-	-	10,000
Capex/Flooring	K	24,000	-	-	-	-	-	-	-	-	-	-
TOTAL for School	WE	480,000	-	-	12,000	-	12,000	-	542,000	-	-	566,000
HVAC/Energy Mgmt Systems	WE	-	-	-	12,000	-	-	-	542,000	-	-	554,000
Windows & Doors	WE	480,000	-	-	-	-	-	-	-	-	-	-
Water Heater	WE	-	-	-	-	-	12,000	-	-	-	-	12,000
TOTAL for School	Cool	30,000	225,000	25,000	-	-	660,000	-	-	-	-	960,000
HVAC/Energy Mgmt Systems	Cool	30,000	225,000	25,000	-	-	660,000	-	-	-	-	255,000
Water Heater	Cool	-	-	25,000	-	-	-	-	-	-	-	25,000
Roofing	Cool	-	-	-	-	-	660,000	-	-	-	-	660,000
TOTAL for School	Park	15,000	15,000	500,000	-	-	800,000	-	-	-	-	1,315,000
HVAC/Energy Mgmt Systems	Park	-	-	500,000	-	-	800,000	-	-	-	-	800,000
Water Heater	Park	-	-	25,000	-	-	-	-	-	-	-	25,000
Capex/Flooring	Park	15,000	15,000	-	-	-	-	-	-	-	-	15,000
Roofing	Park	-	-	475,000	-	-	-	-	-	-	-	475,000
TOTAL for School	HS	20,000	615,000	-	40,000	-	-	-	-	-	-	655,000
HVAC/Energy Mgmt Systems	RMHS	-	575,000	-	-	-	-	-	-	-	-	575,000
Water Heater	RMHS	-	-	-	40,000	-	-	-	-	-	-	40,000
Capex/Flooring	RMHS	20,000	-	-	-	-	-	-	-	-	-	40,000

**Capital Improvement Plan
FY18 to FY28**

2/23/2016 14:29	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY19-28
Buildings - Municipal	69,000	570,000		140,000		349,500	150,000	450,000				1,659,500
HVAC/Energy Mgmt Systems	Mun					349,500						349,500
Windows & Doors	Mun	20,000										20,000
Generator	Mun			125,000								125,000
Water Heater	Mun			15,000								15,000
Fire Alarm	Mun	50,000										50,000
Roofing	Mun						150,000	450,000				600,000
Other	Mun	500,000										500,000
TOTAL for Municipal Bldg	TH			125,000				450,000				575,000
Generator:	TH			125,000				450,000				125,000
Roofing	TH											450,000
TOTAL for Municipal Bldg	Pol		500,000		15,000	349,500						864,500
HVAC/Energy Mgmt Systems	Pol					349,500						349,500
Water Heater	Pol			15,000								15,000
Other - Dispatch area rehab	Pol		500,000									500,000
TOTAL for Municipal Bldg	WSF	8,000										
Windows & Doors	WSF	8,000										
TOTAL for Municipal Bldg	Fire						150,000					150,000
Roofing	Fire						150,000					150,000
TOTAL for Municipal Bldg	Sr-C	35,000	50,000									50,000
HVAC/Energy Mgmt Systems	Sr Ctr	35,000										
Fire Alarm	Sr Ctr		50,000									50,000
TOTAL for Municipal Bldg	Lib											
TOTAL for Municipal Bldg	DPW	25,000	20,000									20,000
Windows & Doors	DPW	25,000	20,000									20,000

**Capital Improvement Plan
FY18 to FY28**

2/27/2018 8:44	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY19-28
Schools - General	185,000	155,000	185,000	155,000	180,000	125,000	197,500	125,000	150,000	150,000	150,000	1,572,500
Food Service Van E-250 (2014)							42,500					42,500
Driver's Education Focus (2014)			30,000				30,000					30,000
Courier Focus (2007)												30,000
District-wide Telephone systems		55,000	55,000	55,000	55,000							220,000
District-wide Technology projects	185,000	100,000	100,000	100,000	125,000	125,000	125,000	125,000	150,000	150,000	150,000	1,250,000
Administrative Services	140,000	100,000	500,000	100,000	125,000	125,000	125,000	125,000	150,000	150,000	150,000	1,650,000
Cell Tower construction			400,000									400,000
GIS flyover - planimetrics	40,000											-
Technology projects	100,000	100,000	100,000	100,000	125,000	125,000	125,000	125,000	150,000	150,000	150,000	1,250,000
Public Services	15,000	115,000	15,000	15,000	25,000	25,000	220,000	610,000	875,000	710,000	1,025,000	3,635,000
Economic Development		100,000										100,000
Downtown Infrastructure Assessment		100,000										100,000
Downtown Improvements I \$0.65mil /10yr	Debt											-
Downtown Improvements II \$1.0mil/5yrs												-
Recreation	15,000	15,000	15,000	15,000	25,000	25,000	220,000	610,000	875,000	710,000	1,025,000	3,535,000
Artificial Turf@Parker MS (replace)									500,000			500,000
Artificial Turf@Coolidge MS (new)											1,000,000	1,000,000
Rehab Playgrounds Program	15,000	15,000	15,000	15,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	220,000
Memorial Park	Eaton	Barrows	Wood End	Killam			band stand					50,000
							ct resurf					20,000
Birch McAw lighting \$1.3 mil (was \$1.5mil) TBA												-
Birch McAw Complex \$1.0 mil TBA												-
Washington Park \$250k								150,000	backstop & shift field			150,000
								100,000	paths			100,000
Symonds Way \$150k									backstop	150,000		150,000
Hunt Park \$125k							backstop	125,000				125,000
Stoges Park \$210k									tennis ct	75,000		75,000
									basketball ct	85,000		85,000
									backstop	50,000		50,000
Killam Field & parking lot \$350k							field improve, drainage, repaving	350,000				350,000
Joshua Eaton												-
Barrows \$335k							backstop & infield	125,000	tennis ct			250,000
								85,000	basketball ct			85,000
Wood End \$325k										325,000	field	325,000
Finance									600,000			600,000
Financial System									600,000			600,000
Library			10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000
Equipment			10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000

**Capital Improvement Plan
FY18 to FY28**

2/23/2018 14:29	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY19-28
Public Safety - Fire/EMS	355,000	81,600	901,000	230,000	367,600		35,000	950,000	90,000	1,415,000	368,000	4,437,600
Pumper Eng #3 (2016 \$630k, next FY36)												
Pumper Eng #1 (2010-\$525k, next FY30)												
Ladder Trk #1 (2008: \$800k, next FY27)	Debt									1,200,000		1,200,000
Pumper Eng #2 (2007-\$410k, next FY25)			800,000					900,000				900,000
Pumper Eng #4 (2001: est \$800k FY21)											320,000	800,000
Ambulance #1 (2010-10 yrs)												320,000
Ambulance #2 (2006 - 10yrs)					290,000							290,000
Ambulance equipment					30,000						30,000	60,000
Passenger Car#1 (2005 - 10yrs)	45,000											
Passenger Car#2 (2007 - 10yrs)					47,000							47,000
Passenger Car#4 (2012 - 10yrs)								50,000				50,000
Pickup Truck #3 (2006 - 10yrs)		45,600										45,600
Alarm Truck (1994 - 20yrs)			80,000									80,000
EMS Simulation Training Equipment	150,000											
ALS Defibrillator (2011 - 7yrs)		36,000							40,000			76,000
AEDs			21,000							25,000		46,000
Rescue Tool(2006 - 12yrs)	45,000											45,000
Breathing Apparatus \$190k	25,000											25,000
Breathing Air Compressor				60,000								60,000
Breathing Air Bottles												30,000
CPR Compression Device												18,000
Thermal Imaging (2010 - 10yrs)	45,000											45,000
Multi-gas meters \$15k	15,000											15,000
Fire Hose	30,000						35,000					35,000
Turnout Gear (2014 - 6yrs)				170,000						190,000		360,000
Public Safety - Police/Dispatch		15,000	57,500		435,000	40,000	340,000	50,000	42,500	60,000		650,000
Police Admin Vehicle			37,500			40,000			42,500			120,000
Police equipment (lasers)		15,000										15,000
Vehicle Video Integration					35,000					35,000		70,000
Radios (Police & Fire 2010 - 12yrs)					400,000							400,000
AEDs			20,000							25,000		45,000
Public Works - Equipment	601,400	265,000	231,000	500,000	616,000	485,000	340,000	50,000	280,000			2,711,000
Large Trucks	365,000			300,000								300,000
Truck #9 - Sander (2004)	15	150,000										
Truck #18 - Sander (2006)	15			150,000								150,000
Truck #19 - Sander (2003)	15			150,000								150,000
Truck #10 (1996)	15	150,000										
Dump truck #24 Parks (2000)	15	65,000										
Pick-ups/Cars/Vans		34,000	85,000			95,000	50,000	50,000	100,000			414,000
Pickup Chevy #9 Parks (1986)	10						50,000					50,000
Pickup Ford #2 Parks (1997)	10						50,000					50,000
Pickup Chevy Utility #1 (2008)	10		85,000									85,000

**Capital Improvement Plan
FY18 to FY28**

2/23/2018 14:29	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY19-28
Pickup Ford Utility #4 (1997)	10					50,000						50,000
Pickup Ford Utility #7 (1997)	10							50,000				50,000
HyV3 Ford Van (1995)	10								50,000			50,000
Cam#3 Ford Escape HYBRID (2008)	10					45,000						45,000
Cam. #4 Ford Sedan (1993)	10	32,400										
Engineering Vehicle (new)		34,000										34,000
Backhoe/Loaders/Heavy Equipment			96,000	200,000	200,000							496,000
Backhoe Loader (Cem.) (2008)	10		96,000									96,000
Backhoe HWY					200,000							200,000
Loader JD544 (2009)	10			200,000								200,000
Specialty Equipment - Heavy Duty		95,000			296,000	390,000	180,000		180,000			1,046,000
Chipper/Loader/Truck #23 (2008)	15					210,000						210,000
Bucket Truck#21 Forestry(2009)	15				185,000							185,000
Screener (1994)	15	95,000										
Sidewalk Snow Plow #3(2008)	10				111,000							111,000
Snow Holder #1 c480 (2012)						180,000						180,000
Snow Holder#2 c480 (2013)							180,000					180,000
Snow Holder#3 c242 (2008)									180,000			180,000
Specialty Equipment - Light Duty		52,000	175,000									225,000
(2) HW Compressors (1996)	10		50,000									50,000
300L Lebot (Roller) (1998)	10	40,000										
1CH Wisman Chipper (2004)	10		175,000									175,000
2GV Leaf Vac (2000)	10	12,000										
Lawnmowers		57,000			120,000		110,000					230,000
Mower (Cem.) SKAG 72 (1998)	4	22,000										
Mower (Parks) TORO Gang (1996)	8						110,000					110,000
Mower (Cem.) SKAG 52 (1995)	4	15,000										
Mower (Parks) SKAG 61* (2008)	4	20,000										
Mower - TORO Gang (2008)	6				120,000							120,000
Engineering Equipment/Services												
DPW: Parks & Cemetery		50,000	100,000	300,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,350,000
Gen'l Fence Replacement		25,000	25,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	475,000
School Site Improvements (parking lots, sidewalks, walkways)		200,000										200,000
Gen'l Parking Lot Improvements		50,000	25,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	475,000
DPW: Roads												
Sidewalk/Curb/Ped. Safety		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Skim Coating & Crack Seal Patch		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
West Street - Local shr (\$1.3mil)		Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	
General Fund - various roads		400,000	400,000	400,000	425,000	425,000	425,000	450,000	450,000	450,000	450,000	4,300,000
TOTAL GEN'L FUND VOTED - ROADS		600,000	600,000	600,000	625,000	625,000	625,000	650,000	650,000	650,000	650,000	6,300,000
Grants - various roads		600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	6,000,000
TOTAL ROAD CAPITAL		1,200,000	1,200,000	1,200,000	1,225,000	1,225,000	1,225,000	1,250,000	1,250,000	1,250,000	1,250,000	12,300,000

Debt Schedule
FY18 to FY30

Town of Reading	Approved	Requested	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Debt Service Schedule	FY - 2018	FY - 2019	FY - 2020	FY - 2021	FY - 2022	FY - 2023	FY - 2024	FY - 2025	FY - 2026	FY - 2027	FY - 2028	FY - 2029	FY - 2030				
2/23/18 2:31 PM																	
BUDGETED	4,880,915	was approved; some is RMHS premium															
General Fund:	4,845,757	4,458,833	4,613,414	4,497,158	4,285,926	4,078,433	3,975,556	1,902,288	145,800	140,400	0	0	0				
Principal	3,800,000	3,550,000	3,800,000	3,830,000	3,765,000	3,704,000	3,745,000	1,830,000	135,000	135,000	0	0	0				
Within Levy Limit	1,545,000	1,245,000	1,445,000	1,435,000	1,330,000	1,230,000	1,217,200	595,000	135,000	135,000	0	0	0				
Excluded Debt	2,255,000	2,305,000	2,355,000	2,395,000	2,435,000	2,474,000	2,527,800	1,235,000	0	0	0	0	0				
Interest	1,045,757	908,833	813,414	667,158	520,926	374,433	230,556	72,288	10,800	5,400	0	0	0				
Within Levy Limit	317,175	269,551	265,932	213,976	164,044	115,851	72,244	27,588	10,800	5,400	0	0	0				
Excluded Debt	728,582	639,282	547,482	453,182	356,882	258,582	158,312	44,700	0	0	0	0	0				
Within Levy Limit	1,862,175	1,514,551	1,710,932	1,648,976	1,494,044	1,345,851	1,289,444	622,588	145,800	140,400	0	0	0				
Issued	1,862,175	1,514,551	1,470,932	1,416,976	1,270,044	1,129,851	1,081,444	622,588	145,800	140,400	0	0	0				
Approved not issued (ANI)	0	0	0	0	0	0	0	0	0	0	0	0	0				
Not yet approved (NYA)	0	0	240,000	232,000	224,000	216,000	208,000	0	0	0	0	0	0				
Net Included Debt	1,862,175	1,514,551	1,710,932	1,648,976	1,494,044	1,345,851	1,289,444	622,588	145,800	140,400	0	0	0				
Excluded Debt	2,983,582	2,944,282	2,902,482	2,848,182	2,791,882	2,732,582	2,686,112	1,279,700	0	0	0	0	0				
Issued	2,983,582	2,944,282	2,902,482	2,848,182	2,791,882	2,732,582	2,686,112	1,279,700	0	0	0	0	0				
Approved not issued (ANI)	0	0	0	0	0	0	0	0	0	0	0	0	0				
Not yet approved (NYA)	0	0	0	0	0	0	0	0	0	0	0	0	0				
Net Excluded Debt	2,983,582	2,944,282	2,902,482	2,848,182	2,791,882	2,732,582	2,686,112	1,279,700	0	0	0	0	0				
Debt to Be Discussed																	
Bldg Security - BASIC - \$2.5mil TBD																	
Bldg Security - enhanced - \$1.5 mil TBD																	
Artificial Turf I @RMHS (replace) \$1.75mil TBD																	
Artificial Turf II @RMHS (replace) \$2.25mil TBD																	
RMHS track (resurface) \$1.0mil TBD																	
RMHS Fldhouse floorbleachers \$1.4 mil TBD																	
Birch Mdw lighting \$1.3 mil (was \$1.5mil) TBD																	
Birch Mdw Complex \$1.0 mil TBD																	
Killam Building project TBD																	
Community Center TBD																	
DPW Bldg project TBD																	
none of this debt listed above is shown in the following pages; larger projects especially are anticipated to be brought forward as debt exclusions per FINCOM policy																	

**Debt Schedule
FY18 to FY30**

Town of Reading	Approved FY - 2018	Requested FY - 2019	Projected FY - 2020	Projected FY - 2021	Projected FY - 2022	Projected FY - 2023	Projected FY - 2024	Projected FY - 2025	Projected FY - 2026	Projected FY - 2027	Projected FY - 2028	Projected FY - 2029	Projected FY - 2030
Principal + Interest													
Within Levy Limit	1,862,175	1,514,551	1,710,932	1,648,976	1,494,044	1,345,851	1,289,444	622,588	145,800	140,400	0	0	0
Issued	1,862,175	1,514,551	1,470,932	1,416,976	1,270,044	1,129,851	1,081,444	622,588	145,800	140,400	0	0	0
Approved not issued (ANI)	0	0	0	0	0	0	0	0	0	0	0	0	0
Not yet approved (NYA)	0	0	240,000	232,000	224,000	216,000	208,000	0	0	0	0	0	0
Energy Improvements	420,388	408,663	398,194	382,388	371,456	360,113	348,356	336,188	0	0	0	0	0
Killam Green Repair	83,750	80,400	77,050	73,700	70,350	0	0	0	0	0	0	0	0
Birch Mdw Green Repair	41,250	39,600	37,950	36,300	34,650	0	0	0	0	0	0	0	0
Barrows/Wd End@	36,552	35,652	34,752	33,852	32,952	32,052	29,942	0	0	0	0	0	0
Wood End@	175,878	171,528	167,178	157,828	153,628	149,428	135,938	0	0	0	0	0	0
Barrows@	145,808	142,208	138,608	135,008	126,408	122,958	117,208	0	0	0	0	0	0
Parker@	152,288	0	0	0	0	0	0	0	0	0	0	0	0
HS Ret. Wall \$500k/5yr	114,000	110,000	106,000	102,000	0	0	0	0	0	0	0	0	0
Mod. class \$1.2 mil/8yr	189,000	183,000	177,000	171,000	165,000	159,000	153,000	0	0	0	0	0	0
RMHS/TLT \$1.5mil/10yr	191,942	183,600	178,200	172,800	167,400	162,000	156,600	151,200	145,800	140,400	0	0	0
Ladder truck (\$800k)	81,220	0	0	0	0	0	0	0	0	0	0	0	0
West St. \$1.3 mil	163,800	159,900	156,000	152,100	148,200	144,300	140,400	135,200	0	0	0	0	0
EcDev Dntrwn I (650k)	66,300	0	0	0	0	0	0	0	0	0	0	0	0
Ec Dev Dntrwn II (NYA \$1mil/5yr)	0	0	240,000	232,000	224,000	216,000	208,000	0	0	0	0	0	0
Excluded Debt	2,983,582	2,944,282	2,902,482	2,848,182	2,791,882	2,732,582	2,686,112	1,279,700	0	0	0	0	0
Issued	2,983,582	2,944,282	2,902,482	2,848,182	2,791,882	2,732,582	2,686,112	1,279,700	0	0	0	0	0
Approved not issued (ANI)	0	0	0	0	0	0	0	0	0	0	0	0	0
Not yet approved (NYA)	0	0	0	0	0	0	0	0	0	0	0	0	0
Library Project \$2.115mil	305,500	296,100	286,700	277,300	267,900	258,500	249,100	239,700	0	0	0	0	0
Library Project \$10+mil	1,260,000	1,230,000	1,200,000	1,170,000	1,140,000	1,110,000	1,080,000	1,040,000	0	0	0	0	0
RMHS@	1,351,500	1,353,250	1,352,500	1,339,250	1,324,000	1,306,750	1,312,500	0	0	0	0	0	0
Barrows/Wd End@	54,630	53,280	51,930	50,580	49,230	46,880	40,560	0	0	0	0	0	0
Wood End@	11,952	11,652	11,352	11,052	10,752	10,452	3,952	0	0	0	0	0	0

Appendix E: School Finance & Budget Laws, Regulations, and Policies

Massachusetts General Laws (MGL), Code of Massachusetts Regulations (CMR), and School Committee policies guide the Reading Public Schools in all aspects of School Finance & Budget. Below is a summary of the most relevant sections pertaining to school finance and budget.

Massachusetts General Laws (MGL)

GL c. 41, §52 Approval of bills

All accounts rendered to or kept in the departments of any city shall be subject to the inspection of the city auditor or officer having similar duties, and in towns they shall be subject to the inspection of the selectmen. The auditor or officer having similar duties in cities, and the selectmen in towns, shall approve the payment of all bills or pay rolls of all departments before they are paid by the treasurer, and may disallow and refuse to approve for payment, in whole or in part, any claim as fraudulent, unlawful or excessive; and in that case the auditor or officer having similar duties, or the selectmen, shall file with the city or town treasurer a written statement of the reasons for the refusal; and the treasurer shall not pay any claim or bill so disallowed.

GL c. 41, §56 Warrants for payment of bills

The selectmen and all boards, committees, heads of departments and officers authorized to expend money shall approve and transmit to the town accountant as often as once each month all bills, drafts, orders and pay rolls chargeable to the respective appropriations of which they have the expenditure. Such approval shall be given only after an examination to determine that the charges are correct and that the goods, materials or services charged for were ordered and that such goods and materials were delivered and that the services were actually rendered to or for the town as the case may be. The town accountant shall examine all such bills, drafts, orders and pay rolls, and, if found correct and approved as herein provided, shall draw a warrant upon the treasury for the payment of the same, and the treasurer shall pay no money from the treasury except upon such warrant approved by the selectmen.

GL c. 41, §57 Books of account and financial records

The town accountant shall keep a complete set of books wherein shall be entered the amount of each specific appropriation, the amounts and purposes of expenditures made therefrom, the receipts from each source of income, the amount of each assessment levied, and the abatements made; and he shall keep his accounts, so far as practicable, in conformity with the classifications and forms prescribed by the director of accounts in accordance with section forty-three of chapter forty-four and in conformity with any systems, classifications, forms and designations prescribed pursuant to regulations of the board of education for use by school committees.

GL c. 41, §58 Duties; notice of condition of appropriations; record of appropriations

Whenever any appropriation shall have been expended or whenever, in the judgment of the town accountant, it appears that the liabilities incurred against any appropriation may be in excess of the unexpended balance thereof, he shall immediately notify the selectmen and the board, committee, head of department or officer authorized to make expenditures therefrom, and no claim against such appropriation shall be allowed nor any further liability incurred until the town makes provision for its payment. The town accountant shall, at regular intervals and as often at least as once each month, send to the selectmen and to each board, committee, head of department or officer having the disbursement of an appropriation a statement of the amount of orders approved and warrants

drawn on behalf of said board, department or officer during the preceding month, and a statement of the balance of such appropriation remaining subject to draft. Each head of a department, board or committee authorized to expend money shall furnish the town accountant, at the close of the financial year, a list of bills remaining unpaid, showing to whom and for what due, and their amounts; and the town accountant shall incorporate the same in his annual report covering the financial transactions of the town, as provided by section sixty-one.

GL c. 41, §59 Annual estimates; furnishing to town accountant

The selectmen and all boards, committees, heads of departments, or other officers of a town authorized by law to expend money shall furnish to the town accountant, or, if there is no town accountant, to the appropriation, advisory or finance committee, if any, otherwise to the selectmen, not less than ten days before the end of the calendar year, or not less than ninety days prior to the date of the start of the annual town meeting, whichever is later, detailed estimates of the amount necessary for the proper maintenance of the departments under their jurisdiction for the ensuing fiscal year, with explanatory statements as to any changes from the amounts appropriated for the same purposes in the then current fiscal year, and an estimate of amounts necessary for outlays or permanent improvements. They shall also prepare estimates of any income likely to be received by the town during the ensuing fiscal year in connection with the town's business or property entrusted to their care.

GL c. 44, §31 Liabilities in excess of appropriations forbidden; exceptions

No department financed by municipal revenue, or in whole or in part by taxation, of any city or town, except Boston, shall incur a liability in excess of the appropriation made for the use of such department, each item recommended by the mayor and voted by the council in cities, and each item voted by the town meeting in towns, being considered as a separate appropriation, except in cases of major disaster, including, but not limited to, flood, drought, fire, hurricane, earthquake, storm or other catastrophe, whether natural or otherwise, which poses an immediate threat to the health or safety of persons or property, and then only by a vote in a city of two-thirds of the members of the city council, and in a town by a majority vote of all the selectmen.

GL c. 44, §53 City, town or district funds; use and disposition

All moneys received by any city, town or district officer or department, except as otherwise provided by special acts and except fees provided for by statute, shall be paid by such officers or department upon their receipt into the city, town or district treasury. Any sums so paid into the city, town or district treasury shall not later be used by such officer or department without specific appropriation thereof; provided, however, that sums recovered from pupils in the public schools for loss of school books or paid by pupils for materials used in the industrial arts projects may be used by the school committee for the replacement of such books or materials without specific appropriation.

GL c. 44, §56 Towns; fiscal year

The fiscal year of all towns of the commonwealth shall begin with July first and end with the following June thirtieth, and the returns made to the director under section forty-three shall show the financial condition of the town at the close of business on June thirtieth; provided, however, that the treasurer shall, until July fifteenth, enter in his books all items for the payment of bills incurred and salaries and wages earned during the previous fiscal year, excepting payment of school teachers' salaries which have been deferred under the provisions of section forty of chapter seventy-one, and expenditures thereof shall be deemed to be as of June thirtieth preceding.

GL c. 71, §26C Contributions and federal funds; use

The commonwealth and the school committee of any town may accept funds from the federal government for the purposes of sections twenty-six A to twenty-six F, inclusive. The school committee of any town may receive contributions in the form of money, material, quarters or services for the purposes of said sections from organizations, employers and other individuals. Such contributions received in the form of money, together with fees from parents and any allotments received from the federal government for said purposes, shall be deposited with the treasurer of such town and held as a separate account and expended by said school committee without appropriation, notwithstanding the provisions of section fifty-three of chapter forty-four.

GL c. 71, §34 Support of schools; appropriations; recommendations

Every city and town shall annually provide an amount of money sufficient for the support of the public schools as required by this chapter, provided however, that no city or town shall be required to provide more money for the support of the public schools than is appropriated by vote of the legislative body of the city or town. In acting on appropriations for educational costs, the city or town appropriating body shall vote on the total amount of the appropriations requested and shall not allocate appropriations among accounts or place any restriction on such appropriations. The superintendent of schools in any city or town may address the local appropriating authority prior to any action on the school budget as recommended by the school committee notwithstanding his place of residence. The city or town appropriating body may make nonbinding monetary recommendations to increase or decrease certain items allocating such appropriations.

The vote of the legislative body of a city or town shall establish the total appropriation for the support of the public schools, but may not limit the authority of the school committee to determine expenditures within the total appropriation.

GL c. 71, §37 Duties of School Committee

The school committee in each city and town and each regional school district shall have the power to select and to terminate the superintendent, shall review and approve budgets for public education in the district, and shall establish educational goals and policies for the schools in the district consistent with the requirements of law and statewide goals and standards established by the Board of Education.

GL c. 71, §38N Proposed Annual Budgets

The school committee of each city, town or regional school district shall hold a public hearing on its proposed annual budget not less than seven days after publication of a notice thereof in a newspaper having general circulation in such city, town or district. Prior to such public hearing said committee shall make available to the public at least one copy of said proposed budget for a time period of not less than forty-eight hours either at the office of the superintendent of schools or at a place so designated by said committee. At the time and place so advertised or at any time or place to which such hearing may from time to time be adjourned all interested persons shall be given an opportunity to be heard for or against the whole or any part of the proposed budget. Such hearing shall be conducted by a quorum of the school committee. For the purpose of this section a quorum shall consist of a majority of the members of said school committee.

GL c. 71, §49a Orders for materials and equipment; contracts for services

At any time after the annual appropriations for the ensuing fiscal year are made by a city or town or by all the member cities and towns of a regional school district, a school committee may order materials, supplies and equipment and may contract for services for the public schools which are chargeable against such appropriations, provided that no payment therefor shall be made prior to the commencement of said ensuing fiscal year.

GL c. 71, §71F Nonresident or foster care students; deposit of tuition payments and state reimbursements; expenditures and appropriations

In any city or town which accepts this section, all monies received by the school committee as tuition payments for nonresident students and as state reimbursements for students who are foster care children shall be deposited with the treasurer of the town or city and held as separate accounts. The receipts held in such a separate account may be expended by said school committee without further appropriation for expenses incurred in providing education for such nonresident students or for such students who are foster care children, notwithstanding the provisions of section fifty-three of chapter forty-four. A city or town may appropriate funds for expenses incurred in providing education for such nonresident students or for such students who are foster care children, which funds shall be expended by the school committee in addition to funds provided from other sources.

GL c. 30B Uniform Procurement Act

The Uniform Procurement Act establishes uniform procedures for local governments to procure supplies and services, dispose of surplus supplies and acquire and dispose of real property. For supplies and services, Chapter 30B requires the use of sound business practices for contracts under \$5,000; solicitation of three quotes for contracts in the amount of \$5,000 up to \$24,999; and competitive sealed bids or proposals for contracts in the amount of \$25,000 or more.

Code of Massachusetts Regulations (CMR)

603 CMR 7.00 Educator Licensure and Preparation Program

This regulation establishes the professional standards for practice of teachers and administrators and requirements for licensure as well as induction programs for newly licensed educators. Under these regulations all candidates for preliminary or initial licensure must pass the Massachusetts Tests for Educator Licensure (MTEL). Initial or preliminary licensure is issued to individuals who have completed a bachelor's degree, passed the MTEL, completed an educator preparation program, and met all other Board of Education requirements. This license is valid for five years. Professional licensure is issued to individuals who have met the requirements of the Initial License, passed the MTEL and met other Board of Education Requirements, including the possession of a Master degree. The license is valid for five years and may be renewed for additional five year terms provided the individual has obtained the necessary professional development during the five year period. Massachusetts districts are prohibited from hiring non-licensed teachers unless they obtain a valid MA DESE approved waiver. Waivers are issued on a one-year basis and must be renewed in subsequent years for non-licensed teachers or the teacher must be replaced with a licensed teacher.

603 CMR 10.00 School Finance and Accountability

This regulation governs school and school district record keeping and reporting of information required to determine compliance with state and federal education statutes, and regulations; to compute school district spending requirements and annual state aid allocations; and to evaluate progress toward meeting the objectives of St. 1993, c. 71 (the Education Reform Act of 1993). Key provisions include:

- Each school district shall adopt and maintain a reliable data collection and retention system in which the student data required by 603 CMR 10.00 shall be recorded. This system shall be the basis for the district's periodic reporting of student data to the Department.
- Districts shall maintain enrollment, membership, and personnel data, in accordance with the program classification descriptions and reporting criteria set forth in guidelines published by the Department.

- Each school district shall adopt and maintain a financial accounting system, in accordance with generally accepted accounting principles and requirements prescribed by the Commissioner of Revenue, in which all revenue and expenditure data shall be recorded. This system shall be the basis for the district's periodic reporting of financial data to the Department.
- Every school district shall report to the Department, as of October 1, data required to determine the district's foundation enrollment and other student information. The data required shall be compiled and reported in accordance with guidelines published by the Department and any supplementary instructions issued by the Department.
- Each city, town and regional school district shall submit an End-of-Year Financial Report to the Department on or before September 30 of each year. A district's actual expenditure and revenue data of the prior fiscal year and estimated expenditures and revenues of the current fiscal year shall be reported in the form prescribed by the Department, in accordance with the category definitions and reporting criteria set forth in guidelines published by the Department.
- The Department shall compare each school district's net school spending in the prior fiscal year with the net school appropriation required by M.G.L. c. 70, § 6 to determine the district's compliance with M.G.L. c. 70 net school spending requirements.
- Each school district shall pay for the special education and related services specified in the approved individual education plan for every student in need of special education for whom the district is assigned financial responsibility under 603 CMR 28.00.
- State payments to school districts under the special education circuit breaker reimbursement program, so-called (M.G.L. c.71B, s.5A,) shall be made in accordance with 603 CMR 10.07(5) through 10.07(11). Claims for reimbursement under this program shall be submitted by the district that has financial responsibility under 603 CMR 28.03(4).
- Every school district shall, within nine months of the close of its fiscal year, arrange for and undergo an independent audit of its financial records and submit the report of this audit to the Department. The audit will be conducted, at a minimum, in accordance with the compliance supplement for Massachusetts school districts issued by the Department. The Department may waive the requirement of an annual compliance supplement audit for an elementary school district that has only one school.

603 CMR 28.00 Special Education

This regulation governs the provision by Massachusetts public schools of special education and related services to eligible students and the approval of public or private day and residential schools seeking to provide special education services to publicly funded eligible students. The requirements set forth in 603 CMR 28.00 are in addition to, or in some instances clarify or further elaborate, the special education rights and responsibilities set forth in state statute (M.G.L. c. 71B), federal statute (20 U.S.C. §1400 et seq. as amended), and federal regulations (34 CFR §300 et seq. as amended). The purpose of 603 CMR 28.00 is to ensure that eligible Massachusetts students receive special education services designed to develop the student's individual educational potential in the least restrictive environment in accordance with applicable state and federal laws.

603 CMR 30.00 Massachusetts Comprehensive Assessment System (MCAS)

This regulation establishes standards relating to the Competency Determination required by M.G.L. c. 69, § 1D. Students starting with the graduating class of 2010 must satisfy one of the following two conditions in both English language arts and mathematics to earn a competency determination: (a) meet or exceed the Proficient threshold scaled score of 240 on the English Language Arts and Mathematics grade 10 MCAS tests, or (b) meet or exceed the Needs Improvement threshold scaled score of 220 on the English Language Arts and Mathematics grade 10 MCAS tests and fulfill the requirements of an Educational Proficiency Plan.

Students starting with the graduating class of 2010 shall, in addition to meeting the requirements found in 603 CMR 30.03(2), take a discipline specific high school Science and Technology/Engineering MCAS test (Biology, Chemistry, Introductory Physics or Technology/Engineering) and shall meet or exceed the Needs Improvement threshold scaled score of 220 on the test in order to satisfy the requirement of the Competency Determination.

603 CMR 35.00 Evaluation of Teachers and Administrators

The purpose of 603 CMR 35.00 is to ensure that every school committee has a system to enhance the professionalism and accountability of teachers and administrators that will enable them to assist all students to perform at high levels. This regulation sets out the principles of evaluation for Massachusetts public schools and districts and requires that school committees establish a rigorous and comprehensive evaluation process for teachers and administrators, consistent with these principles, to assure effective teaching and administrative leadership in the Commonwealth's public schools. The specific purposes of evaluation under 603 CMR 35.00 are: (a) to promote student learning, growth, and achievement by providing educators with feedback for improvement, enhanced opportunities for professional growth, and clear structures for accountability, and (b) to provide a record of facts and assessments for personnel decisions.

School Committee Policies

Policy DA Fiscal Management Goals

The quantity and quality of learning programs are directly dependent on the effective, efficient management of allocated funds. It follows that achievement of the school system's purposes can best be achieved through excellent fiscal management. As trustee of local, state, and federal funds allocated for use in public education, the Committee will fulfill its responsibility to see that these funds are used wisely for achievement of the purposes to which they are allocated.

Because of resource limitations, there is sometimes a temptation to operate so that fiscal concerns overshadow the educational program. Recognizing this, it is essential that the school system take specific action to make sure education remains central and that fiscal matters are ancillary and contribute to the educational program. This concept will be incorporated into Committee operations and into all aspects of school system management and operation. In the school system's fiscal management, it is the Committee's intent:

1. To engage in thorough advance planning, with staff and community involvement, in order to develop budgets and to guide expenditures so as to achieve the greatest educational returns and the greatest contributions to the educational program in relation to dollars expended.
2. To establish levels of funding that will provide high quality education for the students.
3. To use the best available techniques and technology for budget development and management as well as for financial processes, procedures and analysis
4. To provide timely and appropriate information to all staff with fiscal management responsibilities.
5. To establish maximum efficiency procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors, and all other areas of fiscal management.
- 6.

Policy DB Annual Budget

The annual budget is the financial expression of the educational mission and program of the school department. The budget is more than just a financial instrument and requires on the part of the Committee, the staff, and the community an orderly and cooperative effort to ensure sound fiscal practices for achieving the educational mission, goals, and objectives of the school system.

Public school budgeting is regulated and controlled by legislation, state regulations, and local School Committee requirements. The operating budget for the school system will be prepared and presented in line with state policy and will be developed and refined in accordance with these same requirements.

The Superintendent will serve as budget officer but he/she may delegate portions of this responsibility to members of his/her staff as he/she deems appropriate. The three general areas of responsibility for the Superintendent as budget officer will be budget preparation, budget presentation, and budget administration.

Policy DBC Budget Deadlines and Schedules

Preparation of the annual budget will be scheduled in stages throughout the school year with attention to certain deadlines established by law and charter. In accordance with Massachusetts General Law, the School Committee will hold a public hearing on a proposed budget before it takes a final vote on a proposed budget.

Policy DBD Budget Planning

The major portion of income for the operation of the public schools is derived from local property taxes, and the School Committee will attempt to protect the valid interest of the taxpayers. However, the first priority in the development of an annual budget will be the educational welfare of the children in our schools.

Budget decisions reflect the attitude and philosophy of those charged with the responsibility for educational decision making. Therefore, a sound budget development process must be established to ensure that the annual operating budget accurately reflects this school system's goals and objectives.

In the budget planning process for the school system, the School Committee will strive to:

1. Engage in thorough advance planning, with staff and community involvement, in order to develop budgets and guide expenditures in a manner that will achieve the greatest educational returns and contributions to the educational program in relation to dollars expended.
2. Establish levels of funding that will provide high quality education for all our students.
3. Use the best available techniques and technology for budget development and management. The Superintendent will have overall responsibility for budget preparation, including the construction of, and adherence to, a budget calendar.

Policy DBG Budget Adoption Procedures

Authority for adoption of the final school budget lies with the Town Meeting. The fiscal year shall begin on the first day of July and shall end on the thirtieth day of June, unless another provision is made by general law.

The General Laws of the Commonwealth of Massachusetts also establish the following procedures pertaining to the School Committee budget: Public Hearing by School Committee - As per Chapter 71 Section 38N of the General Laws. "The School Committee of each city, town or regional school district shall hold a public hearing on its proposed annual budget not less than seven days after publication of a notice thereof in a newspaper having general circulation in such city, town or district. Prior to such public hearing said Committee shall make available to the public at least one copy of said proposed budget for a time period of not less than forty-eight hours either at the office of the Superintendent of Schools or at a place so designated by said Committee. At the time and place so advertised or at any time or place to which such hearing may from time to time be adjourned all interested persons shall be given an opportunity to be heard for or against the whole or any part of the proposed budget. Such hearing shall be conducted by a quorum of the School Committee. For the purposes of this section a quorum shall consist of a majority of the members of said School Committee."

Appendix F: School Finance and Accounting

Fund Accounting

Reading utilizes fund accounting as a means of organizing the financial records into multiple, segregated locations. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. There are four main funding sources for the Reading Public Schools: General Fund, Grant Funds, Revolving Funds and Capital Funds.

General Fund

General Fund revenue comes from the local revenues of the municipality which are raised primarily through local property taxes and fees. The next largest source of general fund revenue is state aid which includes state education funds (Chapter 70 funds). Other sources include transfers from other funds, such as enterprise funds or distributed earnings from Reading Municipal Light Department, or free cash reserves. All general fund revenues used to support the budget are subject to appropriation by Town Meeting. School expenses charged to the General Fund include expenses for district administration, regular education, special education, athletics, extracurricular activities, health services, technology and infrastructure maintenance, and school building maintenance.

Grant Funds

Grant Funds are awarded through an entitlement or competitive processes and must be used for their stated purpose. There are three main sources of grant funds: Federal, State and Private. Examples of these funds include:

- Federal: Title I, Title IIA, IDEA Sped 94-142
- State: METCO, Academic Support
- Private: Project Lead The Way (PLTW)

Special Revenue Funds

Special Revenue or Revolving Funds allow the district to raise revenues for providing a specific service and use those revenues without further appropriation to support the service. There are a number of revolving funds including, but not limited to:

- School Lunch (sales and costs associated with providing meals to students);
- Athletics (user fees and gate receipts used to offset the cost of the athletic program);
- Drama (user fees and ticket sales used to offset the cost of the drama program);
- Full Day Kindergarten (tuition used to offset the cost of the full day kindergarten program);
- RISE Preschool (tuition used to offset the program costs);
- Guidance (revenue and expenses related college and career readiness programs); and
- Extended Day (fees used to offset the cost of the extended day program).

Capital Funds

Capital Fund revenue comes from borrowing or direct outlay for capital or fixed asset improvements. Capital funds are project specific and require Town Meeting authorization.

School Department Account Structure

Reading Public Schools classification of revenue adheres to the requirement of the Massachusetts Department of Elementary and Secondary Education (MA DESE). Revenues are tracked by funding source through separate funds. Below are the DESE Revenue categories

Revenue Classification

1. General fund receipts:
 - a. Tuition receipts, transportation fees, earnings on investments, rental fees, medical care and assistance, and other general fund revenue;
 - b. The cash value of all non-revenue receipts.
2. State aid receipts:
 - a. Chapter 70 (school aid), chapter 70B(construction aid through MSBA)
 - b. Pupil transportation, charter reimbursement and facilities aid, circuit breaker and foundation reserve
3. State and Federal Grant receipts:
 - a. State grants or contracts received from the Department or any other state agency.
 - b. Federal grants or contracts received from the Department, from other state agencies or from any other federal government source
4. Revolving and special fund receipts:
 - a. School lunch receipts, including state and federal reimbursements
 - b. Athletic and other student body receipts for admission for school events
 - c. Tuition receipts for school choice or other receipts for adult education, community school programs, out of district tuitions or summer school.
 - d. Other local receipts as permitted by law, such as culinary arts programs, insurance reimbursements, lost schoolbooks or costs of industrial arts supplies, self-supporting recreation and park services or rental of school facilities.
 - e. Private receipts shall include all non-governmental grants or gifts.

The classification of expenditures allows for tracking expenses by function and expense type. The Massachusetts Department of Elementary and Secondary Education (MA DESE) requires all school districts to maintain an account structure that, "provides school and instructional expenditure information with greater specificity for accountability purposes beginning in fiscal year 2002¹" Reading's account structure mirrors the account structure prescribed by MA DESE. The accounting structure allows the district to break out expenses in a variety of ways to compare and contrast spending trends and provide a clear breakout of actual and anticipated spending. Each year, districts must file the End of Year Pupil and Financial Report based on the MA DESE Expenditure classifications shown below.

Expenditures - Functional Classification (Note – this section has not been updated to reflect changes effective within the current fiscal year that are in process of being implemented by the Administration department)

1000 DISTRICT LEADERSHIP & ADMINISTRATION: Activities which have as their purpose the general direction, execution, and control of the affairs of the school district that are system wide and not confined to one school, subject, or narrow phase of school activity.

1100 General Administration

1110 School Committee

1200 District Administration

¹ Massachusetts Department of Elementary and Secondary Education (DESE) website (Accounting and Auditing)

- 1210 Superintendent
- 1220 Assistant Superintendents
- 1230 District-Wide Administration (Grants Manager, Director of Planning)

1400 Finance and Administrative Services

- 1410 Finance and Business
- 1420 Human Resources, Benefits, Personnel
- 1430 Legal Services for School Committee
- 1435 Legal Settlements
- 1450 District wide Information Management and Technology (Expenditures that support the data processing needs of the *school district, including student databases*)

2000 INSTRUCTIONAL SERVICES: Instructional activities involving the teaching of students, supervising of staff, developing and utilizing curriculum materials and related services. Instructional services directly attributable to schools must be reported on a school basis, while district-wide services, such as supervisory may be reported on a district-wide basis.

2100 District wide Academic Leadership - managers responsible for delivery of student instructional programs at the district level

- 2110 Curriculum Directors (supervisory)
- 2120 Department Heads (non-supervisory)

2200 School Building Leadership: Building Level – Curriculum leaders, department heads, school principals and assistants, headmasters and deans.

- 2210 School Leadership – Building – Principal’s Office
- 2220 School Curriculum Leaders/Department Heads – Building Level
- 2250 Building Technology (support *school's* daily operation, non-instructional)

2300 Instruction - Teaching Services

- 2305 Classroom Teachers – Certified teachers responsible for teaching designated curriculum to established classes or students in a group instruction setting, including music, art and physical education teachers.
- 2310 Specialist Teachers - Certified teachers who provide individualized instruction to students (in-class or pull out, one to one or small groups) to supplement the services delivered by the student’s classroom teachers.
- 2315 Instructional Coordinators and Team Leaders (Non-Supervisory) – Includes curriculum facilitators, instructional team leaders and department chairs that are non-supervisory
- 2320 Medical/Therapeutic Services (Costs for Occupational Therapy, Physical Therapy, Speech, Vision and other therapeutic services that are provided by licensed practitioners)
- 2325 Substitutes - Include long and short term as well as certified and non-certified teachers who cover vacant positions or absences.
- 2330 Paraprofessionals/Instructional Assistants hired to assist teachers/specialists in the preparation of instructional materials or classroom instruction.
- 2340 Librarians and Media Center Directors
- 2350 Professional Development for teachers, support staff and school councils**
 - 2351 Professional Development Leadership Development
 - 2353 Teacher/Instructional Staff-Professional Days
 - 2355 Substitutes for Teachers/Instructional Staff at Professional Development Activities
 - 2357 Professional Development Stipends, Providers and Expenses

2400 Instructional Materials and Equipment

- 2410 Textbooks and Related Software/Media/Materials

- 2415 Other Instructional Materials
- 2420 Instructional Equipment
- 2430 General Supplies
- 2440 Other Instructional Services
- 2450 Instructional Technology: (to support *direct instructional* activities)
 - 2451 Classroom (Laboratory) Instructional Technology
 - 2453 Other Instructional Hardware
 - 2455 Instructional Software

2700 Guidance, Counseling and Testing Services

- 2710 Guidance**
- 2720 Testing and Assessment

2800 Psychological Services (Salaries and expenses for psychological evaluation, counseling and other services provided by a licensed mental health professional)

3000 OTHER SCHOOL SERVICES: *Other than instructional services.*

- 3100 Attendance and Parent Liaison Services**
- 3200 Health Services**
- 3300 Student Transportation Services**
- 3400 Food Services**
- 3510 Athletic Services**
- 3520 Other Student Activities**
- 3600 School Security**

4000 OPERATION and MAINTENANCE OF PLANT: Activities relating to the physical plant and maintenance activities for grounds, buildings and equipment.

- 4110 Custodial Services**
- 4120 Heating of Buildings**
- 4130 Utility Services**
- 4210 Maintenance of Grounds**
- 4220 Maintenance of Buildings**
 - 4225 Building Security System – Installation and Maintenance
 - 4230 Maintenance of Equipment
- 4300 Extraordinary Maintenance**
- 4400 Networking & Telecommunications:** (to support the district's infrastructure)
 - 4450 Technology Maintenance

5000 FIXED CHARGES: Retirement and insurance programs, rental of land and buildings, debt service for current loans, and other recurring items, which are not generally provided for under another function.

- 5100 Employee Retirement**
- 5200 Insurance Programs**
 - 5250 Insurance for Retired School Employees
 - 5260 Other Non-Employee Insurance
- 5300 Rental-Lease of Equipment**
 - 5350 Rental-Lease of Buildings
- 5400 Debt Service (Interest) on Current Loans - RANS**
 - 5450 Debt Service (Interest) on Current Loans - BANS
- 5500 Other Charges:** (Other items of a recurrent nature for school purposes)

5550 Crossing Guards

6000 COMMUNITY SERVICES: Services provided by the school district for the community as a whole, or some segment of the community.

- 6200 Civic Activities
- 6300 Recreation Services
- 6800 Health Services to Non-Public Schools
- 6900 Transportation Services to Non-Public Schools

7000 ACQUISITION, IMPROVEMENT AND REPLACEMENT OF FIXED ASSETS: Acquisition of land or existing buildings, improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, or acquisition of initial or additional *non instructional* equipment exceeding the \$5,000 unit cost and \$100,000 extraordinary maintenance cost as defined in 603 CMR 10.00.

- 7100 Acquisition and Improvement of Sites
- 7200 Acquisition and Improvement of Buildings
- 7300 Acquisition and Improvement of Equipment
 - 7350 Capital Technology
- 7400 Replacement of Equipment
- 7500 Acquisition of Motor Vehicles
- 7600 Replacement of Motor Vehicles

8000 DEBT RETIREMENT AND SERVICE: Retirement of debt and payment of interest and other debt costs.

- 8100 Long Term Debt Retirement/School Construction
- 8200 Long Term Debt Service/School Construction
- 8400 Long Term Debt Service/Educational Expenditures
- 8600 Long Term Debt Service/Other

9000 PROGRAMS WITH OTHER SCHOOL DISTRICTS: Transfers of payments to other school districts or to non-public schools for services provided to students residing in the sending city or town.

- 9100 Programs with Other Districts in Massachusetts
 - 9110 School Choice Tuition
 - 9120 Tuition to Charter Schools (Horace Mann or Commonwealth)
- 9200 Tuition to Out-of-State Schools
- 9300 Tuition to Non-Public schools
- 9400 Tuition to Collaboratives
- 9500 Payments to Regional School Districts

Object Code Expenditures

01 Salaries Professional

The full-time, part-time and prorated portions of payments to personnel services of a professional nature rendered to an education plan. Categories included as professional are Superintendents, Principals, Supervisors, Teachers, Librarians, Counselors, Psychologists and other professional educators.

02 Salaries Secretarial and Clerical

Payments for a grouping of assignments to perform the activities of preparing, transferring, transcribing, systematizing or preserving communications, records and transactions, regardless of the level of skills required.

03 Salaries Other

Payments for a grouping of assignments regardless of level of difficulty that relate to supportive services including: Custodians, Aides, Substitutes, Paraprofessional, Food Service Personnel, School Bus Drivers, Cross Walk Guards and other classified salaries not identified as professional, secretarial and clerical.

04 Contract Services

Payments for services rendered by personnel who are not on the payroll and are not regular employees, including all related expenses covered by the contract.

05 Supplies and Materials

Materials and items of an expendable nature that is consumed, worn out or deteriorated in use, loses its identity through fabrication or incorporation into a different or more complex unit or substance. These items are defined as having a unit price of under \$5,000.

06 Other Expenditures

Expenditures not chargeable to another object code, such as dues, subscriptions and travel for staff (e.g., food, coal, fuel oil, gas, file server).

CONDUCT OF TOWN MEETING

Reading's Town Meeting is conducted in accordance with the rules set down in Article 2 of the Charter and the General Bylaws. Although Town Meeting Time Third Edition is the basic source, a Town Meeting Member need only be familiar with what is contained in the Charter. These notes are intended to outline the major points all Town Meeting Members should know, and which by knowing will make Town Meeting more understandable.

Organization

- Town Meeting consists of 192 elected members, of which 97 constitute a quorum.
- There are two required sessions: The Annual Meeting in Spring which is primarily for fiscal matters and acceptance of the annual budget, and the Subsequent Meeting in November. Special Town Meetings may be called at any time that the need arises.
- There are three main committees which review certain Articles and advise Town Meeting of their recommendations:

Finance for all expenditures of funds,

Bylaw for all bylaw changes, and the

Community Planning and Development Commission for all zoning changes.

Their reports are given prior to discussing the motion.

General Rules Of Procedure

- The Meeting is conducted through the Warrant Articles which are presented (moved) as motions. Only one motion may be on the floor at a time; however, the motion may be amended. Often two or more Articles which address the same subject may be discussed together; however, only one is formally on the floor, and each when moved is acted upon individually. Note that the vote on one may influence the others.
- Members who wish to speak shall rise, state their name and precinct in order to be recognized.
- A Member may speak for ten (10) minutes but permission must be asked to exceed this limit.
- Seven (7) Members can question a vote and call for a standing count, and twenty (20) can ask for a roll call vote; however, a roll call vote is seldom used because of the time it takes.

Principal Motion Encountered At Town Meeting

The following motions are the principal ones used in most cases by Town Meeting to conduct its business. Experience shows that the Members should be familiar with these.

- **Adjourn:** Ends the sessions, can be moved at any time.
- **Recess:** Stops business for a short time, generally to resolve a procedural question or to obtain information.
- **Lay on the Table:** Stops debate with the intention generally of bringing the subject up again later. May also be used to defer action on an Article for which procedurally a negative vote is undesirable. Note that tabled motions die with adjournment.
- **Move the Previous Question:** Upon acceptance by a two-thirds (2/3) vote, stops all debate and brings the subject to a vote. This is generally the main motion, or the most recent

amendment, unless qualified by the mover. The reason for this as provided in Robert's Rules of Order is to allow for other amendments should they wish to be presented.

- **Amend:** Offers changes to the main motion. Must be in accordance with the motion and may not substantially alter the intent of the motion. In accordance with Robert's Rules of Order, only one primary and one secondary motion will be allowed on the floor at one time, unless specifically accepted by the Moderator.
- **Indefinitely Postpone:** Disposes of the Article without a yes or no vote.
- **Take from the Table:** Brings back a motion which was previously laid on the table.
- **Main Motion:** The means by which a subject is brought before the Meeting.

The Following Motions May Be Used By A Member For The Purpose Noted:

- **Question of Privilege:** Sometimes used to offer a resolution. Should not be used to "steal" the floor.
- **Point of Order:** To raise a question concerning the conduct of the Meeting.
- **Point of Information:** To ask for information relevant to the business at hand.

Multiple Motions Subsequent (Multiple) Motions

If the subsequent motion to be offered, as distinct from an amendment made during debate, includes material which has previously been put to a vote and defeated, it will be viewed by the Moderator as reconsideration and will not be accepted. If the subsequent motion contains distinctly new material which is within the scope of the Warrant Article, then it will be accepted. An example of this latter situation is successive line items of an omnibus budget moved as a block.

Subject To The Following Considerations

- The maker of any proposed multiple motion shall make their intent known, and the content of the motion to be offered shall be conveyed to the Moderator - prior to the initial calling of the Warrant Article.
- Once an affirmative vote has been taken on the motion then on the floor - no further subsequent alternative motions will be accepted. (Obviously does not apply to the budget, for example.)
- Also - There can only be one motion on the floor at any one time. You have the ability to offer amendments to the motion that is on the floor. You also have the ability to move for reconsideration.

Town Of Reading Bylaw - Article 2 Town Meeting

2.1 General

2.1.1 Date of Annual Town Election

The Annual Town Meeting shall be held on the third Tuesday preceding the fourth Monday in April of each year for the election of Town Officers and for such other matters as required by law to be determined by ballot. Notwithstanding the foregoing, the Board of Selectmen may schedule the commencement of the Annual Town Meeting for the same date designated as the date to hold any Federal or State election.

2.1.2 Hours of Election

The polls for the Annual Town Meeting shall be opened at 7:00 AM and shall remain open until 8:00 PM.

2.1.3 Annual Town Meeting Business Sessions

All business of the Annual Town Meeting, except the election of such Town officers and the determination of such matters are required by law to be elected or determined by ballot, shall be considered at an adjournment of such meeting to be held at 7:30 PM on the fourth Monday in April, except if this day shall fall on a legal holiday, in which case the meeting shall be held on the following day or at a further adjournment thereof.

2.1.4 Subsequent Town Meeting

A Special Town Meeting called the Subsequent Town Meeting shall be held on the second Monday in November, except if this day shall fall on a legal holiday, in which case the meeting shall be held on the following day. The Subsequent Town Meeting shall consider and act on all business as may properly come before it except the adoption of the annual operating budget.

2.1.5 Adjourned Town Meeting Sessions

Adjourned sessions of every Annual Town Meeting after the first such adjourned session provided for in Section 2.1.3 of this Article and all sessions of every Subsequent Town Meeting, shall be held on the following Thursday at 7:30 PM and then on the following Monday at 7:30 PM, and on consecutive Mondays and Thursdays unless a resolution to adjourn to another time is adopted by a majority vote of Town Meeting Members present and voting.

2.1.6 Posting of the Warrant

The Board of Selectmen shall give notice of the Annual, Subsequent or any Special Town Meeting at least fourteen (14) days prior to the time of holding said meeting by causing an attested copy of the warrant calling the same to be posted in one (1) or more public places in each precinct of the Town, and either causing such attested copy to be published in a local newspaper or providing in a manner such as electronic submission, holding for pickup, or mailing, an attested copy of said warrant to each Town Meeting Member.

2.1.7 Closing of the Warrant

All Articles for the Annual Town Meeting shall be submitted to the Board of Selectmen not later than 8:00 PM on the fifth (5th) Tuesday preceding the date of election of Town officers, unless this day is a holiday in which case the following day shall be substituted. All articles for the Subsequent Town Meeting shall be submitted to the Board of Selectmen not later than 8:00 PM on the seventh (7th) Tuesday preceding the Subsequent Town Meeting in which action is to be taken, unless this day is a holiday in which case the following day shall be substituted.

2.1.8 Delivery of the Warrant

The Board of Selectmen, after drawing a Warrant for a Town Meeting, shall immediately deliver a copy of such Warrant to each member of the Finance Committee, the Community Planning and Development Commission, the Bylaw Committee and the Moderator.

2.2 Conduct of Town Meeting

2.2.1 In the conduct of all Town Meetings, the following rules shall be observed

Rule 1 A majority of Town Meeting Members shall constitute a quorum for doing business.

- Rule 2** All articles on the warrant shall be taken up in the order of their arrangement in the warrant unless otherwise decided by a majority vote of the members present and voting.
- Rule 3** Prior to debate on each article in a warrant involving the expenditure of money, the Finance Committee shall advise Town Meeting as to its recommendations and the reasons therefore.
- Rule 4** Prior to a debate on each article in a warrant involving changes in the bylaw or Charter, petitions for a special act, or local acceptance by Town Meeting of a State statute, the Bylaw Committee shall advise Town Meeting as to its recommendations and reasons therefore.
- Rule 5** Every person shall stand when speaking as they are able, shall respectfully address the Moderator, shall not speak until recognized by the Moderator, shall state his name and precinct, shall confine himself to the question under debate and shall avoid all personalities.
- Rule 6** No person shall be privileged to speak or make a motion until after he has been recognized by the Moderator.
- Rule 7** No Town Meeting Member or other person shall speak on any question more than ten (10) minutes without first obtaining the permission of the meeting.
- Rule 8** Any non-Town Meeting Member may speak at a Town Meeting having first identified himself to the Moderator. A proponent of an article may speak on such article only after first identifying himself to the Moderator and obtaining permission of Town Meeting to speak. No non-Town Meeting Member shall speak on any question more than five (5) minutes without first obtaining the permission of the Meeting. Non-Town Meeting Members shall be given the privilege of speaking at Town Meeting only after all Town Meeting Members who desire to speak upon the question under consideration have first been given an opportunity to do so.
- Rule 9** Members of official bodies and Town officials who are not Town Meeting Members shall have the same right to speak, but not to vote, as Town Meeting Members on all matters relating to their official bodies.
- Rule 10** No speaker at a Town Meeting shall be interrupted except by a Member making a point of order or privileged motion or by the Moderator.
- Rule 11** Any person having a monetary or equitable interest in any matter under discussion at a Town Meeting, and any person employed by another having such an interest, shall disclose the fact of his interest or his employer's interest before speaking thereon.
- Rule 12** The Moderator shall decide all questions of order subject to appeal to the meeting, the question on which appeal shall be taken before any other.
- Rule 13** When a question is put, the vote on all matters shall be taken by a show of hands, and the Moderator shall declare the vote as it appears to him. If the Moderator is unable to decide the vote by the show of hands, or if his decision is immediately questioned by seven (7) or more Members, or if the Moderator determines that a counted vote is required such as for a debt issue or Home Rule Petition, he shall determine the question by ordering a standing vote, and he

shall appoint tellers to make and return the count directly to him. On request of not less than twenty (20) members, a vote shall be taken by roll call.

Rule 14 All original main motions having to do with the expenditure of money shall be presented in writing, and all other motions shall be in writing if so directed by the Moderator.

Rule 15 No motion shall be received and put until it is seconded. No motion made and seconded shall be withdrawn if any Member objects. No amendment not relevant to the subject of the original motion shall be entertained.

Rule 16 When a question is under debate, no motion shall be in order except:

- to adjourn,
- to lay on the table or pass over,
- to postpone for a certain time,
- to commit,
- to amend,
- to postpone indefinitely, or
- to fix a time for terminating debate and putting the question, and the aforesaid several motions shall have precedence in the order in which they stand arranged in this rule.

Rule 17 Motions to adjourn (except when balloting for offices and when votes are being taken) shall always be first in order. Motions to adjourn, to move the question, to lay on the table and to take from the table shall be decided without debate.

Rule 18 The previous question shall be put in the following form or in some other form having the same meaning: "Shall the main question now be put" and until this question is decided all debate on the main question shall be suspended. If the previous question is adopted, the sense of the meeting shall immediately be taken upon any pending amendments in the order inverse to that in which they were moved, except that the largest sum or the longest time shall be put first and finally upon the main question.

Rule 19 The duties of the Moderator and the conduct and method of proceeding at all Town Meetings, not prescribed by law or by rules set forth in this article, shall be determined by rules of practice set forth in "Town Meeting Time Third Edition" except that to lay on the table shall require a majority vote.

2.2.2 Attendance by Officials

It shall be the duty of every official body, by a member thereof, to be in attendance at all Town Meetings for the information thereof while any subject matter is under consideration affecting such official body.

2.2.3 Appointment of Committees

All committees authorized by Town Meeting shall be appointed by the Moderator unless otherwise ordered by a vote of the Members present and voting. All committees shall report as directed by Town Meeting. If no report is made within a year after the appointment, the committee shall be discharged unless, in the meantime, Town Meeting grants an extension of time. When the final report of a committee is placed in the hands of the Moderator, it shall be deemed to be received, and a vote to accept the same shall discharge the committee but shall not be equivalent to a vote to adopt it.

2.2.4 Motion to Reconsider

2.2.4.1 Notice to Reconsider

A motion to reconsider any vote must be made before the final adjournment of the meeting at which the vote was passed but such motion to reconsider shall not be made at an adjourned meeting unless the mover has given notice of his intention to make such a motion, either at the session of the meeting at which the vote was passed or by written notice to the Town Clerk within twenty-four (24) hours after the adjournment of such session. When such motion is made at the session of the meeting at which the vote was passed, said motion shall be accepted by the Moderator but consideration thereof shall be postponed to become the first item to be considered at the next session, unless all remaining articles have been disposed of, in which case reconsideration shall be considered before final adjournment. There can be no reconsideration of a vote once reconsidered or after a vote not to reconsider. Reconsideration may be ordered by a vote of two-thirds (2/3) of the members present. Arguments for or against reconsideration may include discussion of the motion being reconsidered providing such discussion consists only of relevant facts or arguments not previously presented by any speaker.

2.2.4.2 Federal or State Law Affecting Reconsideration

The foregoing provisions relating to motions to reconsider shall not apply to any such motion made by the Board of Selectmen and authorized by the Moderator as necessary for the reconsideration of actions previously taken by Town Meeting by reason of State or Federal action or inaction or other circumstances not within the control of the Town or Town Meeting. In the event such a motion to reconsider is made and authorized, said motion may be made at any time before the final adjournment of the meeting at which the vote was passed, said motion may be made even if the vote was already reconsidered or was the subject of a vote not to reconsider, and reconsideration may be ordered by a vote of two-thirds (2/3) of the Members present.

2.2.4.3 Posting and Advertising

Notice of every vote to be reconsidered at an adjourned Town Meeting shall be posted by the Town Clerk in one (1) or more public places in each precinct of the Town as soon as possible after adjournment, and he shall, if practicable, at least one day before the time of the next following session of said adjourned meeting, publish such notice in some newspaper published in the Town. Said notice shall include the vote to be reconsidered and the place and time of the next following session of said adjourned meeting. The foregoing notice provisions shall not apply when a motion to reconsider any Town Meeting action is made publicly at Town Meeting before the adjournment of any session of any adjourned Town Meeting.

2.2.5 State of the Town

The Selectmen shall, at each Annual Town Meeting, give to the Members information on the "State of the Town."

2.2.6 Annual Precinct Meeting

Town Meeting Members and Town Meeting Members-elect from each precinct shall hold an annual precinct meeting after the annual Town election but before the convening of the business sessions of the Annual Town Meeting. The purpose of the meeting shall be the election of a Chairman and a Clerk and to conduct whatever business may be appropriate. Chairmen shall serve no more than six (6) consecutive years in that

position. Additional precinct meetings may be called by the Chairman or by a petition of six (6) Town Meeting Members of the precinct.

2.2.7 Removal of Town Meeting Members

2.2.7.1 Notice of Attendance

The Town Clerk shall mail, within thirty (30) days after the adjournment *sine die* of the Annual Town Meeting, to every Town Meeting Member who has attended less than one-half of Town Meeting sessions since the most recent Annual Town Election, a record of his attendance and a copy of Section 2-6 of the Charter.

2.2.7.2 Precinct Recommendation

All Precinct meeting held prior to consideration by Town Meeting of the warrant article pursuant to Section 2-6 of the Charter. Town Meeting Members of each precinct shall adopt a recommendation to Town Meeting on whether each member from the precinct listed in the warrant per Section 2-6 of the Charter should be removed from Town Meeting. The Chairman of each precinct or his designee shall make such recommendations along with supporting evidence and rationale to Town Meeting.

2.2.7.3 Grouped by Precinct

The names of the Members subject to removal in accordance with Section 2-6 of the Charter shall be grouped by precinct in the warrant article required by said section.

2.2.8 Meetings During Town Meeting

No appointed or elected board, committee, commission or other entity of Town government shall schedule or conduct any hearing, meeting or other function during any hours in which an Annual, Subsequent or Special Town Meeting is in session or is scheduled to be in session. Any such board, committee or commission which schedules or holds a meeting or hearing on the same calendar day, but at a time prior to a session of Town Meeting, shall adjourn or recess not less than five (5) minutes prior to the scheduled session of Town Meeting.

Any board, committee or commission may, at the opening of any session of Town Meeting, present to that Town Meeting an instructional motion requesting an exemption from this bylaw and asking that Town Meeting permit it to meet at a date and hour at which a future session of Town Meeting is scheduled, and may present reasons for Town Meeting to give such permission. Notwithstanding the foregoing, any board, committee or commission which meets the requirements of M.G.L. Chapter 39, Section 23B concerning emergency meetings may, upon meeting such requirements, conduct such a meeting or hearing at a time scheduled for a Town Meeting.

2.2.9 Rules Committee

The members of the Rules Committee, established under Section 2-12 of the Charter, shall hold an annual meeting within thirty (30) days after the adjournment of the Annual Town Meeting for the purpose of electing a Chairman and a Clerk and to conduct whatever business may be appropriate. Additional Rules Committee meetings may be called by the Chairman.

In the absence of a Chairman, the Moderator shall convene a meeting of the Rules Committee within sixty (60) days after a vacancy for the purpose of electing a new Chairman.



Town of Reading
16 Lowell Street
Reading, MA 01867-2685

FAX: (781) 942-9070
Website: www.readingma.gov

TOWN CLERK
(781) 942-9050

Town Meeting Handout Guidelines

To ensure that all Town Meeting members have access to the same information, distributed in the same manner, please follow the below listed guidelines for handout materials:

Materials that are prepared by a Town Board / Committee / Town Department must include the following:

- Article name and number
- Name of Town Board / Committee / Commission or Town Department
- Date the document was created
- Contact Information
- Approval of Town Clerk's Office

Materials that are prepared by petitioners or other voters must include the following:

- Article name and number
- Contact information of person who created handout
- Date the document was created
- Approval of Town Clerk's Office

All handouts:

- Must contain facts only unless specifically stating "This is the opinion of ____"
- Should be on white paper only
- Should be double-sided copies if more than one page
- May be distributed only by giving adequate copies for all Town Meeting members (192) to the Town Clerk or designee by 6:30 PM on the night in which the subject article will be discussed
- All handouts not approved will be removed and recycled
- All handouts not distributed must be picked up at the end of each night or they will be recycled at the end of each night.

All PowerPoint Presentations:

- Must consult with the Town Clerk before the meeting
- Provide a copy before the meeting
- All presentations will be given using the Town of Reading laptop computer

February of 2010

