

**Town of  
Reading  
Massachusetts**



**2017 Annual Town Meeting  
Report on the Warrant  
April 24, 2017**

**ANNUAL TOWN MEETING  
APRIL 24, 2017  
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# COMMONWEALTH OF MASSACHUSETTS

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

By virtue of this Warrant, I Thomas Freeman, on February 23, 2017 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 4, 2017, 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 February 23, 2017.

  
\_\_\_\_\_  
Constable Thomas Freeman

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 FOURTH DAY OF APRIL, A.D., 2017  
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;  
Two members of the Board of Selectmen for three years;  
Two members of the Board of Library Trustees for three years;  
One member of the Municipal Light Board for three years;  
Two members of the School Committee for three years;  
One member of the School Committee for two years; and  
Seventy-one Town Meeting Members shall be elected to represent each of the following precincts:

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

and to vote on the following questions:

### **Question 1: MARIJUANA ESTABLISHMENT BAN**

Shall the Reading Town Meeting be authorized to adopt an amendment to the Reading Zoning Bylaw prohibiting, from all zoning districts within the Town, marijuana establishments as defined in Section 1(j) of Chapter 94G of the *Massachusetts General Laws*, including commercial marijuana cultivators, marijuana

testing facilities, marijuana product manufacturers, marijuana retailers, and any other type of marijuana-related businesses, but excluding Registered Medical Marijuana Dispensaries as defined in Section 2.0 of the Zoning Bylaw?

YES \_\_\_\_\_ NO \_\_\_\_\_

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

MONDAY, the TWENTY-FOURTH DAY of APRIL A.D., 2017

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.

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**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:

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**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.

**Finance Committee Report:** No report.

**Bylaw Committee Report:** No report.

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**ARTICLE 4** To see if the Town will vote to amend the FY 2017-27 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, 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 FY2017 – FY2027 CIP (current year plus ten years):

## General Fund

### **FY17: -\$150,000**

\$100,000 Adm Svc Cell Tower Design  
\$ 55,000 Facilities – replace tile at Joshua Eaton due to leak  
\$ 30,000 Facilities – masonry @Wood End  
\$ 15,000 Facilities – masonry @Parker  
-\$350,000 Pub Svc Recreation defer Killam Field & parking lot until FY23

### **FY18: -\$180,600 (needed to fund RMHS litigation debt)**

\$190,000 Fire Breathing apparatus  
\$150,000 DPW truck#9 advanced from FY19  
\$150,000 Permanent Bldg Committee funding  
\$ 40,000 Adm Svc Tech GIS flyover planimetrics  
\$ 32,400 DPW Cemetery Ford Sedan advanced from FY20  
\$ 30,000 Fire hose  
+\$25,000 School large-scale technology projects (now \$100,000)  
+\$25,000 DPW sidewalk/curb ped safety (now \$100,000)  
+\$25,000 DPW skim coating/crack seal patching (now \$100,000)  
\$15,000 Fire dept. multi-gas meters  
+\$ 2,000 DPW Parks SKAG 61" mower now \$20,000 (was \$18k)  
-\$ 3,000 DPW Cemetery SKAG 52" mower now \$15,000 (was \$18k)  
-\$ 35,000 Police vehicle video integration defer to FY19  
-\$ 40,000 DPW Screener now \$95,000 (reduced from \$135k)  
-\$ 50,000 DPW yard improvements removed  
-\$ 70,000 Fire Alarm Truck defer to FY21 (now \$80k)  
-\$ 90,000 DPW fire suppression system removed  
-\$115,000 Pub Svc Recreation defer Barrows backstop & infield to FY20 (now \$125k)  
-\$462,000 Parker MS roof repairs defer to FY19

### **FY19 -\$191,000**

Various changes made

### **FY20+**

Various other changes made

We also want to inform Town Meeting about a capital item that falls into the proverbial gray area of municipal finance. MetroFire is an association of 34 metropolitan Boston fire departments that provides coordination of mutual aid response to improve the effectiveness of fire services. It covers about 30% of the state's residents, and is authorized under provisions of the Massachusetts General Laws. The Town of Reading is a member department.

Previously MetroFire gave the town a 100% grant-funded trailer that is used regionally for fire safety training for children. Legally, the town is the owner, and insures the trailer. MetroFire gives the town a small sum each year for related costs, including minor maintenance.

MetroFire will be going through a procurement process to replace the old trailer, and then give it to Reading in the same fashion as before. While no Reading funds are spent on this item, we thought it best to cite it in the Reading Capital Plan. Note under Article 7 we will ask Town Meeting to declare the current trailer as surplus.

## Enterprise Funds - Water

**FY17:** None

**FY18:** **-\$150,000**

-\$150,000 Truck #6 defer to FY19

+\$373,299 in debt service (+\$397,299 for water main repairs & -\$24,000 for Auburn water tank.

**FY19+**

Various changes made (note repairs to Auburn water tank deferred from FY18 to FY20, changed to purchase new water tank at lifetime savings in excess of \$1 million)

## Enterprise Funds - Sewer

**FY17:** **+\$200,000**

+\$200,000 West St/Batchelder Rd Sewer Station project – unanticipated ground water issue

**FY18:** **+\$200,000**

\$200,000 Vacuum truck advanced from FY19 (split with Storm Water EF)

+\$312,000 in debt service for sewer station repairs (Charles St. project is increased by \$500,000 to \$2.4 million; Sturges sewer station is increased by \$675,000 to \$1.775mil. and deferred until FY21).

**FY19+**

Various changes made

## Enterprise Funds – Storm Water

**FY17:** None

**FY18:** **+\$175,000**

\$200,000 Vacuum truck advanced from FY19 (split with Sewer EF)

-\$25,000 general drainage improvements reduced from \$75,000 to \$50,000

-\$27,500 debt service (interest only) as Sturges Park, Main St & Minot St (side streets) drainage projects are delayed to FY19

**FY19+**

Various changes made

**Finance Committee Report:** The Finance Committee recommends the proposed amendments to the FY 2017 – FY 2027 Capital Improvements Program by a vote of 9-0-0 at their meeting on March 22, 2017. 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.

By Charter, both the Finance Committee and Bylaw Committee are advisory to Town Meeting and their votes must be reported to Town Meeting, preferably in writing in advance when possible. Other volunteer Boards and Committees also vote on Warrant Articles, and when possible those votes are noted herein with an asterisk (\*) next to their name.

**Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

**ARTICLE 5**

To see if the Town will vote to amend the Town's Operating Budget for the Fiscal Year commencing July 1, 2016, as adopted under Article 12 of the Annual Town Meeting of March 1, 2016 and amended under Article 11 of the Subsequent Town Meeting of November 14, 2016; 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**

| <b>Account Line</b>                    | <b>Description</b>   | <b>Decrease</b> | <b>Increase</b> |
|--|--|-----------------|-----------------|
| B99 – Benefits expenses                | Health Ins. Premiums -\$100,000<br>Retirement Assessment -\$100,000  | \$200,000       |                 |
| C99 – Capital Expenses                 | Adm Svc Cell Tower design \$100,000<br>Facilities – Joshua Eaton tiles \$55,000<br>Facilities – masonry @Wood End \$30,000<br>Facilities – masonry @Parker \$15,000<br>Defer Killam fields & parking lot -\$350,000  | \$150,000       |                 |
| E99 – Vocational Education             | Reduced for actual enrollment (Minuteman & Essex North) -\$50,000  | \$50,000        |                 |
| G91 – Administrative Services Wages    | Vacation/sick buyback (1) \$15,000<br>Pay & Class funding used \$13,625<br>Technology OT \$5,000<br>Election workers (Oct. Special) \$4,000<br>Operations Specialist -\$15,000<br>Pay & Class funding not used -\$23,350<br>Pay & Class Funding transferred -\$70,450  | \$71,175        |                 |
| G92 – Administrative Services Expenses | Town Counsel \$50,000 (TLT \$25k; 40B projects \$15k; other \$10k)<br>Special Counsel TLT \$30,000<br>Special Counsel cable \$25,000<br>HR Professional Services (Police Lt & Sgt promotions process, part II) \$9,650   |                 | \$114,650       |
| H91 - Public Services Wages            | Building Inspections -\$10,000<br>Economic Development Director -\$45,000<br>Community Services Director -\$57,000<br>Pay & Class funding used +\$17,450   | \$94,550        |                 |
| H91 - Public Services Expenses         | Economic Development expenses \$3,000  |                 | \$3,000         |
| I91 – Finance Wages                    | Vacation/sick buyback (2) \$2,875<br>Pay & Class funding used \$9,250  |                 | \$12,125        |
| J91 – Public Safety Wages              | Police vacation/sick buyback (3) \$70,750<br>Fire vacation/sick buyback (2) \$69,850<br>Fire OT (injuries) \$40,000<br>Animal Control Officer \$19,000 (not yet regionalized, see line J92)<br>Police CPR training \$8,500 (as of Oct '16 no longer state funded)<br>Fire OT (active shooter training) \$7,000<br>Pay & Class funding used \$4,800 |                 | \$219,900       |
| J92 – Public Safety expenses           | Fire protective clothing \$8,000<br>Police clothing/uniforms \$7,000   | \$30,000        |                 |

|                                  |   |                  |                     |
|----------------------------------|---|------------------|---------------------|
|                                  | Police officer training \$5,000<br>Animal Control regionalization -\$50,000                           |                  |                     |
| K91 – Public Works Wages         | Pay & Class funding used \$2,825  |                  | \$2,825             |
| K92 – Public Works Expenses      | Hwy Outsourced repairs \$25,000<br>Highway fuel -\$75,000   | \$50,000         |                     |
| K93 – Public Works Snow & Ice    | <i>Estimate \$250,000</i>   |                  | \$250,000           |
| K94 – Public Works Street Lights | Street lights - \$15,000  | \$15,000         |                     |
| L91 – Library Wages              | Vacation/sick buyback (1) \$11,825<br>Pay & Class funding used \$22,500                               |                  | \$34,325            |
| M91 – Core Facilities            | Security Systems Evaluation – accounting entry needed \$125,000<br>Vacation/sick buyback (1) \$12,000 |                  | \$137,000           |
| U99 – School Department          | Science Curriculum  |                  | \$150,000           |
|                                  | <b>Subtotals</b>  | <b>\$660,725</b> | <b>\$923,825</b>    |
|                                  | <b>Net Operating Expenses</b>   |                  | <b>\$263,100</b>    |
|                                  | <b>From Vacation/Sick Stabilization Fund (proposal to eliminated in Article 11)</b>                   |                  | <b>\$30.78</b>      |
|                                  | <b>From Inspections Revolving Fund (reduce the offset previously budgeted)</b>                        | <b>\$60,000</b>  |                     |
|                                  | <b>From Free Cash</b>   |                  | <b>\$323,069.22</b> |

**Enterprise Funds – Wages and Expenses**

| <u>Account Line</u>  | <u>Description</u>   | <u>Decrease</u> | <u>Increase</u>  |
|----------------------|--|-----------------|------------------|
| X99 - Sewer expenses | West St/Batchelder Rd Sewer Station project – unanticipated ground water issue |                 | \$200,000        |
|                      | <b>Subtotals</b>   | <b>\$0</b>      | <b>\$200,000</b> |
|                      | <b>Net Operating Expenses</b>  |                 | <b>\$200,000</b> |
|                      | <b>From Sewer Reserves</b>   |                 | <b>\$200,000</b> |

**Finance Committee Report:** At their meeting on March 22, 2017 the Finance Committee voted 9-0-0 to recommend this Article to Town Meeting.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article. At the time, the estimate for snow & ice was only \$100,000.

**ARTICLE 6** To see if the Town will vote to raise and appropriate, transfer from available funds 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:** In January 2017 the town became aware of an outstanding invoice for Callback Staffing Solutions, LLC in the amount of \$90.72 for services rendered in June 2016. The invoice is for the monthly fee for a new web based scheduling system for the fire department. Unfortunately, the invoice was sent to the fire department through email and ended up in the junk mail and was not discovered until the vendor notified the Town in January 2017 that the bill remained outstanding.

**Finance Committee Report:** At their meeting on March 22, 2017 the Finance Committee voted 9-0-0 to recommend this Article to Town Meeting. This bill is an obligation that should be paid by the Town, with a source of Free Cash.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

**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 equipment is scheduled for disposal:

| <i>Dossier</i>       | <i>Year</i> | <i>Make</i>        | <i>Model</i>  | <i>Hours</i> | <i>Mileage</i> | <i>Estimated Value \$</i> | <i>Notes</i>   |
|----------------------|-------------|--------------------|---------------|--------------|----------------|---------------------------|----------------|
| Backhoe              | 2007        | CAT                | 420           |              |                | 40,000                    |                |
| Screenall            | 1994        | Reed               | RD40B         | 2738         |                | 7,000                     | Diesel         |
| Truck 9              | 2004        | International      | 700SER        |              | 57,236         | 6,500                     |                |
| Truck 24             | 2000        | Ford               | F450          |              | 64,492         | 5,000                     | Diesel, Dump   |
| Truck 10             | 1996        | International      | 400SER        |              | 100,171        | 3,500                     |                |
| Roller               | 1998        | Leeboy             | L300 1.5 ton  | 6243         |                | 1,000                     | Hydrostatic    |
| JRB 4 in 1 bucket    | 2009        | JRB                | 4 in 1 bucket |              |                | 1,000                     |                |
| Mower                | 1995        | Scag 52"           | SWG           |              |                | 500                       |                |
| Mower                | 1996        | Scag 52"           | SWG           |              |                | 500                       |                |
| Mower                | 2008        | Turf Tiger 61"     | STT61V        |              |                | 500                       |                |
| Mower                | 1989        | John Deere         | 912           | 1239         |                | 500                       |                |
| Fuel Transfer Tank   |             | Fuel Transfer Tank |               |              |                | 100                       | 100 gal w/pump |
| Weatherguard Toolbox |             | Weatherguard       | Toolbox       |              |                | 100                       |                |
| Stone Cement mixer   | 1993        | Stone Mixer        |               |              |                | 100                       |                |
| Holder V-nose plow   |             | Holder             | V-nose plow   |              |                | 100                       |                |
| Trailer ramps        |             |                    | Trailer Ramps |              |                | 100                       |                |

As described in Article 4, the current MetroFire trailer will be taken from the town and given to a community south of Boston once the new one is purchased. We thought it best to note this intended disposal of capital equipment legally owned by the town, even though no municipal funds were used for acquisition. The motion under this Article will include the trailer, but in the background we did want to distinguish it from other items listed in the table above.

**Finance Committee Report:** At their meeting on March 22, 2017 the Finance Committee voted 9-0-0 to recommend this Article to Town Meeting.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

**ARTICLE 8** To see if the Town will vote to accept 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, establishing an Other Post-Employment Benefits Liability Trust Fund; to authorize the Board of Selectmen and Treasurer to execute a declaration of trust creating an expendable trust for the purpose of holding monies appropriated to

such fund; to designate the Treasurer as the trustee of such trust; to authorize the transfer of any and all monies currently held for the purpose of paying retiree health and life benefits to such trust; to authorize the trustee to invest and reinvest the monies in such fund in the State Retiree Benefits Trust Fund; and to authorize the participation of the Town of Reading Municipal Light Department in the trust fund in accordance with procedures and criteria established by the trustee.

Board of Selectmen

**Background:** The state recently enacted legislation that will settle some state-wide questions about the legal structure of so-called OPEB Liability Trust Funds. The Town of Reading, by vote of Town Meeting, previously established such a Trust Fund before the state took this action. By adopting 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, the town's existing OPEB Trust Fund will fall under this new legal structure.

The second portion of this Article is the annual transfer of funds previously budgeted and held for the OPEB 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 FY17, as demonstrated under Article 5, a small surplus exists in that account so the annual OPEB transfers should be completed as 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 in a few months. 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 in FY29.

**Finance Committee Report:** At their meeting on March 22, 2017 the Finance Committee voted 9-0-0 to recommend this Article to Town Meeting.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 9** To hear the report of the School Committee or any other public body that the real property shown as "Oakland Road Parcel" on a plan of land entitled "Plan of Land Oakland Road Town of Reading," prepared by Town of Reading – Department of Public Works, Engineering Division, Jeffrey T. Zager, Director D.P.W., Ryan Percival, P.E., Town Engineer, dated September 13, 2016, is no longer required for public purposes; to see if the Town will vote, pursuant to Chapter 40, Section 15A, of the *Massachusetts General Laws*, to transfer the care, custody, management and control of said Oakland Road Parcel to the Board of Selectmen; or take any other action with respect thereto.

Board of Selectmen

**Background:** At November 2016 Town Meeting, three actions were sought regarding the town's property on Oakland Road in two different Articles:

Article 15 – to discontinue portions of private ways on the property;

Article 16 – to declare, by accepting reports from the School Committee or any other public body, that the land was no longer needed for public purpose; and

Article 16 - to authorize the Board of Selectmen to sell or otherwise dispose of the land.

All three of these actions had previously passed by large margins in a November 2011 Town Meeting, but current Town Counsel deemed these previous actions as legally insufficient, as was described to November 2016 Town Meeting.

Article 15 passed at November 2016 Town Meeting, clearing the first action listed above. However Article 16 did not pass. A move to reconsider Article 16 in order to accomplish only the second action listed above also did not pass. Afterwards several Town Meeting members explained they thought Article 15 cleared up all the technicalities and Article 16 was only to authorize the Selectmen to sell the land.

This Article seeks to complete the second action only – to declare that the land was no longer needed for public purpose. The School Committee is the only known body that may have any claim to the land, and both in 2011 and 2016 they voted to declare any and all of their ownership to be surplus to their needs.

This second action is needed in order for the Board of Selectmen to undertake a process that would include potential buyers of the parcel and any proposed uses. The Board understands and respects that the November 2016 Town Meeting wanted to see exact proposed uses of the parcel before authorizing any land transaction, and is committed to a public process to come up with one or more such proposals for a future Town Meeting, if this Article is approved.

**Finance Committee Report:** At their meeting on March 22, 2017 the Finance Committee voted 9-0-0 to recommend this Article to Town Meeting.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 10** To see if the Town will raise and appropriate, transfer from available funds, borrow or otherwise provide a sum or sums of money for the purpose of renovating and expanding the Reading Public Library located at 64 Middlesex Avenue, including the costs of consulting services, audits, plans, documents, cost estimates, bidding services, moving, temporary relocation, and all related expenses incidental thereto and necessary in connection therewith, said sum to be expended by and under the direction of the Town Manager and the Board of Library Trustees; and to see if the Town will authorize the Board of Library Trustees, Board of Selectmen, Town Manager, or any other agency of the Town, to apply for a grant or grants to be used to defray the cost of all, or any part of, said improvements; and to authorize the Board of Library Trustees and/or the Town Manager to enter into any and all contracts and agreements as may be necessary to carry out the purposes of this Article. These funds will be additional to the \$14.9 million previously approved by vote of Town Meeting on January 28, 2013 and a majority of the voters at a local election on April 2, 2013, and to the \$3.5 million previously approved by a vote of Town Meeting on February 13, 2014 and a majority of the voters at a local election on April 1, 2014, and to the \$141,224.72 approved by Town Meeting under Article 7 of Subsequent Town Meeting on November 14, 2016; or take any other action with respect thereto.

Board of Selectmen

**Background:** November 2016 Town Meeting had two Articles to provide the \$18.4 million Public Library project additional funding. The first Article was approved for a total of \$141,224.72 in additional funding. A second Article was tabled as the project was incomplete at that time.

This Article is identical to the one that was tabled last November. As of this writing, there is now and fully expected to be a final surplus remaining in project funding once it is 100% complete, which should be any day now. This Article is expected to be tabled again, but was included for April 2017 Town Meeting in case something unexpected happens. If this Article is needed, the Town Manager, or his successor, will have a lot of explaining to do.

**Finance Committee Report:** No report.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** No report.

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**ARTICLE 11** To see if the Town will raise and appropriate, transfer from available funds, borrow or otherwise provide a sum or sums of money for the purpose of making extraordinary repairs and/or replacement of sanitary sewer collection systems, including the costs of consulting services, audits, plans, documents, cost estimates, bidding services and all related expenses incidental thereto and necessary in connection therewith, said sum to be expended by and under the direction of the Town Manager; and to see if the Town will authorize the Board of Selectmen, Town Manager, or any other agency of the Town, to apply for a grant or grants, to be used to defray the cost of all, or any part of, said sanitary sewer improvements; and to authorize the Town Manager to enter into any and all contracts and agreements as may be necessary to carry out the purposes of this Article, or take any other action with respect thereto.

Board of Selectmen

**Background:** The purpose of this Article is to authorize debt for the replacement of the Charles Street sewer pump station. In 2010 the Town hired CDM Smith to assess the condition of and recommend repairs and improvements to the Town's 12 wastewater pump stations. Based on service area and evaluated deficiencies, CDM Smith and the Town have prioritized the Charles Street sewer station to be the next station replaced.

The existing Charles Street sewer pump station is currently a dry/wet pit station, located at the intersection of Charles Street and Haverhill Street, which services the largest area of Town (approximately 990 properties). The 49 year old station first went online in 1968 with a design capacity of 850 gallons per minute (GPM) and is approximately 30 feet in depth. The aging station has major corrosion to its steel walls and steel staircase, and out of code electrical systems, which present a significant operating safety concern. The existing pumps have become inefficient due to decreased equipment life and pump cavitation.

The proposed project would be to replace the failing station in its entirety with new submersible pumps; upgraded controls and electrical; SCADA; and a backup generator capable of running the station in the event of a power outage. The total estimated cost of this project is \$2.4 million.

**Finance Committee Report:** At their meeting on March 22, 2017 the Finance Committee voted 9-0-0 to recommend this Article to Town Meeting.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 12** To see if the Town will vote, pursuant to Section 103(j) of Chapter 32 of the Massachusetts General Laws, to accept an increase in the maximum Retirement Cost of Living Base, from \$12,000 to \$14,000, as accepted by the Reading Retirement Board, such acceptance to be effective as of the date that a certification of the Town Meeting vote is filed with the Public Employee Retirement Administration Commission.

Reading Retirement Board

**Background:** Chapter 188 of the Acts of 2010, an Act Relative to Municipal Relief, contained a number of provisions pertaining to public pensions. It became effective on July 27, 2010. Pursuant to Section 19 of Chapter 188 of the Acts of 2010, subsection (j) was added to General Laws, Chapter 32, Section 103, which grants retirement systems the discretion, subject to local legislative approval, to increase the maximum base on which the COLA is calculated in multiples of \$1,000. Presently, the amount is \$12,000. If approved, the

COLA Base Increase from \$12,000 to \$14,000 would be effective July 1, 2017. The maximum amount of any COLA is 3%, which means if approved the maximum annual COLA could increase from \$360 per year to \$420 per year.

On October 27, 2015, by unanimous vote and with all Board Members present, the Board voted to increase the COLA base from \$12,000 to \$14,000. Acceptance by Town Meeting is deemed to have occurred upon filing of a certification of the vote of the legislative body with PERAC (Public Employee Retirement Administration Commission). A decision to accept a COLA base increase cannot be revoked.

Reading Retirement Board

| COLA base amounts for peer communities   |             |      |
|--|-------------|------|
| Name                                     | Amount      | Year |
| Andover Retirement Board                 | \$12,000.00 | 2010 |
| Belmont Retirement Board                 | \$12,000.00 | 2010 |
| Danvers Retirement Board                 | \$13,000.00 | 2016 |
| Dedham Retirement Board                  | \$15,000.00 | 2016 |
| Milton Retirement Board                  | \$15,000.00 | 2012 |
| Natick Retirement Board                  | \$12,000.00 | 2010 |
| Shrewsbury Retirement Board              | \$12,000.00 | 2010 |
| Stoneham Retirement Board                | \$13,000.00 | 2012 |
| Wakefield Retirement Board               | \$12,000.00 | 2010 |
| Winchester Retirement Board              | \$12,000.00 | 2010 |
| <b>Middlesex County Retirement Board</b> | \$14,000.00 | 2013 |
| Bedford                                  |             |      |
| Burlington                               |             |      |
| Tewksbury                                |             |      |
| Westford                                 |             |      |
| Wilmington                               |             |      |
| North Reading                            |             |      |
| <b>Norfolk County Retirement Board</b>   | \$15,000.00 | 2012 |
| Canton                                   |             |      |
| Walpole                                  |             |      |
| <b>Essex Regional Retirement Board</b>   | \$13,000.00 | 2013 |
| Lynnfield                                |             |      |
| North Andover                            |             |      |
| <b>Bristol County Retirement Board</b>   | \$18,000.00 | 2016 |
| Mansfield                                |             |      |

**Finance Committee Report:** At their meeting on March 22, 2017 the Finance Committee voted 0-9-0 to recommend this Article to Town Meeting.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** No report.

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**ARTICLE 13** To see if the Town will vote to amend the vote taken under Article 12 of Annual Town Meeting on April 30, 2009 so as to abolish the Sick Leave and Vacation buy-back Stabilization Fund, or take any other action with respect thereto.

**Background:** Article 12 at 2009 Annual Town Meeting established a Sick Leave and Vacation buy-back Stabilization Fund for town government employees, with an initial funding of \$25,000. At the time, the overall liability was studied, since eligibility for sick leave buyback had been eliminated for all new hires. A strategy of annual funding was drafted internally in order to defease this liability, instead of funding it on a 'pay as you go' basis.

This strategy was followed for a period of time, but abandoned about four years ago as budgets got very tight. To set aside such funding above any current need was deemed a bit of a luxury. Thus recent practice has devolved back to the pay-as-you-go approach, as is seen by requests under Article 5 at this Town Meeting. The balance of the fund was thought to have been fully drawn down a year ago, but was repopulated by \$30.78 of interest earned as also was seen in Article 5. Since this funding mechanism has been discontinued as a policy, it is best to also eliminate the Stabilization Fund.

It is important to note that explicit requests for funding of vacation/sick leave buybacks only appear to Town Meeting when there is otherwise insufficient funding available. For example, there were other town departments that used vacation/sick leave buyback funds in FY17, but their wage budgets had sufficient surplus funding to not require a budget transfer. This is typical of Town Hall departments especially as the vacancy created by retirement usually remains open for a period of time.

**Finance Committee Report:** At their meeting on March 22, 2017 the Finance Committee voted 9-0-0 to recommend this Article to Town Meeting.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 14** 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 \$262,634 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.

At the 2012 Annual Town Meeting, approval was given for funding to hire a consultant to assist a staff initiative to update the Town's Housing Plan, including the five-year "Housing Production Plan". 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. Reading's Housing Production Plan has been approved by the Board of Selectmen and by the Commonwealth of Massachusetts.

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 two years ago, 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 2018.

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) as well as maintaining ready buyer and ready renter lists.

**Affordable Housing Trust Fund Allocation Plan  
FY 2018**

Pursuant to Article 14 of the 2017 Annual Town Meeting, an Affordable Housing Trust Fund Allocation Plan for the Fiscal Year 2018 in accordance with the provisions of Chapter 140 of the Acts of 2001 is as follows:

|   |           |
|---|-----------|
| Available Balance – <u>Unrestricted Funds</u> : | \$262,634 |
| 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 22, 2017 the Finance Committee voted 9-0-0 to recommend this Article to Town Meeting.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 15** 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, 2017, or take any 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 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 Materials Replacement           | Library Director and Trustees   | Charges for lost or damaged Library materials  | 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 recommendation 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 |

These revolving funds were approved as part of a new General Bylaw by November 2016 Town Meeting, but as of this writing that action has not been affirmed by the AG's office. Thus we are being perhaps a bit more thorough in our approach in the background described herein and in the table above. There are no changes in that table from what was approved by Town Meeting in April 2016.

- **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 2017 is \$14.
- **Inspections Revolving Fund** – This revolving fund was established 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. The balance available as of February 2017 in this fund is \$660,664 and of that total \$190,000 is proposed by the Town Manager as part of the FY18 budget

{ \$15,000 to be used to offset Public Services Overtime; \$135,000 to support Economic Development wages and expenses; and \$40,000 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 2017 in this fund is \$69,002. 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 Materials Replacement Fund** – 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 balance available as of February 2017 in this fund is \$4,718.
- **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 2017 in this fund is \$228. 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 2017 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 22, 2017 the Finance Committee voted 9-0-0 to recommend this Article to Town Meeting.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 16** To see if the Town will vote to raise and appropriate, borrow, transfer from available funds, or otherwise provide a sum of money for the operation of the Town and its government for Fiscal Year 2018 - beginning July 1, 2017, or take any other action with respect thereto.

Finance Committee

**Background:** Please see the yellow pages of this document for the full details of the FY18 budget.

**Finance Committee Report:** Please see the yellow pages – Spending Scorecard of this document for the votes of the Finance Committee online items in the FY18 budget. The Finance Committee recommends the subject matter of Article 16 as explained by these votes at their meeting on March 22, 2017.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article as presented to the Finance Committee.

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**ARTICLE 17** To see what sum the Town will vote to raise and appropriate, borrow, transfer from available funds, or otherwise provide a sum 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 FY18 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 22, 2017 the Finance Committee voted 9-0-0 to recommend this Article to Town Meeting.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 18** To see if the Town will vote to amend the General Bylaw by deleting Section 3.3.6, Permanent Building Committee, in its entirety and inserting in place thereof the following:

**3.3.6 Permanent Building Committee**

There shall be a Permanent Building Committee consisting of five (5) Permanent Members and, notwithstanding any provision of Section 3.3.1.6 to the contrary, up to two (2) Temporary Members for each Project that the Permanent Building Committee undertakes. Permanent and Temporary Members of the Permanent Building Committee shall be appointed by an Appointment Committee consisting of the Chair of the Board of Selectmen, the Chair of the School Committee and the Town Moderator. In addition, the Appointment Committee may appoint not more than three (3) Associate Members whose service on the Permanent Building Committee shall be governed by the third paragraph of Section 3.3.1.6.

Permanent and Associate Members shall be volunteers having practical experience and skills in professions that concentrate on the design, construction, management or financing of buildings, including architects; civil engineers; structural engineers; mechanical, electrical and plumbing engineers; building contractors, project managers; property managers; attorneys and building tradespersons. Their terms shall be so arranged that as nearly an equal number of terms as possible shall expire each year.

The Permanent Building Committee shall work with the Director of Facilities to compile an assessment of the physical condition of, and an inventory of anticipated repairs and renovations to, all existing Town buildings and shall summarize its findings in an annual report to Town Meeting.

The Permanent Building Committee shall adopt a formal building project application process to be followed in order for any proposed project to be considered for evaluation and possible administration. The Permanent Building Committee shall evaluate only Project Applications forwarded by the School Committee, the Board of Selectmen or the Library Trustees (the "Sponsoring Agency"). All Sponsoring Agencies shall be notified of this application process and any revisions to it in a timely manner after their adoption.

The Permanent Building Committee shall review and administer major Town building design studies and construction projects having expected aggregate costs of \$1,500,000 or more, but may decline administration of Projects with little or no actual construction. The Permanent Building Committee's jurisdiction shall not extend to projects of the Reading Municipal Light Department.

Once Town Meeting has authorized funds for a Project, the Appointment Committee shall add Temporary Members to the Permanent Building Committee for such Project. Temporary Members shall have the same participation and voting rights as Permanent Members on matters affecting the particular Project for which they were appointed. Temporary Members shall be registered voters of the Town, nominated by the Sponsoring Agency, and shall serve only for the time during which the Permanent Building Committee is exercising its functions with respect to such Project. In the event that a particular project is subject to participant requirements of a state funding authority, the Appointment Committee may appoint additional Temporary members to the Permanent Building Committee for that project; provided, however, that, in no event, shall the aggregate number of Permanent and Temporary Members for a particular project exceed nine (9). Quorum requirements for the Permanent Building Committee shall be the majority of the Permanent and Temporary Members for a particular project.

or take any other action in relation thereto.

Board of Selectmen

**Background:** Since their inception, the Permanent Building Committee (PBC) has taken a serious introspective look at how their committee was established, wishing to develop policies and procedures that would best fulfill their mission. These discussions have involved several public meetings and a couple of visits to the Board of Selectmen where the relevant elected boards (Schools & Library) and the Finance Committee were invited to participate. The PBC has also studied the general bylaw 3.3.6 and over time, in consultation with all of the above plus the Bylaw Committee and Town Counsel, suggested some changes.

The proposed new bylaw is shown above in its entirety, and below in the current form. A bold and cross-out explanation of the transition would have led to more confusion than clarity, so instead further below is a discussion of the proposed changes.

### *3.3.6 Permanent Building Committee (Current version)*

*There shall be a Permanent Building Committee consisting of five (5) Permanent Members and, except as otherwise provided herein, up to two (2) Temporary Members for each project that the Permanent Building Committee undertakes.*

*Permanent and Temporary Members of the Permanent Building Committee shall be appointed by an Appointment Committee consisting of the Chair of the Board of Selectmen, the Chair of the School Committee and the Town Moderator.*

*Permanent Members shall be volunteers having practical experience and skills in professions that concentrate on the design, construction, management and/or financing of commercial / institutional buildings such as architects: civil engineers; structural engineers; mechanical, electrical and plumbing engineers, building contractors, project managers, property managers, attorneys and building tradespersons. The terms shall be so arranged that as nearly an equal number of terms as possible shall expire each year. Temporary Members may be appointed for each individual project that the Permanent Building Committee undertakes.*

*Temporary Members shall have the same participation and voting rights as Permanent Members on matters affecting the particular project for which they were appointed. Temporary Members shall be registered voters of the Town, selected by the Board or Committee that proposes a particular building or renovation project (the "Sponsoring Agency") and shall serve only for the time during which the Permanent Building Committee is exercising its functions with respect to such project. In the event that a particular project is subject to participant requirements of a state funding authority, the Appointment Committee may appoint additional members to the Permanent Building Committee for that particular project; provided, however, that, in no event,*

*shall the aggregate number of Permanent and Temporary Members with full voting rights for a particular project exceed nine (9). Quorum requirements for the Permanent Building Committee shall be the majority of the Permanent and Temporary Members for a particular project.*

*The Permanent Building Committee shall be responsible for the oversight and management of all major municipal and school building design studies and construction projects having expected aggregate costs exceeding two million dollars (\$2,000,000). The Permanent Building Committee's jurisdiction shall not extend to projects of the Reading Municipal Light Department. The Permanent Building Committee shall present all such projects to the Finance Committee for consideration of funding options and shall sponsor and present all such projects to Town Meeting for its consideration and approval of funding.*

*The Permanent Building Committee shall work with the School Committee, the Board of Selectmen and any other Sponsoring Agency. The Sponsoring Agency shall notify the Permanent Building Committee of its intention to undertake any such projects within eight (8) calendar days of a positive vote or general affirmation to do so.*

*The Permanent Building Committee shall work with the Director of Facilities to compile an inventory of the physical condition and anticipated repairs and renovations of all existing municipal buildings and will summarize its findings in an annual report to Town Meeting.*

Changes – using new bylaw as a reference:

1<sup>st</sup> paragraph: add explicit Associate member references and cite 'Section 3.3.1.6 Appointment of Associate Members';

2<sup>nd</sup> paragraph: add in Associate member reference;

3<sup>rd</sup> paragraph: add the idea of assessment and not just an inventory of the public buildings. The PBC has a great deal of relevant expertise to share with the Facilities department;

4<sup>th</sup> paragraph: new reference to and requirement of the above mentioned policies and procedures. The PBC has previously reviewed, for example, detailed 'Project Assessment Process' and 'Project Administration' flowcharts in a report to Town Meeting;

4<sup>th</sup> paragraph: clarify that only elected boards or committees may serve as sponsoring agencies. Volunteers that created the initial bylaw all agreed that was the original intent;

5<sup>th</sup> paragraph: revise the dollar limit from \$2.0 million to \$1.5 million. This corresponds to state law that requires a community to hire a formal project manager for projects expected to be at or above the \$1.5 million level;

5<sup>th</sup> paragraph: Note that the PBC may decline projects at or above \$1.5 million if they have little or no actual construction – for example large roof replacements;

6<sup>th</sup> paragraph: move all references to the Temporary members to this section and clarify the process. PBC members unanimously believe that Temporary members should only be added after the Project Assessment is complete and before the Project Administration is started. They prefer to have full committee independence in that first assessment phase, with representation from a Sponsoring Agency welcome to attend as a member of the general public.

Items eliminated from the current version of 3.3.6 (as is shown above in italics):

- (1) The PBC did not wish to present projects to the Finance Committee for consideration of funding options, believing that responsibility was shared between staff and the Sponsoring Agency;
- (2) The PBC did not wish to sponsor and present all such projects to Town Meeting. The PBC strongly believes they must maintain an independent distance from some aspects of the entire process;

(3) There was no practical need for the 8 day notification period cited in the current bylaw.

**Finance Committee Report:** No report.

**Bylaw Committee Report:** At their meeting on March 27, 2017 the Bylaw Committee voted 4-0-0 to recommend this Article to Town Meeting, on the condition that the following sentence is added at the end of the fifth paragraph: "The Permanent Building Committee shall present all such projects to Town Meeting on behalf of the Sponsoring Agency for consideration and approval of funding".

The PBC, as explained above under (2), wishes to remain as an independent resource up until Town Meeting has formally approved a project. They believe the Sponsoring Agency should present their own request to Town Meeting, and the PBC be called on for their observations and advice.

The two committees may meet in advance of Town Meeting to discuss their differences.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

**ARTICLE 19** To see if the Town will vote to amend Sections 5.3.1, 5.3.2, and 5.4.7 of the Zoning Bylaw by:

- (a) Amending the Table of Uses for Business and Industrial Districts set forth in Section 5.3.1 as shown below, with additions being shown in bold and deletions being struck through:

**5.3.1 Table of Uses for Business and Industrial Districts**

| ACCESSORY USES  | BUS A                            | BUS B                            | BUS C | IND | PUD-B Overlay | PUD-I Overlay |
|---|----------------------------------|----------------------------------|-------|-----|---------------|---------------|
| Attached Accessory Apartment Contained Within an Existing Single-Family Dwelling – <b>no addition to gross floor area</b> | Yes                              | Yes                              | No    | No  | No            | No            |
| Detached Accessory Apartment Associated with an Existing Single-Family Dwelling   | <del>SPA</del><br><del>SPP</del> | <del>SPA</del><br><del>SPP</del> | No    | No  | No            | No            |

- (b) Amending the Table of Uses for Residence Districts set forth in Section 5.3.2 as shown below, with additions being shown in bold and deletions being struck through:

**5.3.2 Table of Uses for Residence Districts**

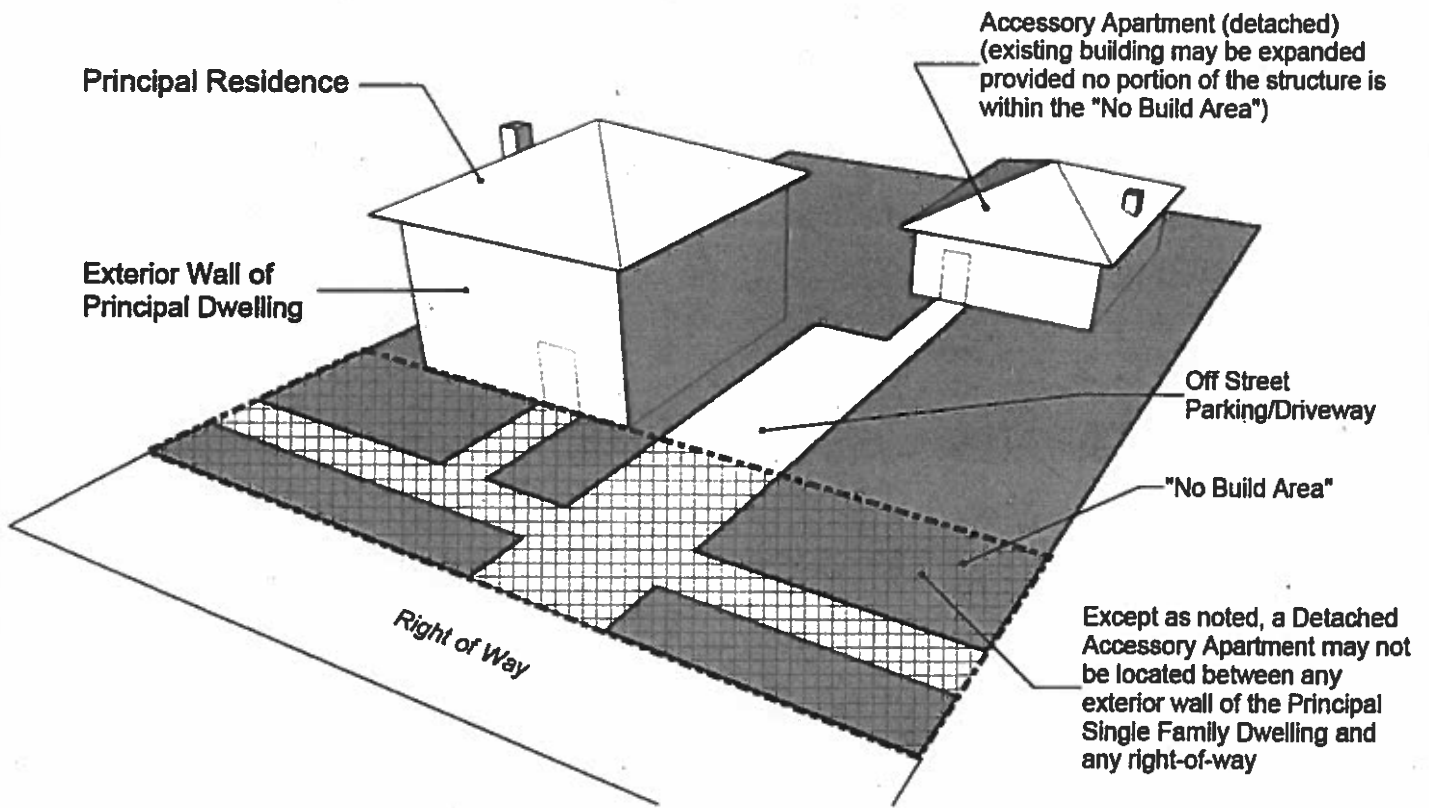
| ACCESSORY USES  | RES S-15<br>S-20<br>S-40               | RES A-40                        | RES A-80 | PRD-G<br>PRD-M | PUD-R |
|---|--|---------------------------------|----------|----------------|-------|
| Attached Accessory Apartment Contained within an Existing Single Family Dwelling – <b>no addition to gross floor area</b>   | Yes                                    | <del>No</del><br><del>Yes</del> | No       | No             | No    |
| Detached Accessory Apartment ( <b>not in an existing Carriage House, Stable or Barn</b> ) Associated with <del>New Construction</del> of a Single family Dwelling | <del>SPA</del><br><del>SPP</del><br>20 | <del>No</del><br><del>SPP</del> | No       | No             | No    |

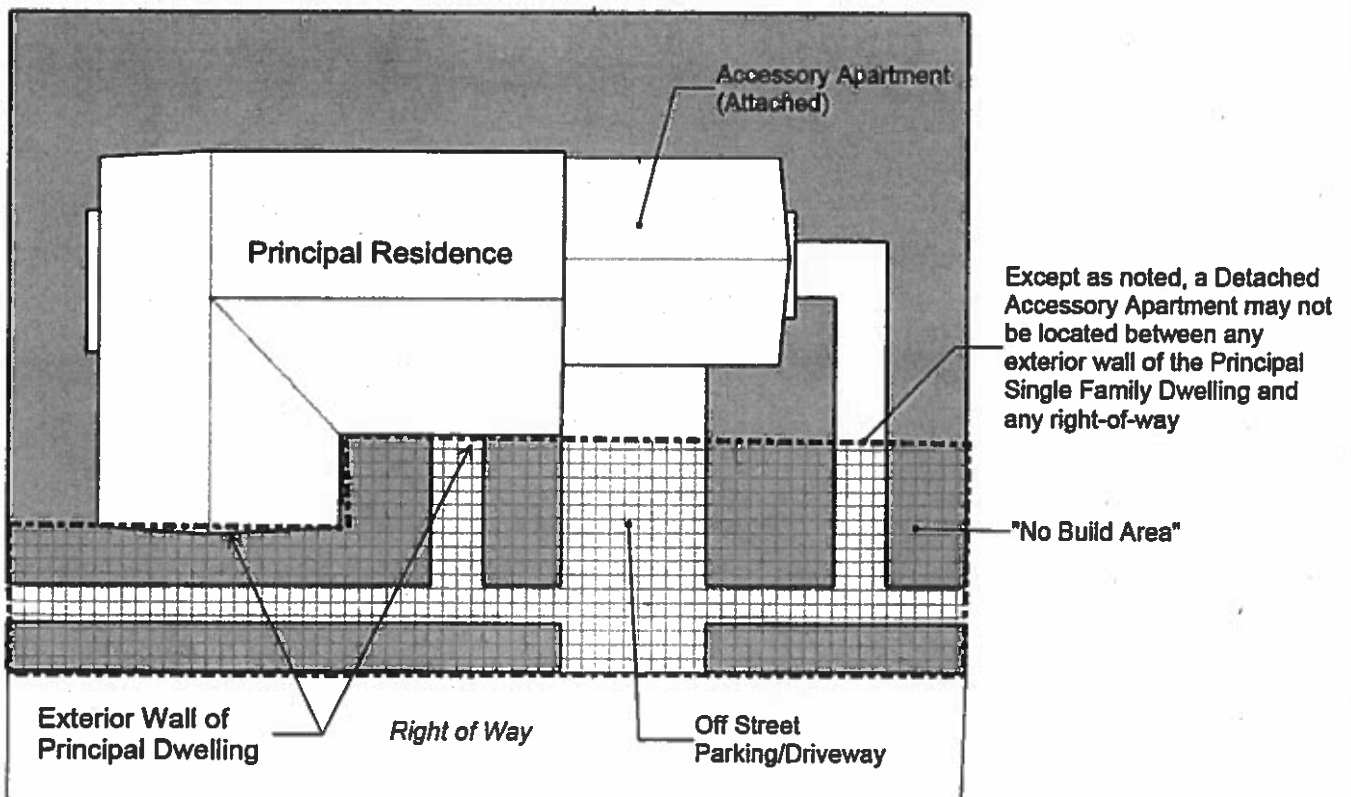
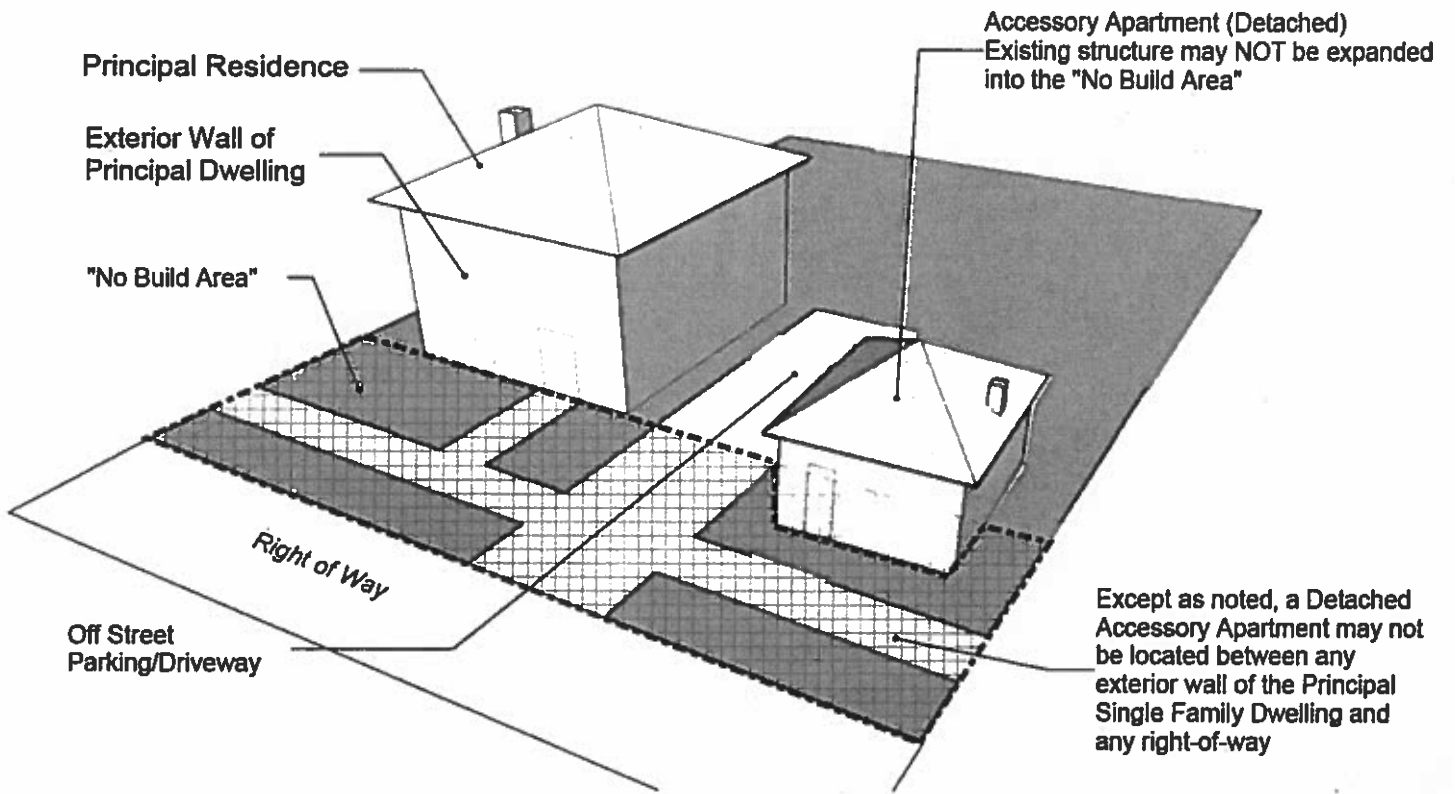
|  |     |               |     |    |    |
|--|-----|---------------|-----|----|----|
| Preservation of a Carriage House, Stable, or Barn for Use as a Detached Accessory Apartment                        | SPA | SPA           | SPA | No | No |
| Attached Accessory Apartment Contained Within New Construction of <b>or Addition to</b> a Single F family Dwelling | SPA | <b>No SPA</b> | No  | No | No |

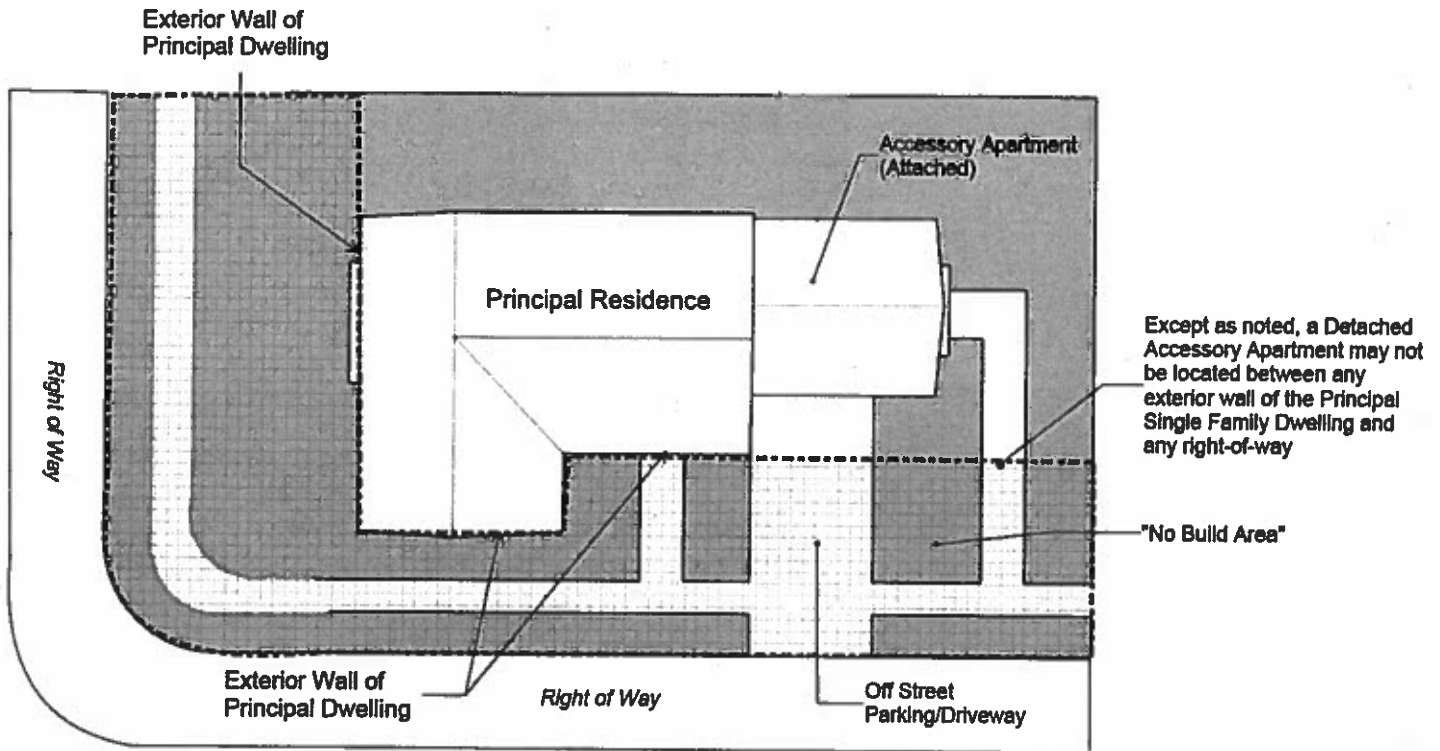
(c) Amending Section 5.4.7.2 as shown below, with additions being shown in bold and deletions being struck through:

**5.4.7.2 Restrictions**

Accessory Apartments may be allowed in the S-15, S-20 or S-40 Districts, or in a Single Family Dwelling in the Bus-A or Bus-B Zoning Districts as shown in the Tables set forth in Sections 5.3.1 and ~~5.3.2~~ ~~5.4~~—and subject to the applicable performance standards set forth below.







(d) Amending Section 5.4.7.3 by adding, after the first sentence thereof, the following:

"The SPGA may grant a waiver from the standards set forth in sections 5.4.7.3a through j inclusive where necessary to install features that facilitate access and mobility for disabled persons; however, in no case shall the SPGA waive or allow modifications to requirement k below."

and

(e) Deleting Subsection 5.4.7.3k in its entirety and inserting, in place thereof, the following:

k. A Detached Accessory Apartment shall not be located between any exterior wall of a Principal Single Family Dwelling and any right-of-way (the "No Build Area"), unless it is created through the conversion of an accessory structure located within the No Build Area that was constructed or permitted prior to 2017, or through the preservation of a carriage house, stable or barn that was constructed or permitted prior to 2017; provided, however, that such conversion of an accessory structure or preservation of a carriage house, stable or barn for use as an Accessory Apartment shall not result in the addition of gross floor area to that portion of the structure that is within the No Build Area.

No Special Permit for an Accessory Apartment shall be issued unless the SPGA finds that the exterior appearance of the Accessory Apartment, and any accessory structure, carriage house, stable or barn modified to accommodate a Detached Accessory Apartment will maintain the essential character of the neighborhood and will be compatible with the Principal Single Family Dwelling on the same lot and with other dwellings on adjoining lots.

or take any other action with respect thereto.

Community Planning and Development Commission

**Background:** This Article is an amendment to the Accessory Apartments bylaw, Section 5.4.7 of the Zoning Bylaw, as well as amendments to the Table of Uses for Business and Industrial Districts, Section 5.3.1, and amendments to the Table of Uses for Residence Districts, Section 5.3.2. The intent of the existing Accessory Apartment bylaw is to allow owners of Single-Family homes the flexibility to establish an accessory unit – either attached or detached – on the property, which fosters multi-generational living and allows for added economic opportunity and flexibility for empty-nesters and the Town's aging population. The intent is NOT to change the single-family fabric and character of a neighborhood in a significant and obvious way.

Article 19 seeks to better align this intent with what is allowed to be built – specifically with regards to Detached Accessory Apartments – by adding specificity to the language used in the bylaw, and through modifications to the *Performance Standards* that regulate the location and expansion of Detached Accessory Apartments in order to preserve single-family neighborhood character. Article 19 also clarifies the use descriptions in the Use Tables, allows accessory apartments in the A-40 Zoning District, and places oversight of Detached Accessory Apartments under the authority of the Community Planning and Development Commission (CPDC), an entity appropriately suited to mitigating impacts of development on abutters and neighborhoods.

**Finance Committee Report:** No report.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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## Overview of Articles 20-21-22

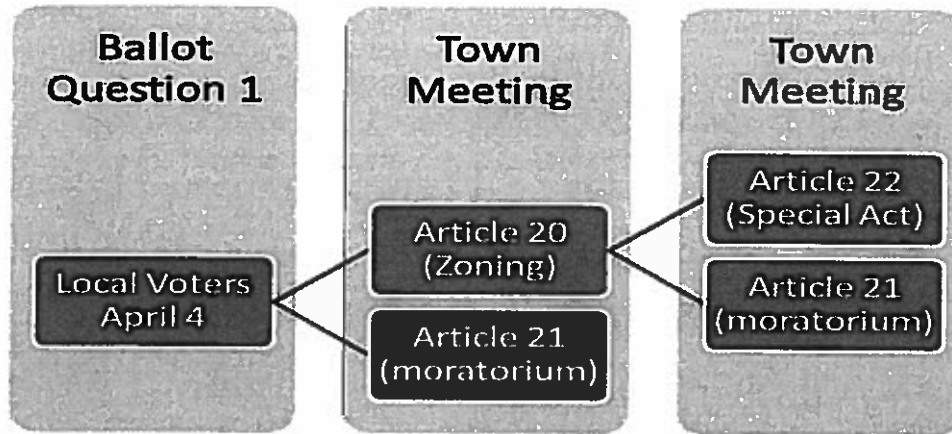
On November 8, 2016, Massachusetts's voters approved a citizen's petition (State Ballot Question 4) to legalize the so-called recreational use of marijuana by a vote of 53.7% to 46.3%, a margin of 7.2%. This will allow individuals 21 years or older, to use, possess, and cultivate, marijuana in established amounts commencing on December 15, 2016. In addition, the Cannabis Control Commission ("CCC"), a newly established state agency, must promulgate regulations by March 15, 2018, and begin accepting applications from commercial marijuana businesses, including cultivators, testing facilities, product manufacturers, and retailers ("marijuana establishments"). The CCC must act on all applications within 90 days of receipt. Therefore, the first marijuana establishment will be authorized to open its doors no later than June 2018. Although the CCC will be in charge of all licensing, the statute appears to leave a significant role for municipalities in the regulation of marijuana establishments.

Local voters rejected State Ballot Question 4 by a vote of 6,800 yes (44.9%) and 8,353 no (55.1%). The legal impact of the passage of the ballot question state-wide is still being debated on Beacon Hill, and there is frankly a lot of differing views and confusion on implications or next steps. To simplify greatly, the ballot question could be viewed as having two components: personal use and commercial use.

After the results of the local vote, the town took very proactive steps in late November to advertise a Public Hearing for the purposes of discussing changes to the Zoning Bylaws. This had the effect of stopping any commercial marijuana applicants during a period of time between the December 2016 effective date and the time the state did ultimately step in to delay the entire process.

There is a lot of uncertainty in this area. Town Counsel has had extensive discussions with different parts of state government and come away with three conclusions, if the town wishes to prohibit the commercial only aspect of State Ballot Question 4: (1) a vote of the voters in Reading is a requirement; (2) a vote by Town Meeting to change the Zoning Bylaw is the only method to enact such a prohibition; and (3) A Special Act solidifies these two actions.

On April 4<sup>th</sup> Reading voters will be asked their opinion on prohibiting commercial use as shown previously in Question 1 of Article 1 of this Warrant. Please see the chart below for the various possible paths forward:



If that local ballot question on April 4<sup>th</sup> does not pass, then Articles 20 and 22 below will be tabled. Article 21 will proceed – a moratorium to make sure the town has time to seek public input and legal guidance on what is a best practice for commercial marijuana establishments.

If that local ballot question passes on April 4<sup>th</sup>, then Town Meeting will be asked to vote on Article 20 which is the action to ban commercial marijuana establishments through a change to the Zoning Bylaw. If Article 20 also passes, then Article 21 will be tabled and Article 22 (Special Act) will solidify the votes taken by the voters and Town Meeting. If Article 20 does not pass, then Article 21 (moratorium) will proceed for the reasons listed above, and Article 22 will be tabled.

**Note that none of these possible actions change the previously approved Zoning Bylaw Section 5.6.5 Special Requirements for Registered Medical Marijuana Dispensaries, or impact the so-called personal use portion of the passage of State Ballot Question 4.**

**ARTICLE 20** To see if the Town will vote to amend Sections 2 and 5.3 of the Zoning Bylaws to prohibit marijuana establishments other than Registered Marijuana Dispensaries by:

(a) Inserting into Section 2.0, in appropriate alphabetical order, the following:

**Marijuana Establishment:** A commercial marijuana cultivator, marijuana testing facility, marijuana product manufacturer, marijuana retailer, or any other type of marijuana-related business, subject to regulation under Chapter 94G of the Massachusetts General Laws; provided, however, that a Registered Medical Marijuana Dispensary shall not be deemed to be a Marijuana Establishment.

(b) Inserting into the Table of Uses for Business and Industrial Districts, set forth in Section 5.3.1, after the entries for "Convenience Store," the following:

| PRINCIPAL USES                 | BUS A | BUS B | BUS C | IND | PUD-B Overlay | PUD-I Overlay |
|--------------------------------|-------|-------|-------|-----|---------------|---------------|
| <b>Marijuana Establishment</b> | No    | No    | No    | No  | No            | No            |

and

- (c) Inserting into the Table of Uses for Residence Districts, set forth in Section 5.3.2, after the entries for "Roadside Stand," the following:

| PRINCIPAL USES          | RES S-15<br>S-20<br>S-40 | RES A-40 | RES A-80 | PRD-G<br>PRD-M | PUD-R |
|-------------------------|--------------------------|----------|----------|----------------|-------|
| Marijuana Establishment | No                       | No       | No       | No             | No    |

or take any other action in relation thereto.

Community Planning and Development Commission

**Background:** To define 'marijuana establishment' and then to ban them from all zonings areas within the town, as shown by the Table of Uses above.

**Finance Committee Report:** No report.

**Bylaw Committee Report:** At their meeting on March 27, 2017 the Bylaw Committee voted 3-1-0 to recommend this Article to Town Meeting.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 21** To see if the Town will vote to amend Sections 2 and 5.6 the Zoning Bylaw to adopt a temporary moratorium on marijuana establishments other than Registered Marijuana Dispensaries by:

- (a) Inserting into Section 2.0, in appropriate alphabetical order, the following:

**Marijuana Establishment:** A commercial marijuana cultivator, marijuana testing facility, marijuana product manufacturer, marijuana retailer, or any other type of marijuana-related business, subject to regulation under Massachusetts General Laws Chapter 94G; provided, however, that a Registered Medical Marijuana Dispensary shall not be deemed to be a Marijuana Establishment.

- (b) Striking Section 5.6.5.2 in its entirety and inserting, in place thereof, the following:

**5.6.5.2 Applicability**

No Registered Medical Marijuana Dispensary shall be established except in compliance with the provisions of Section 5.6.5.

- (c) Inserting a new Section 5.6.6 as follows:

**5.6.6 Temporary Moratorium on Marijuana Establishments.**

**5.6.6.1 Purpose.** By vote at the State election on November 8, 2016, the voters of the Commonwealth approved a law regulating the cultivation, manufacture, processing, distribution, sale, possession, testing and use of marijuana. The law and the subsequent amendment thereto provides that it is effective on December 15, 2016, and that a new state agency, the Cannabis Control Commission (CCC), is required to issue regulations regarding implementation by March 15, 2018.

Section 5.6.5 of the Zoning Bylaw allows Registered Medical Marijuana Dispensaries by Special Permit. The regulation of other types of Marijuana Establishments, however, raises novel and complex legal, planning, and public safety issues. The Town needs time to consider and address these issues, as well as the potential impact of the forthcoming Cannabis Control Commission regulations, by means of a comprehensive planning process to consider amending the Zoning Bylaw to regulate Marijuana Establishments. The temporary moratorium provided in Section 5.6.6 is intended to allow sufficient time for the Town to engage in such a planning process and to adopt suitable Zoning Bylaw provisions in a manner consistent with sound land-use planning objectives.

**5.6.6.2 Temporary Moratorium.** For the reasons set forth above and notwithstanding any other provision of the Zoning Bylaw to the contrary, the Town hereby adopts a temporary moratorium on the use of land or structures as a Marijuana Establishment. The moratorium shall be in effect through August 31, 2018. During the moratorium period, the Town shall undertake a planning process to address the potential impacts of Marijuana Establishments and other related land uses and structures, consider the Cannabis Control Commission regulations regarding Marijuana Establishments when they are issued, and shall consider adopting new provisions of the Zoning Bylaw governing the location, operation and effects of Marijuana Establishments for consideration by the 2018 Annual Town Meeting.

and

(d) Renumbering subsequent provisions of Section 5.6 accordingly;

or take any other action in relation thereto.

Community Planning and Development Commission

**Background:** This Article would enact a temporary moratorium on marijuana establishments by adding a definition of Marijuana Establishment into Section 2.0 and by striking and inserting a new Section 5.6.6 Temporary Moratorium on Marijuana Establishments. The Temporary Moratorium is proposed to be in effect through August 31, 2018, which is the maximum length of moratorium typically approved by the Attorney General.

**Finance Committee Report:** No report.

**Bylaw Committee Report:** At their meeting on March 27, 2017 the Bylaw Committee voted 4-0-0 to recommend this Article to Town Meeting.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 22** To see if the Town will vote to authorize the Board of Selectmen, on behalf of the Town, to petition the General Court for passage of a special law substantially as provided below. The Legislature may make clerical or editorial changes in form only to the bill, unless the Board of Selectmen approves amendments to the bill before enactment by the Legislature. The Board of Selectmen is hereby authorized to approve amendments that shall be within the scope of the general public objectives of this petition.

AN ACT RATIFYING AND VALIDATING THE ADOPTION OF A MARIJUANA ESTABLISHMENT PROHIBITION IN THE TOWN OF READING

SECTION 1. Notwithstanding any general or special law to the contrary, the vote taken by the Town of Reading under Article 20 of its Annual Town Meeting of April 24, 2017 to amend Sections 2 and 5.3 of the

Town's Zoning Bylaws to prohibit marijuana establishments other than Registered Marijuana Dispensaries, as authorized by a vote of the voters under Question 1 of the April 4, 2017 Annual Town Election, and all actions taken pursuant thereto and in reliance thereon, are hereby ratified, validated and confirmed.

SECTION 2. This act shall take effect upon its passage.

or take any other action with respect thereto.

Board of Selectmen

**Background:** This Special Act will strengthen any actions taken by Town voters and Town Meeting to ban commercial marijuana from the community. While this may seem like a belt & suspenders & super glue approach, the uncertainty surrounding the entire situation resulted in one of Town Counsel's inquiries of state officials to agree that this was the best path forward.

**Finance Committee Report:** No report.

**Bylaw Committee Report:** At their meeting on March 27, 2017 the Bylaw Committee voted 4-0-0 to recommend this Article to Town Meeting.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 23** To see if the Town will vote to amend Section 10.5 of the Zoning Bylaw (Downtown Smart Growth District) by deleting Section 10.5.10.1 in its entirety, and inserting the following in place thereof:

**10.5.10.1 Number of Affordable Units**

Affordable units shall be provided in projects of more than twelve (12) units, as follows:

- Except as otherwise provided by this section, twenty percent (20%) of all dwelling units constructed in an ownership Development Project shall be Affordable Units.
- Except as otherwise provided by this section, twenty-five percent (25%) of all dwelling units constructed in a rental Development Project shall be Affordable Units.
- For Development Projects in which all of the dwelling units are limited to occupancy by elderly persons and/or by persons with disabilities, twenty-five percent (25%) of the dwelling units shall be Affordable Units, whether the dwelling units are Rental Units or Ownership Units.

or take any other action with respect thereto.

Community Planning and Development Commission

**Background:** This Article is an amendment to the Downtown Smart Growth District (DSGD) bylaw, Section 10.5 of the Zoning Bylaw, specifically to subsection 10.5.10.1 Number of Affordable Units. The intent of the amendment is to bring the Downtown Smart Growth District (Chapter 40R Overlay District) requirements for affordability into alignment with the Chapter 40B requirements for counting units on the Town's Subsidized Housing Inventory (SHI). Under Chapter 40B, if 25% of the units in a rental housing project are available to households earning at or below 80% of Boston Area Median Income (as determined on an annual basis by HUD), all of the units in a rental housing project can count on the Town's SHI, which helps the Town achieve the 10% state mandate for affordable housing.

The current DSGD bylaw has a 20% affordability requirement, which is the minimum percentage required under Chapter 40R. Therefore, if a rental project is built and only provides 20% of the units as affordable, only the affordable units count on the Town's SHI. Increasing the requirement for affordable housing to 25% for rental would allow the Town to take credit for all of the units in future rental projects. Ownership projects are and would still be allowed to provide just 20% of units at an affordable level, since only the amount of affordable units count towards the Town's SHI. We have verified with the State that MGL CH. 40R allows municipalities to bifurcate regulations based on tenancy type.

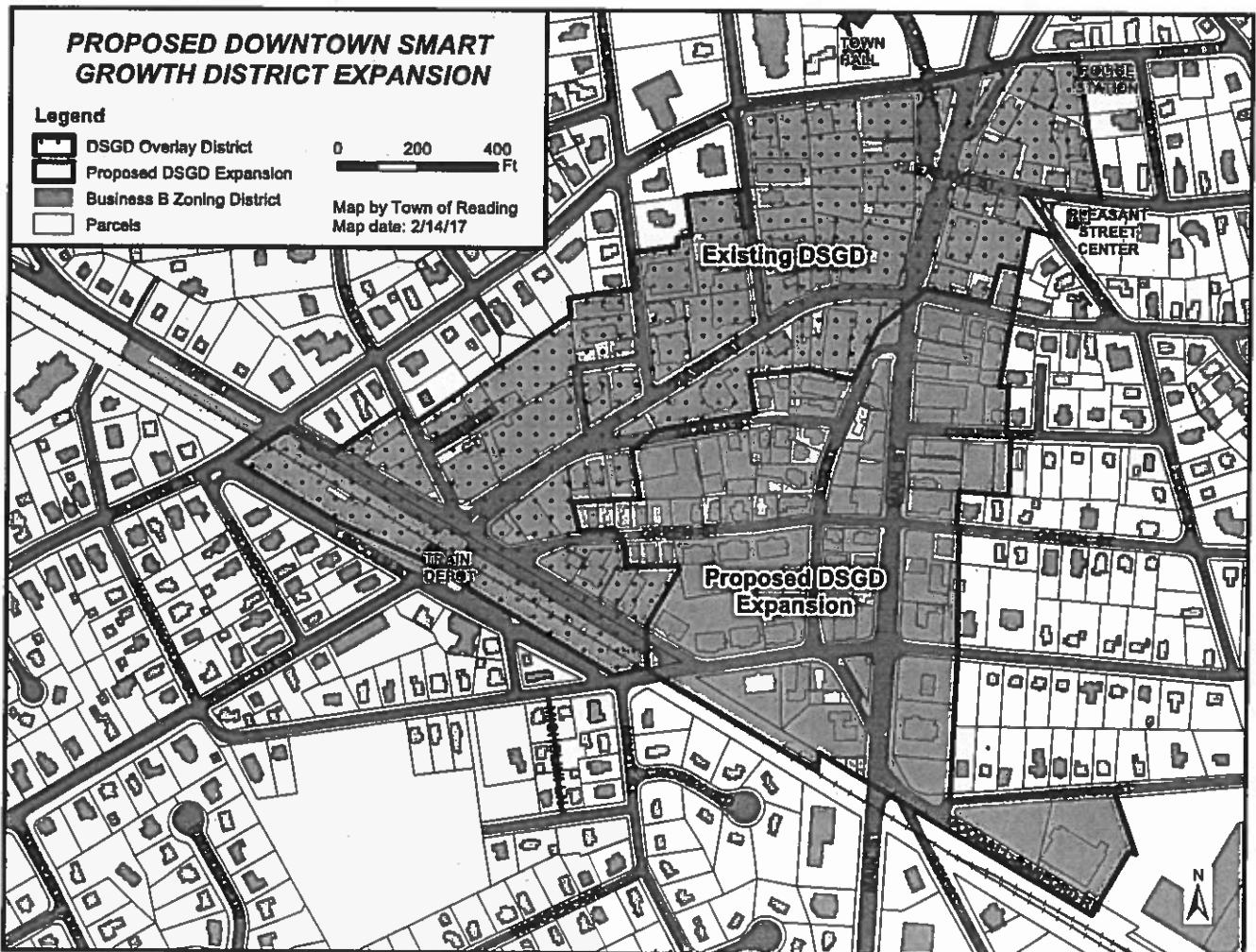
In addition, Article 23 takes advantage of another provision under MGL Ch. 40R, which allows a small projects exemption from affordability requirements (projects of 12 units or less).

**Finance Committee Report:** No report.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

**ARTICLE 24** To see if the Town will vote to amend the Town of Reading's official Zoning Map to expand the existing Downtown Smart Growth District (DSGD) to include the entire Business B Zoning District in the downtown area, as shown below:



or take any other action with respect thereto.

Community Planning and Development Commission

**Background:** This Article is an amendment to the Town's official Zoning Map such that the existing Downtown Smart Growth District (DSGD) bylaw would be expanded to include the entire Business B Zoning District in the downtown area, as shown on the attached map. Expanding the DSGD will provide property owners and developers with additional options for how to redevelop their properties, if and when they choose to. The DSGD is an overlay district and will not remove the underlying Business B Zoning, or require that any existing buildings be taken down involuntarily. The DSGD is not Eminent Domain. While the current Business B Zoning allows for commercial, institutional, and public uses; the DSGD will add to this by allowing residential and mixed-use projects as well.

Expanding the DSGD has been discussed at numerous public forums over the past few years, and has recently taken on importance as the Town seeks to broaden its tax base through new growth.

**Finance Committee Report:** No report.

**Bylaw Committee Report:** No report.

**\*Board of Selectmen Report:** The Board of Selectmen on March 7, 2017 voted 5-0 to support this Article.

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**ARTICLE 25** 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 ..."*

In the preceding twelve months there were 10 sessions of five different Town Meetings. Town Meeting members below did not attend at least half (5) of the Town Meeting sessions:

| Precinct | First Name | Middle  | Last Name          | Term | Sessions Present |
|----------|------------|---------|--------------------|------|------------------|
| 1        | Roger      | J       | D'Entremont        | 2018 | 2                |
| 1        | Thomas     | J       | Ryan               | 2018 | 4                |
| 2        | Sean       | P       | Kelly              | 2019 | 2                |
| 3        | Lori       |         | Briere             | 2019 | 1                |
| 3        | Francis    | P       | Driscoll           | 2018 | 0                |
| 3        | Julianne   |         | Joyce              | 2018 | 2                |
| 3        | Sandra     | M       | Kosta              | 2018 | 4                |
| 3        | Marianne   |         | McLaughlin-Downing | 2018 | 4                |
| 4        | Demetra    |         | Tseckares          | 2018 | 2                |
| 5        | Daniel     |         | Knowles            | 2019 | 2                |
| 5        | Kevin      |         | Walsh              | 2019 | 1                |
| 6        | Kenneth    | Mathew  | Lafferty           | 2019 | 0                |
| 6        | Lori Ann   |         | Russo              | 2019 | 2                |
| 7        | Brandon    | P       | Chapman            | 2019 | 4                |
| 7        | John       | A       | Lippitt            | 2019 | 2                |
| 8        | Matthew    | A       | Annunziata         | 2018 | 2                |
| 8        | Ian        | Charles | Brown              | 2019 | 3                |

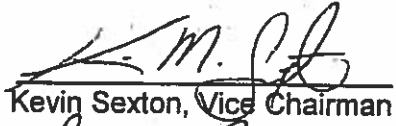
In the preceding twelve months there were 61 Town Meeting members with perfect attendance for those ten sessions – congratulations!


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 4, 2017, 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 21<sup>st</sup> day of February, 2017.

  
John R. Halsey, Chairman

  
Kevin Sexton, Vice Chairman

  
Barry Berman, Secretary

  
John Areha

  
Daniel Ensminger

SELECTMEN OF READING

  
Thomas Freeman, Constable

**Town of Reading**

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**Fiscal Year 2018**

**Finance Committee's  
Recommended Budget**

**July 1, 2017 – June 30, 2018**

Mark Dockser, Chair (July 2010)

Paul McNeice, Vice Chair (November 2012)

Vanessa Alvarado (February 2015)

Eric Burkhart ( June 2016)

Anne Johnson Landry (July 2014)

Peter Lydecker (February 2014)

Marc Moll (July 2014)

David Neshat (July 2015)

Paula Perry (July 2010)

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      - 3. **Veterans Services**
      - 4. **Recreation**
  - c. **Finance Department**
    - i. **Accounting**
    - ii. **Assessors**
    - iii. **General Finance**

**d. Public Safety**

- i. Police
- ii. RCASA

- iii. Fire/EMS
- iv. Dispatch

**e. Public Works**

- i. Administration
- ii. Engineering
- iii. Highway/Equipment
- iv. Storm Water
- v. Parks and Forestry

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- vii. Snow& Ice
- viii. Street & Traffic Lights
- ix. Rubbish & Recycling

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- ii. Circulation
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## Town Accountant's Recommended FY18 Revenues

**Summary of Revenues** – The total FY18 estimated revenues for general government will be \$92.3 million, a 1.7% increase from FY17. Note that without the use of Free Cash in either year revenues are projected to increase 3.0% to \$91.2 million. FINCOM allowed \$1.1 million in Free Cash to be used to balance the FY18 budget.

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** – The FY 2018 tax levy includes a 2.5% increase over the combined FY 2017 tax levy plus new growth. As the next table shows, recent new growth has trended higher (5yr average \$759k and 10yr average \$614k). We are conservatively estimating \$500,000 in next year's new growth as known development projects are nearly complete, and pending ones are not yet permitted. The town's economic development efforts are modestly forecast to improve new growth starting in FY20.

### Actual New Growth (\$ 000s)

| FY17 | FY16 | FY15 | FY14 | FY13 | FY12 | FY11 | FY10 | FY09 | FY08 |
|------|------|------|------|------|------|------|------|------|------|
| 717  | 912  | 844  | 741  | 579  | 325  | 363  | 553  | 556  | 549  |

The assessor's overlay account was increased to \$695,816 in FY18. 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 2017. If the overlay account is not used for abatements, it is released to Free Cash. (See "Operating transfers/Available Funds" below.)

**Intergovernmental Revenue** – The final figure for State Aid for FY18 is still unknown at this point. In January 2017 the Governor released a budget that would increase state aid by only +0.9% for Reading, continuing a very disappointing trend.

### **Local Revenues from sources other than property taxes –**

Local revenues are volatile and difficult to project. In recent history they have ranged from a slight decrease to a strong +8% increase annually. A forecast of +6.3% for FY18 has been budgeted as recent years have shown above average increases in motor vehicle excise taxes most likely attributable to new housing developments in town.

## Town Accountant's Recommended FY18 Revenues

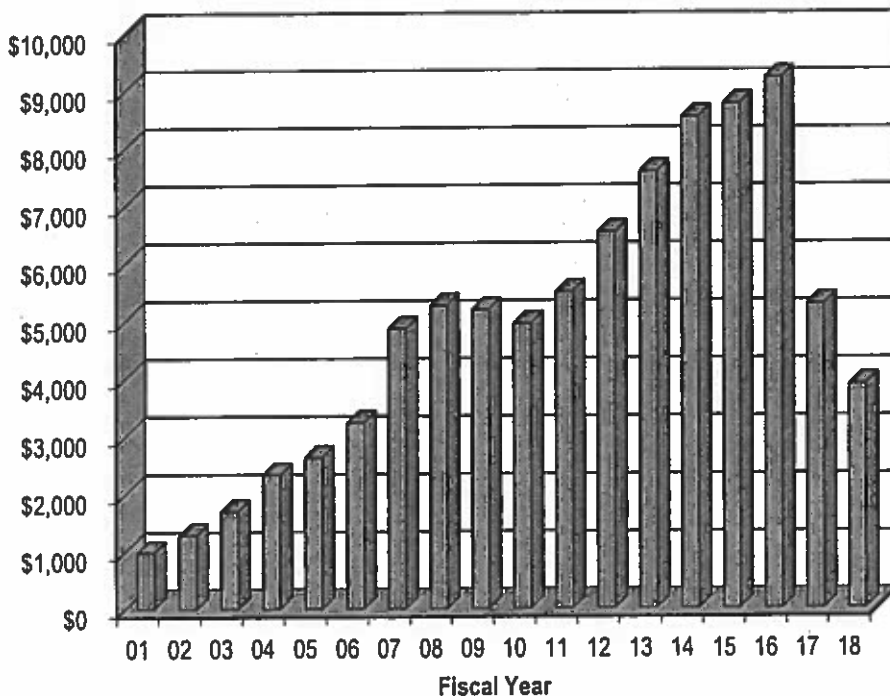
**MOTOR VEHICLE EXCISE** – This revenue source is especially difficult to forecast, as we have been both over and under budget by \$100,000+ in recent years, although the average has been in line. For next year we forecast a 7.8% increase to \$3.65 million as collections for motor vehicle excise have been trending up and have been over budget over the last five years.

**CHARGES FOR SERVICES** – A forecast of +4.2% to \$1.85 million

**INTEREST** – The town earns interest on the cash it is holding until it has to pay the bills. Sometimes the Town holds large cash balances for temporary purposes (such as the Library construction project) and we are careful to only budget recurring interest revenues. Rates remain very low, so a forecast of \$180,000 for FY18 is in line with the current year.

**Operating Transfers/Available Funds** – The amount of money available from cemetery sale of lots has remained constant. The earnings distribution from the Light Department has been increased 1.0% based on the CPI through December 2016. The Board of Assessors released \$300,000 from the overlay surplus last year and is again planning on releasing \$400,000 for use in FY18.

A figure of \$1.1 million is being used from Free Cash in order to balance the FY2018 budget. The Chart below shows an updated Free Cash balance estimate, which excludes any regeneration that might occur as FY17 is closed out and any capital projects being considered this spring. Recent regeneration suggests that between \$0.75 and \$1.25 million would be added, although Annual Town Meeting may use some of that surplus in FY17 to balance other current year deficits. Figures are shown in (000s):



**Town Accountant's  
FY18 Budget Summary**

| Town of Reading<br>Budget Summary<br>3/23/17 8:56 AM |                      | Current<br>FY17 | One Yr<br>Changes<br>FY17 | Projected<br>FY18 | One Yr<br>Changes<br>FY18 | Projected<br>FY19 | One Yr<br>Changes<br>FY19 | Projected<br>FY20 | One Yr<br>Changes<br>FY20 | Projected<br>FY21 | One Yr<br>Changes<br>FY21 |
|--|----------------------|-----------------|---------------------------|-------------------|---------------------------|-------------------|---------------------------|-------------------|---------------------------|-------------------|---------------------------|
| <b>Revenues</b>                                      |                      |                 |                           |                   |                           |                   |                           |                   |                           |                   |                           |
| Total Property Taxes                                 | 64,200,915           | 3.7%            | 66,200,547                | 3.1%              | 68,241,672                | 3.1%              | 70,382,306                | 3.1%              | 72,615,002                | 3.2%              |                           |
| Total Other Local Revenue                            | 6,615,000            | 4.0%            | 7,030,000                 | 6.3%              | 7,260,000                 | 3.3%              | 7,515,000                 | 3.5%              | 7,770,000                 | 3.4%              |                           |
| Total Intergov't Revenues                            | 13,865,000           | 1.9%            | 13,993,931                | 0.9%              | 14,343,779                | 2.5%              | 14,702,374                | 2.5%              | 15,069,933                | 2.5%              |                           |
| Total Transfers & Available                          | 3,868,490            | 2.4%            | 3,954,947                 | 2.2%              | 3,996,907                 | 1.1%              | 4,014,421                 | 0.4%              | 4,034,611                 | 0.5%              |                           |
| Revs before Free Cash                                | \$ 88,549,405        | 3.3%            | \$ 91,179,425             | 2.97%             | \$ 93,842,358             | 2.92%             | \$ 96,614,101             | 2.95%             | \$ 99,489,547             | 2.98%             |                           |
| Free Cash  | 2,150,000            | -2.3%           | 1,200,000                 | -44.2%            | 1,000,000                 | -16.7%            | 1,000,000                 | 0.0%              | 1,000,000                 | 0.0%              |                           |
| <b>Net Available Revenues</b>                        | <b>\$ 90,699,405</b> | <b>3.2%</b>     | <b>\$ 92,379,425</b>      | <b>1.85%</b>      | <b>\$ 94,842,358</b>      | <b>2.67%</b>      | <b>\$ 97,614,101</b>      | <b>2.92%</b>      | <b>\$ 100,489,547</b>     | <b>2.95%</b>      |                           |
| <b>Accommodated Costs</b>                            |                      |                 |                           |                   |                           |                   |                           |                   |                           |                   |                           |
| Benefits   | 15,813,500           | 5.7%            | 16,496,047                | 4.3%              | 17,542,704                | 6.3%              | 18,660,899                | 6.4%              | 19,855,698                | 6.4%              |                           |
| Capital  | 2,220,000            | -23.2%          | 2,259,400                 | 1.8%              | 2,727,000                 | 20.7%             | 2,805,100                 | 2.9%              | 2,942,000                 | 4.9%              |                           |
| Debt   | 4,900,000            | 8.6%            | 5,057,915                 | 3.2%              | 4,668,558                 | -7.7%             | 4,780,239                 | 2.4%              | 4,661,358                 | -2.5%             |                           |
| Energy   | 1,963,946            | 64.3%           | 1,989,950                 | 1.3%              | 2,085,848                 | 4.8%              | 2,186,432                 | 4.8%              | 2,291,934                 | 4.8%              |                           |
| Financial  | 831,000              | -13.4%          | 840,000                   | 1.1%              | 869,600                   | 3.5%              | 900,533                   | 3.6%              | 932,861                   | 3.6%              |                           |
| Education - Out of district                          | 4,127,314            | 3.1%            | 4,033,670                 | -2.3%             | 4,235,354                 | 5.0%              | 4,447,121                 | 5.0%              | 4,669,477                 | 5.0%              |                           |
| Education - Vocational                               | 384,350              | -21.6%          | 386,000                   | 0.4%              | 405,300                   | 5.0%              | 425,565                   | 5.0%              | 446,844                   | 5.0%              |                           |
| Miscellaneous  | 3,043,150            | 3.1%            | 3,173,925                 | 4.3%              | 3,270,631                 | 3.0%              | 3,369,368                 | 3.0%              | 3,470,196                 | 3.0%              |                           |
| <b>Accommodated Costs</b>                            | <b>\$ 33,283,260</b> | <b>4.1%</b>     | <b>\$ 34,236,907</b>      | <b>2.9%</b>       | <b>\$ 35,804,994</b>      | <b>4.6%</b>       | <b>\$ 37,575,258</b>      | <b>4.9%</b>       | <b>\$ 39,270,368</b>      | <b>4.5%</b>       |                           |
| <b>Operating Costs</b>                               |                      |                 | <b>\$ 44,619</b>          |                   | <b>\$ 24,501</b>          |                   | <b>\$ (6,745)</b>         |                   | <b>\$ 2,701</b>           |                   |                           |
| Municipal Gov't Operating adjustments                | 19,420,362           | 3.41%           | 19,708,476                | 1.25%             | 20,053,374                | 1.75%             | 20,404,309                | 1.75%             | 20,802,193                | 1.95%             |                           |
| adjustments (EF+RF)                                  | 44,800               |                 |                           |                   |                           |                   |                           |                   |                           |                   |                           |
| TOTAL Muni Gov't OPER                                | 1,008,822            | 15.35%          | 1,021,432                 | 1.25%             | 1,039,307                 | 1.75%             | 1,057,495                 | 1.75%             | 1,078,116                 | 1.95%             |                           |
| School Operating adjustments                         | 20,473,984           | 4.17%           | 20,729,908                | 1.25%             | 21,092,682                | 1.75%             | 21,461,804                | 1.75%             | 21,880,309                | 1.95%             |                           |
| TOTAL School OPER                                    | 36,570,352           | 3.41%           | 37,067,981                | 1.25%             | 37,920,181                | 1.48%             | 38,583,784                | 1.75%             | 39,336,168                | 1.95%             |                           |
| Operating Budgets                                    | 40,000               |                 | 300,010                   |                   |                           |                   |                           |                   |                           |                   |                           |
| TOTAL School OPER                                    | 36,610,352           | 3.52%           | 37,367,991                | 2.07%             | 37,920,181                | 1.48%             | 38,583,784                | 1.75%             | 39,336,168                | 1.95%             |                           |
| <b>Operating Budgets</b>                             | <b>\$ 57,084,335</b> | <b>3.75%</b>    | <b>\$ 58,097,899</b>      | <b>1.78%</b>      | <b>\$ 59,012,863</b>      | <b>1.57%</b>      | <b>\$ 60,045,588</b>      | <b>1.75%</b>      | <b>\$ 61,216,477</b>      | <b>1.95%</b>      |                           |
| Municipal Gov't Operatin                             | 35.87%               |                 | 35.68%                    |                   | 35.74%                    |                   | 35.74%                    |                   | 35.74%                    |                   |                           |
| School Operating                                     | 64.13%               |                 | 64.32%                    |                   | 64.26%                    |                   | 64.26%                    |                   | 64.26%                    |                   |                           |
| <b>TOTAL SPENDING</b>                                | <b>\$ 90,367,595</b> | <b>3.9%</b>     | <b>\$ 92,334,807</b>      | <b>2.2%</b>       | <b>\$ 94,817,857</b>      | <b>2.7%</b>       | <b>\$ 97,620,846</b>      | <b>3.0%</b>       | <b>\$ 100,486,845</b>     | <b>2.9%</b>       |                           |
| Muni Gov't OPER                                      | \$ 20,473,984        |                 | \$ 20,729,908             | 1.25%             | \$ 21,092,682             | 1.75%             | \$ 21,461,804             | 1.75%             | \$ 21,880,309             | 1.95%             |                           |
| Muni Gov't ACCOM                                     | \$ 5,013,886         |                 | \$ 5,151,450              | 2.74%             | \$ 5,356,093              | 3.97%             | \$ 5,568,348              | 3.96%             | \$ 5,788,557              | 3.95%             |                           |
| Muni Gov't TOTAL                                     | \$ 25,487,870        |                 | \$ 25,881,358             | 1.54%             | \$ 26,448,774             | 2.19%             | \$ 27,030,152             | 2.20%             | \$ 27,668,866             | 2.36%             |                           |
| School OPER  | \$ 36,610,352        |                 | \$ 37,367,991             | 2.07%             | \$ 37,920,181             | 1.48%             | \$ 38,583,784             | 1.75%             | \$ 39,336,168             | 1.95%             |                           |
| School ACCOM   | \$ 4,127,314         |                 | \$ 4,033,670              | -2.27%            | \$ 4,235,354              | 5.00%             | \$ 4,447,121              | 5.00%             | \$ 4,669,477              | 5.00%             |                           |
| School TOTAL   | \$ 40,737,666        |                 | \$ 41,401,661             | 1.63%             | \$ 42,155,534             | 1.82%             | \$ 43,030,905             | 2.08%             | \$ 44,005,645             | 2.27%             |                           |

**Town Accountant's  
FY18 Budget Summary**

| Town of Reading<br>Revenues - Details<br>3/23/17 8:56 AM            | One Yr<br>Changes    |                   | One Yr<br>Changes    |                   | One Yr<br>Changes         |                   | One Yr<br>Changes         |                   | One Yr<br>Changes         |                   |
|---|----------------------|-------------------|----------------------|-------------------|---------------------------|-------------------|---------------------------|-------------------|---------------------------|-------------------|
|   | FY17                 | FY17              | FY18                 | FY18              | Projected<br>FY19         | FY19              | Projected<br>FY20         | FY20              | Projected<br>FY21         | FY21              |
| <b>Property Taxes</b>   |                      |                   |                      |                   |                           |                   |                           |                   |                           |                   |
| Tax levy (within levy limit)  | 61,149,480           | 4.1%              | 63,412,782           | 3.7%              | 65,510,601                | 3.3%              | 67,660,866                | 3.3%              | 69,916,138                | 3.3%              |
| New Growth  | 716,648              | -21.5%            | 500,000              | -30.2%            | 500,000                   | 0.0%              | 550,000                   | 10.0%             | 600,000                   | 9.1%              |
| Tax levy (debt exclusion)   | 3,013,632            | 2.7%              | 2,983,582            | -1.0%             | 2,944,282                 | -1.3%             | 2,902,482                 | -1.4%             | 2,848,182                 | -1.9%             |
| Abatelements and exemption  | (678,845)            | 2.5%              | (695,816)            | 2.5%              | (713,211)                 | 2.5%              | (731,042)                 | 2.5%              | (749,318)                 | 2.5%              |
| <b>Total Property Taxes</b>   | <b>64,200,915</b>    | <b>3.7%</b>       | <b>66,200,547</b>    | <b>3.1%</b>       | <b>68,241,672</b>         | <b>3.1%</b>       | <b>70,382,306</b>         | <b>3.1%</b>       | <b>72,615,002</b>         | <b>3.2%</b>       |
| <b>Other Local Revenues</b>   |                      |                   |                      |                   |                           |                   |                           |                   |                           |                   |
| Motor Vehicle Excise  | 3,385,000            | 4.2%              | 3,650,000            | 7.8%              | 3,800,000                 | 4.1%              | 3,950,000                 | 3.9%              | 4,100,000                 | 3.8%              |
| Meals Tax   | 350,000              | 0.0%              | 375,000              | 7.1%              | 380,000                   | 1.3%              | 385,000                   | 1.3%              | 390,000                   | 1.3%              |
| Penalties/interest on taxes   | 225,000              | 12.5%             | 230,000              | 2.2%              | 235,000                   | 2.2%              | 240,000                   | 2.1%              | 245,000                   | 2.1%              |
| Payments in lieu of taxes   | 340,000              | 1.5%              | 345,000              | 1.5%              | 350,000                   | 1.4%              | 355,000                   | 1.4%              | 360,000                   | 1.4%              |
| Charges for services  | 1,775,000            | 4.4%              | 1,850,000            | 4.2%              | 1,900,000                 | 2.7%              | 1,975,000                 | 3.9%              | 2,050,000                 | 3.8%              |
| Licenses & permits  | 160,000              | 6.7%              | 165,000              | 3.1%              | 170,000                   | 3.0%              | 175,000                   | 2.9%              | 180,000                   | 2.9%              |
| Fines   | 105,000              | 2.4%              | 110,000              | 4.8%              | 115,000                   | 4.5%              | 120,000                   | 4.3%              | 125,000                   | 4.2%              |
| Interest Earnings   | 175,000              | 0.0%              | 180,000              | 2.9%              | 185,000                   | 2.8%              | 190,000                   | 2.7%              | 195,000                   | 2.6%              |
| Medicaid Reimbursement  | 100,000              | 0.0%              | 125,000              | 25.0%             | 125,000                   | 0.0%              | 125,000                   | 0.0%              | 125,000                   | 0.0%              |
| <b>Total Other Local Revenue</b>                                    | <b>6,615,000</b>     | <b>4.0%</b>       | <b>7,030,000</b>     | <b>6.3%</b>       | <b>7,260,000</b>          | <b>3.3%</b>       | <b>7,515,000</b>          | <b>3.5%</b>       | <b>7,770,000</b>          | <b>3.4%</b>       |
| <b>Intergovernmental Revenue</b>                                    |                      |                   |                      |                   |                           |                   |                           |                   |                           |                   |
| State Aid   | 13,865,000           | 1.9%              | 13,993,931           | 0.9%              | 14,343,779                | 2.5%              | 14,702,374                | 2.5%              | 15,069,933                | 2.5%              |
| <b>Total Intergov't Revenue</b>                                     | <b>13,865,000</b>    | <b>1.9%</b>       | <b>13,993,931</b>    | <b>0.9%</b>       | <b>14,343,779</b>         | <b>2.5%</b>       | <b>14,702,374</b>         | <b>2.5%</b>       | <b>15,069,933</b>         | <b>2.5%</b>       |
| <b>Operating Transfers and Available Funds</b>                      |                      |                   |                      |                   |                           |                   |                           |                   |                           |                   |
| 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   | 50,000               | -50.0%            | 0                    | 0.0%              | 0                         | 0.0%              | 0                         | 0.0%              | 0                         | 0.0%              |
| RMLD payment  | 2,384,668            | 0.2%              | 2,408,515            | 1.0%              | 2,432,600                 | 1.0%              | 2,456,926                 | 1.0%              | 2,481,495                 | 1.0%              |
| Enterprise Fund Support   | 1,008,822            | 15.3%             | 1,021,432            | 1.3%              | 1,039,307                 | 1.8%              | 1,057,495                 | 1.8%              | 1,078,116                 | 2.0%              |
| School Revolving Funds  | 100,000              | 0.0%              | 100,000              | 0.0%              | 100,000                   | 0.0%              | 100,000                   | 0.0%              | 100,000                   | 0.0%              |
| Overlay surplus   | 300,000              | 0.0%              | 400,000              | 33.3%             | 400,000                   | 0.0%              | 375,000                   | -6.3%             | 350,000                   | -6.7%             |
| <b>Total Transfers &amp; Availab</b>                                | <b>3,868,490</b>     | <b>2.4%</b>       | <b>3,954,947</b>     | <b>2.2%</b>       | <b>3,996,907</b>          | <b>1.1%</b>       | <b>4,014,421</b>          | <b>0.4%</b>       | <b>4,034,611</b>          | <b>0.5%</b>       |
| <b>OPERATING REVENUES</b>   | <b>88,549,405</b>    | <b>3.34%</b>      | <b>91,179,425</b>    | <b>2.97%</b>      | <b>93,842,358</b>         | <b>2.92%</b>      | <b>96,614,101</b>         | <b>2.95%</b>      | <b>99,489,547</b>         | <b>2.98%</b>      |
| <b>Free Cash &amp; Savings</b>                                      | <b>2,150,000</b>     | <b>-2.26%</b>     | <b>1,200,000</b>     | <b>-44.19%</b>    | <b>1,000,000</b>          |                   | <b>1,000,000</b>          |                   | <b>1,000,000</b>          |                   |
| <b>TOTAL REVENUES</b>   | <b>90,699,405</b>    | <b>3.20%</b>      | <b>92,379,425</b>    | <b>1.85%</b>      | <b>94,842,358</b>         | <b>2.67%</b>      | <b>97,614,101</b>         | <b>2.92%</b>      | <b>100,489,547</b>        | <b>2.95%</b>      |
| <b>Town of Reading<br/>Acc. Costs - Summary<br/>3/23/17 8:56 AM</b> |                      |                   |                      |                   |                           |                   |                           |                   |                           |                   |
|   |                      | One Yr<br>Changes |                      | One Yr<br>Changes |                           | One Yr<br>Changes |                           | One Yr<br>Changes |                           | One Yr<br>Changes |
|   | <b>FY17</b>          | <b>FY17</b>       | <b>FY18</b>          | <b>FY18</b>       | <b>Projected<br/>FY19</b> | <b>FY19</b>       | <b>Projected<br/>FY20</b> | <b>FY20</b>       | <b>Projected<br/>FY21</b> | <b>FY21</b>       |
| Benefits  | 15,813,500           | 5.7%              | 16,496,047           | 4.3%              | 17,542,704                | 6.3%              | 18,660,899                | 6.4%              | 19,855,698                | 6.4%              |
| Capital   | 2,220,000            | -23.2%            | 2,259,400            |                   | 2,727,000                 |                   | 2,805,100                 |                   | 2,942,000                 |                   |
| Debt  | 4,900,000            | 8.6%              | 5,057,915            | 2.8%              | 4,668,558                 | 1.1%              | 4,780,239                 | 2.6%              | 4,661,358                 | 0.2%              |
| Energy  | 1,963,946            | 64.3%             | 1,989,950            | 1.3%              | 2,085,848                 | 4.8%              | 2,186,432                 | 4.8%              | 2,291,934                 | 4.8%              |
| Financial   | 831,000              | -13.4%            | 840,000              | 1.1%              | 869,600                   | 3.5%              | 900,533                   | 3.6%              | 932,861                   | 3.6%              |
| Education - Out of distric  | 4,127,314            | 3.1%              | 4,033,670            | -2.3%             | 4,235,354                 | 5.0%              | 4,447,121                 | 5.0%              | 4,669,477                 | 5.0%              |
| Education - Vocational  | 384,350              | -21.6%            | 386,000              | 0.4%              | 405,300                   | 5.0%              | 425,565                   | 5.0%              | 446,844                   | 5.0%              |
| Miscellaneous   | 3,043,150            | 3.1%              | 3,173,925            | 4.3%              | 3,270,631                 | 3.0%              | 3,369,368                 | 3.0%              | 3,470,196                 | 3.0%              |
| <b>TOTAL Accomm. COSTS</b>  | <b>\$ 33,283,260</b> | <b>4.1%</b>       | <b>\$ 34,236,907</b> | <b>2.9%</b>       | <b>\$ 35,804,994</b>      | <b>4.6%</b>       | <b>\$ 37,575,258</b>      | <b>4.9%</b>       | <b>\$ 39,270,368</b>      | <b>4.5%</b>       |

**Town Accountant's  
FY18 Budget Summary**

| Town of Reading<br>Acc. Costs - Details | One Yr               |               | One Yr               |              | One Yr               |              | One Yr               |             | One Yr               |              |
|---|----------------------|---------------|----------------------|--------------|----------------------|--------------|----------------------|-------------|----------------------|--------------|
|   | Changes              |               | Changes              |              | Projected            | Changes      | Projected            | Changes     | Projected            | Changes      |
|   | FY17                 | FY17          | FY18                 | FY18         | FY19                 | FY19         | FY20                 | FY20        | FY21                 | FY21         |
| Contributory Retirement                 | 3,673,000            | 4.4%          | 3,731,547            | 1.6%         | 3,899,467            | 4.5%         | 4,074,943            | 4.5%        | 4,258,315            | 4.5%         |
| OBRA fees & OPEB study                  | 25,000               | 25.0%         | 50,000               | 100.0%       | 50,000               | 0.0%         | 50,000               | 0.0%        | 50,000               | 0.0%         |
| OPEB contribution                       | 500,000              | 0.0%          | 500,000              | 0.0%         | 500,000              | 0.0%         | 500,000              | 0.0%        | 500,000              | 0.0%         |
| Workers Compensation                    | 300,000              | 14.3%         | 309,000              | 3.0%         | 324,450              | 5.0%         | 340,673              | 5.0%        | 357,706              | 5.0%         |
| Unemployment Benefits                   | 100,000              | 0.0%          | 140,000              | 40.0%        | 143,500              | 2.5%         | 147,088              | 2.5%        | 150,765              | 2.5%         |
| Group Health / Life Ins.                | 10,360,500           | 6.1%          | 10,870,500           | 4.9%         | 11,685,788           | 7.5%         | 12,562,222           | 7.5%        | 13,504,388           | 7.5%         |
| Medicare / Social Security              | 755,000              | 4.1%          | 790,000              | 4.6%         | 829,500              | 5.0%         | 870,975              | 5.0%        | 914,524              | 5.0%         |
| Police / Fire Indemnification           | 100,000              | 25.0%         | 105,000              | 5.0%         | 110,000              | 4.8%         | 115,000              | 4.5%        | 120,000              | 4.3%         |
| <b>Acc. Costs - Benefits</b>            | <b>\$ 15,813,500</b> | <b>5.7%</b>   | <b>\$ 16,496,047</b> | <b>4.3%</b>  | <b>\$ 17,542,704</b> | <b>6.3%</b>  | <b>\$ 18,660,899</b> | <b>6.4%</b> | <b>\$ 19,855,698</b> | <b>6.4%</b>  |
| 5% of net available revs                | 4,276,789            |               | 4,409,792            |              | 4,544,904            |              | 4,685,581            |             | 4,832,068            |              |
| less debt (net, inside levy)            | (1,886,368)          |               | (2,060,233)          |              | (1,711,951)          |              | (1,867,232)          |             | (1,804,426)          |              |
| Available for cash capital              | 2,390,421            |               | 2,349,559            |              | 2,832,953            |              | 2,818,349            |             | 3,027,642            |              |
| Temp shift to OPERATING                 | (170,421)            |               | (90,159)             |              | (105,953)            |              | (13,249)             |             | (85,642)             |              |
| <b>Acc. Costs - Capital</b>             | <b>\$ 2,220,000</b>  | <b>-23.2%</b> | <b>\$ 2,259,400</b>  | <b>1.8%</b>  | <b>\$ 2,727,000</b>  | <b>20.7%</b> | <b>\$ 2,805,100</b>  | <b>2.9%</b> | <b>\$ 2,942,000</b>  | <b>4.9%</b>  |
| Debt Service - Principal                | 3,745,000            | 18.9%         | 3,960,000            | 5.7%         | 3,715,000            | -6.2%        | 3,915,000            | 5.4%        | 3,945,000            | 0.8%         |
| Debt Service - Interest                 | 1,155,000            | -15.2%        | 1,083,815            | -6.2%        | 941,233              | -13.2%       | 854,714              | -9.2%       | 707,608              | -17.2%       |
| Excluded debt                           | (3,013,632)          | 2.7%          | (2,983,582)          | -1.0%        | (2,944,282)          | -1.3%        | (2,902,482)          | -1.4%       | (2,848,182)          | -1.9%        |
| Total Included Debt                     | \$ 1,886,368         | 19.6%         | \$ 2,060,233         | 9.2%         | \$ 1,711,951         | -16.9%       | \$ 1,867,232         | 9.1%        | \$ 1,804,426         | -3.4%        |
| Premiums for general fund               |                      |               | \$ 14,100            |              | \$ 12,325            | -12.6%       | \$ 10,525            | -14.6%      | \$ 8,750             | -16.9%       |
| <b>Acc. Costs - Debt</b>                | <b>\$ 4,900,000</b>  | <b>8.6%</b>   | <b>\$ 5,057,915</b>  | <b>3.2%</b>  | <b>\$ 4,668,558</b>  | <b>-7.7%</b> | <b>\$ 4,780,239</b>  | <b>2.4%</b> | <b>\$ 4,661,358</b>  | <b>-2.5%</b> |
| Street Lighting (DPW)                   | 180,000              | 2.9%          | 180,000              | 0.0%         | 185,400              | 3.0%         | 190,962              | 3.0%        | 196,691              | 3.0%         |
| Electricity (FacCORE)                   | 805,625              |               | 845,325              | 4.9%         | 887,591              | 5.0%         | 931,971              | 5.0%        | 978,569              | 5.0%         |
| Nat Gas (FacCORE)                       | 596,846              |               | 626,775              | 5.0%         | 658,114              | 5.0%         | 691,019              | 5.0%        | 725,570              | 5.0%         |
| Water/Sewer (FacCORE)                   | 126,475              |               | 132,850              | 5.0%         | 139,493              | 5.0%         | 146,467              | 5.0%        | 153,790              | 5.0%         |
| Fuel - vehicles (DPW)                   | 255,000              | 2.0%          | 205,000              | -19.6%       | 215,250              | 5.0%         | 226,013              | 5.0%        | 237,313              | 5.0%         |
| <b>Acc. Costs - Energy</b>              | <b>\$ 1,963,946</b>  | <b>4.8%</b>   | <b>\$ 1,989,950</b>  | <b>1.3%</b>  | <b>\$ 2,085,848</b>  | <b>4.8%</b>  | <b>\$ 2,186,432</b>  | <b>4.8%</b> | <b>\$ 2,291,934</b>  | <b>4.8%</b>  |
| Casualty Ins (AD SVC)                   | 445,000              | 2.3%          | 445,000              | 0.0%         | 467,250              | 5.0%         | 490,613              | 5.0%        | 515,143              | 5.0%         |
| Vet's Assistance (PUB SVC)              | 236,000              | 4.9%          | 245,000              | 3.8%         | 252,350              | 3.0%         | 259,921              | 3.0%        | 267,718              | 3.0%         |
| FINCOM Reserve Fund                     | 150,000              | -50.0%        | 150,000              | 0.0%         | 150,000              | 0.0%         | 150,000              | 0.0%        | 150,000              | 0.0%         |
| <b>Acc. Costs - Financial</b>           | <b>\$ 831,000</b>    | <b>-13.4%</b> | <b>\$ 840,000</b>    | <b>1.1%</b>  | <b>\$ 869,600</b>    | <b>3.5%</b>  | <b>\$ 900,533</b>    | <b>3.6%</b> | <b>\$ 932,861</b>    | <b>3.6%</b>  |
| SPED transp OOD (Sch)                   | 996,913              | 5.0%          | 1,017,000            | 2.0%         | 1,067,850            | 5.0%         | 1,121,243            | 5.0%        | 1,177,305            | 5.0%         |
| SPED tuition OOD (Sch)                  | 4,173,978            | 4.1%          | 4,036,175            | -3.3%        | 4,237,984            | 5.0%         | 4,449,883            | 5.0%        | 4,672,377            | 5.0%         |
| SPED offsets OOD (Sch)                  | (1,043,577)          | 9.5%          | (1,019,505)          | -2.3%        | (1,070,480)          | 5.0%         | (1,124,004)          | 5.0%        | (1,180,204)          | 5.0%         |
| <b>Acc. Costs - OOD SPED</b>            | <b>\$ 4,127,314</b>  | <b>3.1%</b>   | <b>\$ 4,033,670</b>  | <b>-2.3%</b> | <b>\$ 4,235,354</b>  | <b>5.0%</b>  | <b>\$ 4,447,121</b>  | <b>5.0%</b> | <b>\$ 4,669,477</b>  | <b>5.0%</b>  |
| Voc School - NERMVS                     | 257,100              | 6.5%          | 259,650              | 1.0%         | 272,633              | 5.0%         | 286,264              | 5.0%        | 300,578              | 5.0%         |
| Voc School - Minute Man                 | 83,750               | -41.8%        | 87,950               | 5.0%         | 92,348               | 5.0%         | 96,965               | 5.0%        | 101,813              | 5.0%         |
| Voc School - Essex North                | 43,500               | -58.6%        | 38,400               | -11.7%       | 40,320               | 5.0%         | 42,336               | 5.0%        | 44,453               | 5.0%         |
| <b>Acc. Costs - Vocational</b>          | <b>\$ 384,350</b>    | <b>-21.6%</b> | <b>\$ 386,000</b>    | <b>0.4%</b>  | <b>\$ 405,300</b>    | <b>5.0%</b>  | <b>\$ 425,565</b>    | <b>5.0%</b> | <b>\$ 446,844</b>    | <b>5.0%</b>  |
| Rubbish (DPW)                           | 1,550,000            | 4.2%          | 1,596,500            | 3.0%         | 1,644,395            | 3.0%         | 1,693,727            | 3.0%        | 1,744,539            | 3.0%         |
| Snow and Ice Control (DPW)              | 625,000              | 0.0%          | 625,000              | 0.0%         | 650,000              | 4.0%         | 675,000              | 3.8%        | 700,000              | 3.7%         |
| State Assessments                       | 642,750              | 2.3%          | 702,425              | 9.3%         | 719,986              | 2.5%         | 737,985              | 2.5%        | 756,435              | 2.5%         |
| Cemetery (DPW)                          | 225,400              | 7.4%          | 250,000              | 10.9%        | 256,250              | 2.5%         | 262,656              | 2.5%        | 269,223              | 2.5%         |
| <b>Acc. Costs - Misc.</b>               | <b>\$ 3,043,150</b>  | <b>3.1%</b>   | <b>\$ 3,173,925</b>  | <b>4.3%</b>  | <b>\$ 3,270,631</b>  | <b>3.0%</b>  | <b>\$ 3,369,368</b>  | <b>3.0%</b> | <b>\$ 3,470,196</b>  | <b>3.0%</b>  |

## Town Manager's FY18 Budget Message

### +1.25% FY18 Operating Budget

*Police officer eliminated for first time since early 1990s*  
*Firefighter eliminated for first time since early 1990s*  
*Public Library reducing hours of service to the public*  
*Pleasant Street Center reducing hours of service to the public*  
*Other cuts made to balance the town budget*

The following document constitutes the Town Manager's recommended Fiscal Year 2018 Budget for the Town of Reading, beginning July 1, 2017. As was mentioned a year ago, this budget will result in more noticeable changes in both the quantity and quality of town services, coming on the heels of the voters' rejection of a Proposition 2½ Override in October 2016.

For about six months leading up to the Override vote, the town and schools conducted public Community Listening Sessions, where we listened to residents and explained that the top concern was employee staffing and morale. On the town side we spoke of the need to eliminate about 8-9 FTE (full-time equivalent) town positions if we had no Free Cash to use in FY18.

After the Override failed, FINCOM voted to allow some Free Cash that effectively reduced the need for cuts on the town side to 5 FTEs.

Ten or more years ago the town used no Free Cash to balance the annual budget. On the other hand, some expenditure lines – such as health insurance premiums and DPW equipment repairs – always needed significant additional funding during the end of each fiscal year. Over time that budget practice evolved to more accurate estimate 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 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 must first close almost a \$1 million funding gap from the 'loss' of Free Cash, and then close the annual budget gap caused by the mismatch in Shared Costs and Revenues. 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 FY18), with additional reserves then available for unexpected expenses during the year or shortfalls in revenues.

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 we need to redesign the redesign. In some cases the position was left vacant (providing future town and school budgets more Free Cash at year end) 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 some portions of Public Works. When funds were available, staff was added very cautiously in recent years: for example a shared Human Resources position between the town and schools; a second Dispatcher (2 FTEs) added for 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 underlying revenues were not (yet) sustainable. There are two factors that influence this 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 between 7 and 9 months depending on the timing of training academy openings. There is little economic sense in obtaining 3 to 5 months of service for one year's pay. Our hiring is meant to be a long-term sustainable investment in our staff.

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. An example of this long-term staff planning process was the town government hiring freeze imposed by the Town Manager late last summer in advance of the Override vote. Once the Override failed, vacant positions became the dominant source of eliminated town positions, another plus for employee morale. It is interesting that a recent comment at a public meeting cited the lack of a need to lay-off actual employees on the town side as an example of less financial need compared to what it really is - good financial planning.

In the same planning spirit, given sufficient position vacancies now the town decided to eliminate more than the needed 5 FTEs in FY18 in order to stabilize the employee morale for a two-year period though FY19. This town budget eliminates 7.5 FTEs (described in detail in following budget sections) and also allows wage growth including modest COLA increases: +0.75% for town non-union; and town unions are subject to collective bargaining. Note that contingent on successful performance evaluations eligible employees may also receive a step increase.

The proposed FY18 town budget will see about \$150,000 spent on one-time expenses that can be eliminated in FY19 as the primary mechanism to avoid further town staffing cuts. Note that some of these one-time expenses are now subject to holdbacks in order to be ready to assist the School department budget during FY18, which will be described in more detail below. Thus an Override timed for FY19 would generally restore town positions previously cut or those never added because of the lack of sustainable revenues, as opposed to prevent significant further layoffs.

Impacts that the community will see next year include reductions in hours to the public for both the Pleasant Street ('Senior') Center and the Public Library. For the first time in about 25 years there is a reduction of two Public Safety positions - one Police Officer and one Firefighter. Public Safety salaries, which amount to about 40% of total town budget spending, have been protected in recent years during previous town budget cuts, but they simply could no longer be spared. It is important to remember that an Override in time for FY18 would have added 3-4 Public Safety positions, including a second School Resource Officer. Now the staffing shortfall is at least 5-6 positions, to bring us to where a staffing study done 15 years ago targeted. Both the community and the world have changed a lot since then, and demand on Public Safety employees continue to grow significantly, and staffing levels are generally 4 police officers and 4 firefighters below target levels. However, while the elimination of these two positions raises the Public Safety risk profile further, each Chief and the men and women of their departments are dedicated to serving the community at the highest level possible.

## Revenues

As a rule of thumb, revenues grow +3% annually, which is forecast to be true in FY18. Property taxes provide over 70% of annual general fund revenues (as shown below) and grow at a bit more than 3% annually, constrained by Proposition 2½ but supplemented by construction and new growth. However State Aid, which provides about 15% of general fund revenues, has lagged significantly - recently growing at less than +1% annually. The decrease in the proposed use of Free Cash makes the revenue available in FY18 to be only +1.7% when compared to FY17.

| REVENUE SOURCES | FY18  | FY17 .. | .. FY04 | FY03 |
|-----------------|-------|---------|---------|------|
| Property Taxes  | 72.6% | 72.5%   | 68%     | 62%  |
| Local Charges   | 7.7%  | 7.5%    | 9%      | 9%   |
| State Aid       | 15.3% | 15.6%   | 19%     | 24%  |
| Other           | 4.3%  | 4.4%    | 4%      | 5%   |

If there is a villain in the budget, it is not that the town and schools spent recklessly, nor is it that FINCOM and Town Meeting agreed to use too much Free Cash. That villain is simply and clearly played by the character called State Aid. For FY18 the Governor's budget released in January 2017 shows another meager +0.9% increase in state aid forecast for Reading. If one adjusts the table above for the debt exclusions for the High School and Library projects, annual state aid (\$14 mil.) would need to **increase by about \$2.5 million** from current levels in order to fund 19% of Reading's budget as it did after the last override in 2004. This factor is the single largest driving force behind the annual operating budget gap, which directly led to the request for an Override last fall. Reading has been increasingly reliant on local sources of revenues (such as property taxes) because state-wide inflation adjusted local aid has declined by about 50% since the last operating override, as mentioned by the Town Accountant's summary on revenues.

Last year Town Meeting set aside some one-time funds in the Inspections Revolving Fund (for a planned three years) and the town subsequently hired an Economic Development Director late last fall. Results from the first few months are very encouraging in terms of Peer

Community evaluation and opening dialogues with significant property developers. Later at this Annual Town Meeting some economic development zoning changes will be discussed in a long-term attempt to try to help ourselves financially as much as possible. However given available commercial land, adding in all the realistic redevelopment possibilities, and assuming heroic efforts by all volunteer boards and town staff, the best case revenue result could take a decent bite out of that state aid shortfall, but it will not fully solve the revenue/spending imbalance. That imbalance is projected to continue to worsen each year.

### **Budget Summary**

As mentioned by the Town Accountant, the FY18 net revenue increase of +1.7% was first absorbed by the so-called accommodated cost increase of +2.9% (historically not too bad a figure) which left only +1.25% available for both the town and school operating budgets. During the winter, the schools calculated a savings of about \$375,000 in an accommodated cost - out of district placements costs net of circuit breaker funding. After a discussion between the Superintendent and Town Manager, it was agreed that about \$75,000 was left in that account to help cushion against so-called unanticipated enrollments; \$200,000 was added to the school operating budget partly to help absorb additional in-district Special Education costs, and the remaining \$100,000 savings remained unspent and reduced the proposed use of Free Cash from \$1.2 million to \$1.1 million. The Finance Committee then voted to increase the use of Free Cash back up to the \$1.2 million level in their March 2017 budget deliberations, and direct that additional \$100,000 towards the schools on a one-time basis to help balance their budget. Therefore the Town Accountant shows an actual operating budget increase of +2.07% for the schools and +1.25% for the town in FY18. The annual budget process allows enough flexibility to properly handle such circumstances, and this is a very responsible outcome for FY18.

### **Town Budget Process**

Because of the extensive public meeting schedule during the summer 2016, this year's budget process was quite lengthy. The Override discussion left all town departments keenly aware to prepare very lean budgets for FY18 – initial guidance from the Town Manager in the summer was for 0%, later as things shook out that improved to the +1.25% figure.

Cutting budgets are an easy exercise when done on paper, but when they involve actual staff members and frankly impact different segments of the community by reducing services, that exercise becomes quite complex, and a balancing act with no easy answers. Demographically the community is aging. Reading has received state-wide acclaim for the Senior Tax Relief program passed by Town Meeting in late 2016, and this will help seniors age in place – but it alone does not provide additional services they already need. Financially some new residents face high home prices and mortgage payments and they expect high service levels from the town and schools, but our current budgets do not make that service delivery possible. Federal and State bureaucracies hand down ever-increasing unfunded mandates. The list of challenges goes on.

## Note on the School Budget

The next section will provide an overview of town budgets, but first a word about the FY18 School department budget. The School Committee voted FY18 budget was \$588,000 higher than allowed by FINCOM's budget guidelines. This overage essentially had two parts: \$150,000 for science curriculum, and \$438,000 for middle-school language programs.

In February 2017 the Town Manager indicated a plan to meet the School Committee's budget requests. An April 2017 request to Town Meeting for \$150,000 for the science curriculum, if approved, would leave a \$438,000 gap. In a memo shown below he took the unusual steps of guaranteeing that funding would be available, including \$132,000 in assistance from town departments as needed. During the March FINCOM budget meetings, the School identified \$240,000 of budgets savings and holdbacks, and FINCOM added another \$100,000 of Free Cash to solve this issue and allow this plan to go forward to Town Meeting smoothly. A summary is shown below:

|  |
|--|
| \$588,000 budget deficit                             |
| - \$150,000 April 2017 request                       |
| - \$240,000 School department reductions & holdbacks |
| - <u>\$100,000</u> Free Cash                         |
| = \$98,000 remaining budget deficit                  |

During a Town Meeting in FY18, if the schools need funding to cover the remaining budget deficit above, then the Town's \$132,000 of holdbacks will more than cover that \$98,000 shortfall.

**To:** Board of Selectmen  
**From:** Robert W. LeLacheur, Jr. CFA  
**Date:** February 7, 2017  
**RE:** FY18 Budgets: The Pause that Refreshes

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Over the past few weeks the Board of Selectmen and Town Manager have received hundreds of emails from school parents, and the most common request was to find a way to restore cuts made to the middle school language program, with the most common suggestion being an April Override ballot question. At public and private meetings, our unified response was to wait and let the School Committee complete their work.

On January 30<sup>th</sup> I received the voted School Committee budget, indicating that they had completed their work, and now I must abide by the Reading Home Rule Charter and accept my formal role in the annual budget process. As required by Article 7, the Town Manager must each year submit a budget for "all Town funds and activities that are balanced to the funds available". Funds available are agreed upon in late fall at a Financial Forum meeting that includes the three elected boards plus the Finance Committee. Note that the meaning of Town in the Charter is to include all departments of the Municipal Government (MG) and the Schools.

This so-called Town Manager balanced budget is submitted to the Finance Committee in late February for their public review in March, and then they submit a balanced budget in early April to Town

Meeting for final approval. It is important to note that from this point forward these remaining steps in the annual budget process only have authority to change the bottom line School budget. Only the School Committee has authority on how to spend that total funding. Nothing below should be misinterpreted, given this fact.

As has often been the case in recent years, the FY18 School Committee voted budget is not balanced to available funds - this year by \$588,000. I respect the fact that an unbalanced budget expresses a frustration at the lack of funding to move the district ahead – or even to keep it in place. I share those exact same frustrations with the MG budget. However this year the School budget is different in that hundreds of fellow Reading residents have reached out to me personally for assistance. Below I will lay out a solution – the Cogent Path Forward (CPF) - that will offer that assistance. The Town Accountant, who is the final arbiter of what constitutes a balanced budget, agrees with my CPF solution as a legally balanced budget to present to the Finance Committee in March and then ultimately to Town Meeting in April 2017.

To accomplish this I will request that Town Meeting in April 2017 fund the \$150,000 second phase of Science curriculum as a current year budget amendment. If approved, this gives the schools additional lead time to order the new materials and to allow those teachers affected extra time to begin to integrate it into their lesson plans. I made the same suggestion two years ago, the first phase was approved by Town Meeting in April 2016, and I am told the timing worked out well. So to be clear, this part of the CPF Solution depends on Town Meeting approval, and therefore cannot be immediately guaranteed.

This leaves \$438,000 for the seven middle school teachers to fund as the remainder of the so-called imbalanced budget. Two years ago upon the transfer of a large portion of the Facilities budget from the schools to the MG, I began to explore and understand how our two budgeting assumptions and techniques differ. My CPF solution immediately guarantees that funding is available to the School Committee/School department for these seven teachers without changing the bottom line FY18 School budget, at least not yet.

To create a budget that will be used for a period of time 6 to 18 months from now requires a lot of assumptions, a subject I am quite familiar with from experience. For example, as the School Committee discussed in their recent January budget meetings, every year there is staff turnover, some planned and some unplanned. The traditional School budget assumption is that no turnover will happen, but recent historical savings from turnover has had an average savings accounting for about half of the cost of the middle school language program (with a lot of variability). The Schools will know what these savings are before start of the school year, but not before Annual Town Meeting votes on the FY18 budget.

Under Education Reform in 1995 the Town Manager serves as a voting member of the School Committee for purposes of collective bargaining. As such, I have shared some creative financial-only techniques used on the MG side to balance the needs of both management and labor for the long-term. As my history demonstrates, I place the highest emphasis on and respect for the employees during the collective bargaining process, and certainly our teachers may well be the entire organization's most precious resource.

I am satisfied that if the MG and School Department work diligently together that this CPF solution can be attained within the current bottom line FY18 School Committee budget, but of course there is no guarantee. If not then I pledge two things:

- First, the MG will hold back FY18 spending where possible and be ready to transfer funds to the Schools on a one-time basis at a Town Meeting during the next fiscal year. I will indicate to the Finance Committee next month exactly where some immediate MG budget holdbacks will be, and expect more opportunities will arise during that 6 to 18 month time period ahead of us. In like fashion, I ask the School department to operate similarly to hold back spending or find budget savings as is possible to assist;
- Second, in the event that the CPF solution plus this holdback funding above is not sufficient, only then would I ask a Town Meeting in FY18 for a one-time transfer from the General Stabilization Fund to balance the budget, as the School Committee discussed in January 2017, and if I do so then Town Meeting will have my word that we have exhausted all other possibilities. A request for use of the Stabilization Fund this spring is premature, and therefore does not have my support. Frankly I do not believe future funding support will be needed if we work together.

I know over the past few weeks, when parents have reached out directly to the Board of Selectmen and Town Manager for help that time was of the essence. The most important factor of my CPF approach is that parents and teachers alike may immediately know effective today that funding for the middle school language program is in place for FY18 and that the program is able to continue for at least another school year, if that is the wish of the School Committee. I hope this immediate knowledge is helpful for all concerned, instead of waiting until May for the results of a risky Town Meeting vote. School Committee members spoke of this risk with justifiable concern during their budget deliberations. I have been attending Town Meeting in Reading for over 20 years now, and I do not know what the outcome of such a request would be.

This CPF solution should also please those taxpayers in the community that, absent any additional information, would prefer the MG and Schools to simply cut costs. In case we needed a reminder, the Override NO vote last October sent a clear message to all of us to continue to scarp for every nickel, a longstanding practice in Reading. I see quite a lot of scrapping needed with this proposed path forward, but that should always be the case with taxpayer funding.

It is important that both taxpayers opposed to additional funding and parents and other residents that do not want to see cuts in services understand that this CPF solution only bridges a one-year gap for this one issue. A serious funding imbalance remains between the demand for services and our resources available. The Selectmen and MG staff are working very hard on economic development along with our leaders in Beacon Hill, but realistically any new revenues are years away.

In Reading, our departments enjoy an unusually close working relationship compared to other communities. My CPF solution above is backed by every MG department that must now hold back FY18 purchases and planned projects in order to prepare to help out our School department. I am very proud at the unselfish way that when presented with an organizational challenge, our MG departments always search for what is best for the entire community with less regard of what is important to them. We should all be very proud of that teamwork.

I hope that this solution will satisfy the hundreds of residents and neighbors that requested help from the Town Manager and the Board of Selectmen, as well as those taxpayers that want us to work diligently with the funding we have. All of us should agree that strong public education is second only to the need for a basic strong foundation of public safety in our community.

But please remember that only a reduction in services or an increase in resources will prevent this same discussion from happening again – very soon.

### **Town Department Budgets**

As shown in the next table, the Town Manager’s FY18 budget for Town departments, shows a 1.5% overall increase from FY17. These Town department budgets include the 1.25% operating budget increase agreed to in the November 2016 Financial Forum, plus the accommodated costs presented at the time:

|                            | FY18<br>Operating           | FY18<br>Accomodated | FY18 Total<br>Budget |
|----------------------------|-----------------------------|---------------------|----------------------|
| Administrative Services    | \$ 2,333,900                | \$ 445,000          | \$ 2,778,900         |
| Public Services            | \$ 1,388,125                | \$ 245,000          | \$ 1,633,125         |
| Finance                    | \$ 805,050                  |                     | \$ 805,050           |
| Public Safety              | \$ 10,074,925               |                     | \$ 10,074,925        |
| Public Works               | \$ 2,907,575                | \$ 455,000          | \$ 3,362,575         |
| Public Works Snow & Ice    |                             | \$ 625,000          | \$ 625,000           |
| Public Works Street Lights |                             | \$ 180,000          | \$ 180,000           |
| Public Works Rubbish       |                             | \$ 1,596,500        | \$ 1,596,500         |
| Public Library             | \$ 1,526,883                |                     | \$ 1,526,883         |
| Core Facilities            | \$ 1,392,230                | \$ 1,604,950        | \$ 2,997,180         |
| Town Buildings             | \$ 299,935                  |                     | \$ 299,935           |
|                            | <b>\$ 20,728,623</b>        | <b>\$ 5,151,450</b> | <b>\$ 25,880,073</b> |
|                            | previous year \$ 20,473,984 | \$ 5,013,886        | \$ 25,487,870        |
|                            | change                      | 1.24%               | 2.74%                |
|                            |                             |                     | 1.54%                |

Reductions have been made in every town department with Finance and Facilities faring the best. We are concerned that the Finance department is already staffed at minimum levels, considering the support given to both the School and Light departments, and the fact that Senior Tax Relief activity will begin in the summer 2017. In Facilities, for the second consecutive year the department has the highest level of town spending. This is true even if one excludes the +5% energy costs funded as an accommodated cost. The organization’s second most valuable asset is the public buildings (the first being the employees staffing these buildings). The town is committed to funding the ongoing maintenance of the public buildings, although in truth this commitment could lag a bit in future years as budgets get even tighter.

The table on the next page shows the proposed FY18 department budgets, plus some history of budgets and spending. Note this year we have changed the format of town budget sections to be easier to use. All the previous financial detail is included in this new format, with additions

such as a column for YTD% spending (as of early February 2017), and in the next table a column on the far right-hand side showing what budget lines Town Meeting actually votes on. We hope that this format in closer proximity to the textual explanations will make the budget easier to read through. Interestingly we reduced the number of budget pages by about 35% by making this change. Your comments and suggestions on this new format are most welcome.

|                            | FY14                 | FY15                 | FY16                 | FY17                 | FY17 REVISED         | FY17       | FY18 TOWN            |                   |
|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------|----------------------|-------------------|
|                            | ACTUALS              | ACTUALS              | ACTUALS              | ACTUALS              | BUDGET               | YTD        | MANAGER              | PCT               |
| Administrative Services    | \$ 1,967,893         | \$ 2,433,058         | \$ 2,497,989         | \$ 1,720,220         | \$ 2,715,715         | 63%        | \$ 2,778,900         | 2.33%             |
| Public Services            | \$ 1,276,419         | \$ 1,336,685         | \$ 1,466,733         | \$ 1,000,897         | \$ 1,641,575         | 61%        | \$ 1,633,125         | -0.51%            |
| Finance                    | \$ 718,291           | \$ 683,026           | \$ 773,655           | \$ 408,109           | \$ 790,550           | 52%        | \$ 805,050           | 1.83%             |
| Public Safety              | \$ 8,770,100         | \$ 9,138,409         | \$ 9,444,523         | \$ 6,331,461         | \$ 9,981,450         | 63%        | \$ 10,074,925        | 0.94%             |
| Public Works               | \$ 2,968,443         | \$ 3,008,460         | \$ 3,115,113         | \$ 1,843,355         | \$ 3,352,480         | 55%        | \$ 3,362,575         | 0.30%             |
| Public Works Snow & Ice    | \$ 1,087,412         | \$ 1,449,515         | \$ 564,400           | \$ 362,543           | \$ 625,000           | 58%        | \$ 625,000           | 0.00% <i>vote</i> |
| Public Works Street Lights | \$ 131,711           | \$ 135,770           | \$ 127,758           | \$ 77,065            | \$ 180,000           | 43%        | \$ 180,000           | 0.00% <i>vote</i> |
| Public Works Rubbish       | \$ 1,289,452         | \$ 1,296,522         | \$ 1,319,895         | \$ 1,493,818         | \$ 1,550,000         | 96%        | \$ 1,596,500         | 3.00% <i>vote</i> |
| Public Library             | \$ 1,329,931         | \$ 1,393,957         | \$ 1,436,975         | \$ 816,566           | \$ 1,508,000         | 54%        | \$ 1,526,883         | 1.25%             |
| Core Facilities            | \$ 2,199,196         | \$ 2,235,355         | \$ 2,406,743         | \$ 1,465,333         | \$ 2,856,211         | 51%        | \$ 2,997,180         | 4.94% <i>vote</i> |
| Town Buildings             | \$ 233,986           | \$ 244,002           | \$ 287,234           | \$ 183,727           | \$ 286,890           | 64%        | \$ 299,935           | 4.55% <i>vote</i> |
| <b>DEPARTMENT</b>          | <b>\$ 21,972,834</b> | <b>\$ 23,354,759</b> | <b>\$ 23,441,018</b> | <b>\$ 15,703,094</b> | <b>\$ 25,487,871</b> | <b>62%</b> | <b>\$ 25,880,073</b> | <b>1.54%</b>      |

About 67% of the Town's budget is personnel costs. The 7.5 FTE reductions are seen spread across every department below except for Finance and Facilities. As is described in the Facilities budget section, a mid-year FY17 Core staffing addition is planned in order to reduce expensive outsourced repairs.

| SALARIES                   | FY14                 | FY15                 | FY16                 | FY17                 | FY17 REVISED         | FY17       | FY18 TOWN            |                    |
|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------|----------------------|--------------------|
|                            | ACTUALS              | ACTUALS              | ACTUALS              | ACTUALS              | BUDGET               | YTD        | MANAGER              | PCT                |
| Administrative Services    | \$ 956,428           | \$ 968,556           | \$ 1,043,880         | \$ 792,558           | \$ 1,371,315         | 58%        | \$ 1,300,300         | -5.18% <i>vote</i> |
| Public Services            | \$ 882,243           | \$ 952,262           | \$ 1,181,162         | \$ 799,850           | \$ 1,273,825         | 63%        | \$ 1,256,875         | -1.33% <i>vote</i> |
| Finance                    | \$ 563,142           | \$ 574,845           | \$ 595,406           | \$ 373,114           | \$ 643,800           | 58%        | \$ 656,100           | 1.91% <i>vote</i>  |
| Public Safety              | \$ 8,421,337         | \$ 8,831,949         | \$ 9,108,081         | \$ 6,002,656         | \$ 9,505,150         | 63%        | \$ 9,591,725         | 0.91% <i>vote</i>  |
| Public Works               | \$ 2,191,029         | \$ 2,278,103         | \$ 2,401,873         | \$ 1,422,648         | \$ 2,481,430         | 57%        | \$ 2,517,175         | 1.44% <i>vote</i>  |
| Public Works Snow & Ice    | \$ 244,065           | \$ 385,413           | \$ 145,337           | \$ 95,228            | \$ 115,000           | 83%        | \$ 115,000           | 0.00%              |
| Public Works Street Lights |                      |                      |                      |                      |                      |            |                      |                    |
| Public Works Rubbish       |                      |                      |                      |                      |                      |            |                      |                    |
| Public Library             | \$ 1,045,931         | \$ 1,084,228         | \$ 1,136,375         | \$ 666,182           | \$ 1,190,675         | 56%        | \$ 1,212,683         | 1.85% <i>vote</i>  |
| Core Facilities            | \$ 261,225           | \$ 265,930           | \$ 398,519           | \$ 262,037           | \$ 493,085           | 53%        | \$ 555,750           | 12.71%             |
| Town Buildings             | \$ 170,071           | \$ 178,808           | \$ 191,141           | \$ 115,939           | \$ 206,805           | 56%        | \$ 219,850           | 6.31%              |
| <b>DEPARTMENT</b>          | <b>\$ 14,735,471</b> | <b>\$ 15,520,094</b> | <b>\$ 16,201,774</b> | <b>\$ 10,530,212</b> | <b>\$ 17,281,085</b> | <b>61%</b> | <b>\$ 17,425,458</b> | <b>0.84%</b>       |
|                            | <b>67.1%</b>         | <b>66.5%</b>         | <b>69.1%</b>         | <b>67.1%</b>         | <b>67.8%</b>         |            | <b>67.3%</b>         |                    |

Expenses are up +3.0% for FY18, and has been mentioned about \$150,000 of that \$250,000 increase are one-time items that may be eliminated in FY19 in order to minimize further staffing cuts. These one-time expenses are concentrated in the Administrative Services and Core Facilities departments, as shown on the next page and explained in those budget sections.

| EXPENSES                   | FY14                | FY15                | FY16                | FY17                | FY17 REVISED        | FY17       | FY18 TOWN           |                    |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|--------------------|
|                            | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | BUDGET              | YTD        | MANAGER             | PCT                |
| Administrative Services    | \$ 1,011,465        | \$ 1,464,502        | \$ 1,454,109        | \$ 927,662          | \$ 1,344,400        | 69%        | \$ 1,478,600        | 9.98% <i>vote</i>  |
| Public Services            | \$ 394,176          | \$ 384,423          | \$ 285,571          | \$ 201,047          | \$ 367,750          | 55%        | \$ 376,250          | 2.31% <i>vote</i>  |
| Finance                    | \$ 155,149          | \$ 108,181          | \$ 178,249          | \$ 34,995           | \$ 146,750          | 24%        | \$ 148,950          | 1.50% <i>vote</i>  |
| Public Safety              | \$ 348,763          | \$ 306,460          | \$ 336,442          | \$ 328,805          | \$ 476,300          | 69%        | \$ 483,200          | 1.45% <i>vote</i>  |
| Public Works               | \$ 777,414          | \$ 730,357          | \$ 713,240          | \$ 420,707          | \$ 871,050          | 48%        | \$ 845,400          | -2.94% <i>vote</i> |
| Public Works Snow & Ice    | \$ 843,347          | \$ 1,064,102        | \$ 419,063          | \$ 267,315          | \$ 510,000          | 52%        | \$ 510,000          | 0.00%              |
| Public Works Street Lights | \$ 131,711          | \$ 135,770          | \$ 127,758          | \$ 77,065           | \$ 180,000          | 43%        | \$ 180,000          | 0.00%              |
| Public Works Rubbish       | \$ 1,289,452        | \$ 1,296,522        | \$ 1,319,895        | \$ 1,493,818        | \$ 1,550,000        | 96%        | \$ 1,596,500        | 3.00%              |
| Public Library             | \$ 284,000          | \$ 309,729          | \$ 300,600          | \$ 150,384          | \$ 317,325          | 47%        | \$ 314,200          | -0.98% <i>vote</i> |
| Core Facilities            | \$ 1,937,971        | \$ 1,969,425        | \$ 2,008,224        | \$ 1,203,296        | \$ 2,363,126        | 51%        | \$ 2,441,430        | 3.31%              |
| Town Buildings             | \$ 63,915           | \$ 65,194           | \$ 96,093           | \$ 67,788           | \$ 80,085           | 85%        | \$ 80,085           | 0.00%              |
| <b>DEPARTMENT</b>          | <b>\$ 7,237,363</b> | <b>\$ 7,834,665</b> | <b>\$ 7,239,244</b> | <b>\$ 5,172,882</b> | <b>\$ 8,206,786</b> | <b>63%</b> | <b>\$ 8,454,615</b> | <b>3.02%</b>       |
|                            | 32.9%               | 33.5%               | 30.9%               | 32.9%               | 32.2%               |            | 32.7%               |                    |

*less snow*

### FY18 Budget Summary and 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.

The Schools use Reading's low per-pupil spending as a metric to show how efficiently they use the funding available, and why they require more. Parts of this low spending are a good thing – such as the comparably low employer's share of health insurance. Yet even after adjustments, spending is still modest per pupil and certainly below what many in the community desire. The Town government has no analogous single spending metric. However a 25 member peer community economic development project underway shows that because we have so many students, total spending on schools is above average, and is therefore low on the town side. Staffing at Town Hall is noticeably low and this is where the demands for services are most often evident because they filter in through our many fine volunteer boards and committees.

Reading should be proud at how the Town and Schools work together and spend efficiently, though 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 certainly 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. It is worth noting that some large projects (such Killam School and the DPW garage) are noted in the Capital Plan, but their costs are not known. As yet we have no clear path forward on either, but a year from now one or both projects may have that path.

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 below-average tax bill among peer communities. 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. These disparate views have likely been true since 1644 when the town was first incorporated, as my friend and sometimes sparring partner 'William C. Brown Precinct 8' probably witnessed first-hand back then. Congratulations on 50 years as a Town Meeting member Bill! As I approach my 25<sup>th</sup> year working with you and your Town Meeting colleagues, I am in awe of your dedication to the community and offer you sincere thanks from our entire organization.

This FY18 budget has not been an easy one to create over the past several months, nor will it be an easy one to live with. Residents will need to hear an increasing amount of 'no, we can't help you' in some service areas. We are proud to have helped out our colleagues in the School department this year, but caution the community that the rough seas that surround us are still absolutely in the forecast ahead.

However to set aside the near-term financial challenges for a moment, there is an issue of deep concern to me and some of my peer Mayors and Managers: the fragile and decaying civility in public discourse certainly influenced by national politics. We see divides in our communities forming – if one looks carefully they are actually not easy to label or describe, let alone find a way to bridge. Some of that came out in Reading during our Community Listening and Senior Tax Relief Sessions last summer, when different groups of residents selfishly opposed each other, and this behavior has continued in different local forums since. Some residents seem bent on winning a debate as if it is a contest, instead of sitting down as a community to find common ground and solutions. Sure, it is tempting to extend both palm's outward and push each side away, hoping to enjoy a moment's peace. But the so-called Reading way has always been to sit down, talk and listen. Bill Brown and I have been debating for over twenty years now, in a very civil, respectful and usually ☺ enjoyable manner. I rarely changed his mind, yet if it were a contest, I came away a winner every time, rich from the experience. We may not be able to solve the world's problems, but there is absolutely no reason we can't do a better job working together on Reading issues. Please learn to keep your palms in your pockets, recognize the old adage about the ratio between two ears and only one mouth, and find a way to bridge that widening gap with your neighbor - before it is too late.

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

## **FinComm Chair Comments to Town Meeting April 2017**

Thank you, Mr. Moderator. Good evening Town Meeting Members, Boards and Committees and fellow Reading residents. My name is Mark Dockser and I am the Chair of the Reading Finance Committee. We are a group of 9 of your fellow residents that meet throughout the year in open meetings to review all financial matters affecting the town. In addition to our own committee meetings, we sponsor a series of Financial Forums during the year in which the elected Boards of the Town join us for open discussion about the financial challenges and opportunities facing the town and encourage a dialogue on how best to work together to achieve the best bang for the buck for Reading. These forums are all open to the public and we welcome more participation, so please come join us.

In October of each year, we review the outlook for revenues for the upcoming fiscal year which starts July 1 of the following year. We look at the results of the past fiscal year, forecasts for new growth and the environment for costs that are beyond our control, items like health care and other benefits. Armed with this information, we vote on and recommend budget targets for the upcoming year, and how much Free Cash we will recommend that Town Meeting approve to support the annual operating budget.

As part of this process, we accept certain risks in both revenues and costs. We need to forecast these in order for the schools and municipal government to build their budgets. The largest risks we take are in anticipating how much health insurance costs will increase, how much state aid the town will receive, and how much will be required for snow and ice removal. We also take risks in terms of other costs, and we reconcile this late in the fiscal year, some in November and some in April when we see the actual expenses, by coming to Town Meeting with requests for transfers into and out of free cash.

Fincomm has a policy to target a minimum of 7% of revenues be held in reserve accounts, which are comprised of free cash plus restricted stabilization funds. We recently raised our policy to this level in recognizing that special one-time needs can be more substantial in today's world. We see many of our peer communities holding substantial reserve balances as well.

Free cash is typically and best used for one time expenditures, however because we budget conservatively, we find that some expenses are not spent and/or revenues come in higher than anticipated. We call this regeneration, and over the last several years this regeneration has resulted in our free cash position remaining strong and often increasing at year end. Over the last several years, FinComm has recommended and Town Meeting has supported using some free cash at the start of the fiscal year to support our operating budgets—typically between \$1.5 and \$2.2 MM.

In reviewing our operating budgets and our reserve situation for FY'18, FinComm recommended that we use less free cash going forward, feeling that our regeneration will not be as strong in the future. For this year, we reduced our recommendation to \$1.2 MM of Free Cash to support the town's operating budget.

With this information, back in October the school department and the municipal government then work with their teams to prepare budgets to be reviewed and approved by their elected boards. Once approved, those budgets are brought together by the Town Manager and presented to the Finance Committee for review.

FinComm then reviews and scrutinizes the budgets in quite a bit of detail, more than the average person is able to do and certainly much more than the typical person would want to do. We approve or adjust budgets by line item, and then bring our recommendations forward to Town Meeting for discussion and then approval.

In order to understand the FY'18 budget that we are presenting to you this evening, there are four points that highlight our challenges for this year and going forward:

1. Costs that are out of our control are rising faster than our revenues...and have been for years
2. Choice for Reading residents: Annual decline in services or raise additional tax revenue
3. Not raising additional revenues now through an override will have a strong impact in lowering community values
4. Cooperation between the municipal and school sides, along with an additional \$100k from Free Cash, provides a plan for FY'18 that allows the middle school to retain 7 FTE positions in the foreign language program, but for one year only.

#### **1. Costs and Revenues**

Over the past 4+ years, the FinComm chair has spoken before Town Meeting and highlighted a large concern: costs, largely uncontrollable costs like health care insurance, have been rising faster than our revenues leading to an inability to offer the same level of services that residents are used to in the budgets over the last several years. The municipal and school departments have worked hard to minimize how this impact was felt, but too many things are now on the backs of too few people and important programs can't be fully funded. Net, residents are getting reduced or not fully staffed services in more and more visible ways—in the schools, in public safety and throughout all departments.

On the revenue side, we are limited in our tax revenue growth by Proposition 2 ½ --2 ½% increase in residential taxes each year plus new growth.

Prop 2 1/2, passed in 1980, is the governing law in Massachusetts about the maximum allowable growth rate in taxes each year. It was passed at a time when most communities enjoyed new growth that had revenues increasing by 4-5+% per year. Cities and towns with stronger commercial and industrial bases were able to sustain these strong revenue growth rates. However, Reading is a lovely residential community, and we do not have the commercial and industrial base to do this. Our annual revenue growth is ~3%. Many cities and towns will override prop 2 ½ every approximately 10 years, to maintain their services that otherwise would have to be cut. The last time Reading voted on and passed an override was 14 years ago.

Of course there are other ways to raise revenues. Economic development programs can help, and the town has made it a priority to focus in this area...but this alone will not be enough due to lack of available building space for business and the impact of programs that we implement now won't be felt for what could be several years.

Where we, along with other cities and towns, have been hit the hardest has been the lack of growth in state aid. It has neither kept pace with increasing costs faced by all municipalities nor has it provided relief for many state mandates, resulting in local taxpayers having to pick up the costs of so called "unfunded mandates". Schools have been hit particularly hard by this.

All that said, Prop 2 ½ is meant to bring these issues of costs running ahead of revenues to a head by requiring that government, specifically the Board of Selectmen, come to the taxpayers to request increases. This is where we find ourselves today.

## **2. Choice: Annual decline in service or raise additional revenue**

Since costs, largely uncontrollable costs, run ahead of available revenues, if we don't increase revenues, then we will have to cut services by an additional amount every year. You will hear from the municipal departments like public safety and others, as well as the school department, that this does not allow us to provide the levels needed to properly support the residents of the town.

## **3. New revenues needed via override—if not, community values harmed**

I believe Reading to be a very well run town. We are the envy of many other municipalities in terms of how we do things, often being at the leading edge of activities that result in the delivery of better services at a lower cost. This holds true for both the school side and the municipal side of government.

Reading needs an override. As a Fincomm member, it is my strong belief that not passing an override will harm our community values—both in terms of delivering on the promise of Reading as a community identified by its residents for having great schools, exemplary public safety, a strong and thriving library and other public services; and also in terms of how other people view these values and how they translate directly into home values. Ask any real estate agent in town about this...good schools and good services are the basis of our high and rising property values. But they are being challenged—reduction in the quality of schools and services leads to lower property values.

## **4. FY'18 budget**

These longer term financial outlook issues now boil down to the FY'18 budget situation. This was an extremely difficult year for the municipal government and schools to provide the services they felt the community needed at minimum. In fact, the funding and therefore services are not sufficient as you will hear from both the schools and municipal government. We should have more public safety officials in the town and in the schools, we are cutting school programs, and we need other services that are necessary to support the growth in the population in town.

This year's budget represents a lot of compromises and a lot of teamwork between the municipal and schools sides of government. Make no mistake, it is filled with cuts in services and

programs—the municipal side was forced to reduce by 7.5 FTE's, and the schools were forced to reduce 10.9 FTE's. But in one key area at least, the teamwork I mentioned provides what you could call a "bandaid" that will allow the middle school foreign language program to continue in its current form for FY'18. Faced with the need to cut an additional \$438k in school programs to meet the FinComm guidelines for FY'18, municipal and school departments agreed to budget holdbacks to cover a substantial portion of the \$438k. FinComm at its meeting on 3/22/2017 recommended the use of an additional \$100k in Free Cash to support this in the school budget to the point where the risk in the budget is felt to be reasonable. FinComm supported this approach with the use of the additional \$100k in free cash, by a vote of 9-0-0.

And to be very clear, this bandaid solution would cover FY'2018, and could require the school department to come back to TM in November or April for additional support. We think that this is a risk worth taking at this time. To maintain this beyond FY'18 will require additional town revenues.

So what we are bringing to Town Meeting this evening is a recommended budget of \$104,551,681, an increase of 1.6%. This compares to an increase last year of 2.6% and previous years that averaged ~3.3%. The use of Free Cash in supporting the operating budget is \$1.2 MM, the number that FinComm originally felt comfortable recommending using to balance the budget. The Town Manager budget only required the use of \$1.1 MM due to some savings in FY'17. We believe the \$1.2 MM to be a reasonable amount of support for this year's budget.

In closing, we believe this budget will support the town in FY'18 as outlined by the municipal and school departments and is a responsible budget given the constraints on revenues.

Thank you.

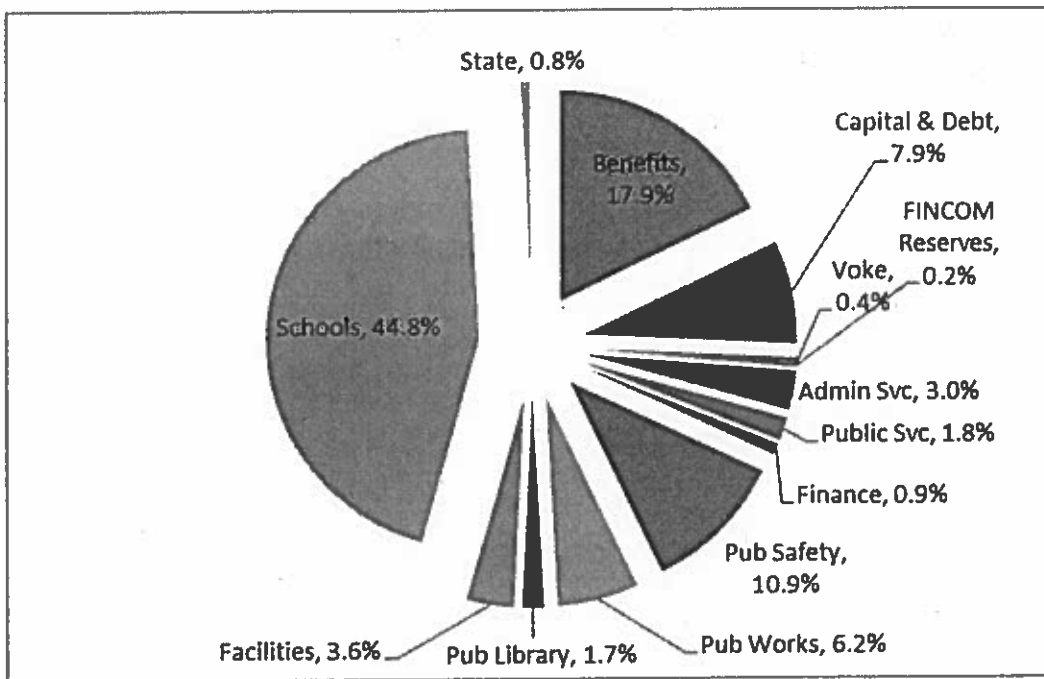
## FY18 Spending Scorecard

The total of all proposed FY18 budget expenditures for the Town of Reading General and Enterprise Funds is **\$104.55 million**, a 2.3% increase when compared to FY17.

The FY18 General Fund at \$91.6 million is up 2.2%; it is broadly comprised of:

|                           |       |
|---------------------------|-------|
| Shared Costs (26.6%)      | +3.8% |
| Town departments (28.2%)  | +1.5% |
| School department (45.2%) | +1.6% |

The chart below shows more details for the General Fund:



The FY18 Enterprise Funds at \$12.9 million are +3.6%; and are comprised of:

|                    |                                    |
|--------------------|------------------------------------|
| Water -0.6%        | (rates will be +3.7%)              |
| Sewer +9.6%        | (rates will be +2.9%)              |
| Storm Water -11.8% | (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.

To provide more succinct information we have used a new budget report format this year, we hope it provides to be helpful. The various columns should be self-explanatory.

FY18 Spending Scorecard

| Line | Category                      | FY17 Budget revised   | % Grand Total | FY18 Budget Town Manager | % chng      | FY18 Budget Finance Committee | FINCOM votes | % chng      | % Grand Total |
|------|-------------------------------|-----------------------|---------------|--------------------------|-------------|-------------------------------|--------------|-------------|---------------|
| B99  | Benefits                      | \$15,813,500          | 15.4%         | \$16,496,047             | 4.3%        | \$16,496,047                  | 9-0-0        | 4.3%        | 15.7%         |
| C99  | Capital                       | \$2,220,000           | 2.2%          | \$2,259,400              | 1.8%        | \$2,259,400                   | 9-0-0        | 1.8%        | 2.1%          |
| D99  | Debt service                  | \$4,900,000           | 4.8%          | \$5,057,915              | 3.2%        | \$5,057,915                   | 9-0-0        | 3.2%        | 4.8%          |
| E99  | Education - Vocational        | \$384,350             | 0.4%          | \$386,000                | 0.4%        | \$386,000                     | 9-0-0        | 0.4%        | 0.4%          |
| F99  | Finance Committee Reserves    | \$150,000             | 0.1%          | \$150,000                | 0.0%        | \$150,000                     | 9-0-0        | 0.0%        | 0.1%          |
|      | <b>Total Shared Costs</b>     | <b>\$ 23,467,850</b>  | <b>22.8%</b>  | <b>\$ 24,349,362</b>     | <b>3.8%</b> | <b>\$ 24,349,362</b>          |              | <b>3.8%</b> | <b>23.1%</b>  |
| G91  | Administrative Svcs wages     | \$1,371,315           | 1.3%          | \$1,300,300              | -5.2%       | \$1,300,300                   | 9-0-0        | -5.2%       | 1.2%          |
| G92  | Administrative Svcs expenses  | \$1,344,400           | 1.3%          | \$1,478,600              | 10.0%       | \$1,478,600                   | 9-0-0        | 10.0%       | 1.4%          |
| H91  | Public Services wages         | \$1,273,825           | 1.2%          | \$1,256,875              | -1.3%       | \$1,256,875                   | 9-0-0        | -1.3%       | 1.2%          |
| H92  | Public Services expenses      | \$367,750             | 0.4%          | \$376,250                | 2.3%        | \$376,250                     | 9-0-0        | 2.3%        | 0.4%          |
| I91  | Finance wages                 | \$643,800             | 0.6%          | \$656,100                | 1.9%        | \$656,100                     | 9-0-0        | 1.9%        | 0.6%          |
| I92  | Finance expenses              | \$146,750             | 0.1%          | \$148,950                | 1.5%        | \$148,950                     | 9-0-0        | 1.5%        | 0.1%          |
| J91  | Public Safety wages           | \$9,505,150           | 9.2%          | \$9,591,725              | 0.9%        | \$9,591,725                   | 9-0-0        | 0.9%        | 9.1%          |
| J92  | Public Safety expenses        | \$476,300             | 0.5%          | \$483,200                | 1.4%        | \$483,200                     | 9-0-0        | 1.4%        | 0.5%          |
| K91  | Public Works wages            | \$2,481,430           | 2.4%          | \$2,517,175              | 1.4%        | \$2,517,175                   | 9-0-0        | 1.4%        | 2.4%          |
| K92  | Public Works expenses         | \$871,050             | 0.8%          | \$845,400                | -2.9%       | \$845,400                     | 9-0-0        | -2.9%       | 0.8%          |
| K93  | Public Works Snow & Ice       | \$625,000             | 0.6%          | \$625,000                | 0.0%        | \$625,000                     | 9-0-0        | 0.0%        | 0.6%          |
| K94  | Public Works Street Lights    | \$180,000             | 0.2%          | \$180,000                | 0.0%        | \$180,000                     | 9-0-0        | 0.0%        | 0.2%          |
| K95  | Public Works Rubbish          | \$1,550,000           | 1.5%          | \$1,596,500              | 3.0%        | \$1,596,500                   | 9-0-0        | 3.0%        | 1.5%          |
| L91  | Library wages                 | \$1,190,675           | 1.2%          | \$1,212,683              | 1.8%        | \$1,212,683                   | 9-0-0        | 1.8%        | 1.2%          |
| L92  | Library expenses              | \$317,325             | 0.3%          | \$314,200                | -1.0%       | \$314,200                     | 9-0-0        | -1.0%       | 0.3%          |
| M91  | Core Facilities               | \$2,856,210           | 2.8%          | \$2,997,180              | 4.9%        | \$2,997,180                   | 9-0-0        | 4.9%        | 2.8%          |
| M92  | Town Buildings                | \$286,890             | 0.3%          | \$299,935                | 4.5%        | \$299,935                     | 9-0-0        | 4.5%        | 0.3%          |
|      | <b>Total Municipal Gov't</b>  | <b>\$ 25,487,870</b>  | <b>24.8%</b>  | <b>\$ 25,880,073</b>     | <b>1.5%</b> | <b>\$ 25,880,073</b>          |              | <b>1.5%</b> | <b>24.6%</b>  |
| U99  | School Department             | \$40,737,666          | 39.8%         | \$41,301,651             | 1.4%        | \$41,401,661                  | 9-0-0        | 1.6%        | 39.3%         |
|      | <b>VOTED GENERAL FUND</b>     | <b>\$ 89,693,386</b>  | <b>87.2%</b>  | <b>\$ 91,531,086</b>     | <b>2.0%</b> | <b>\$ 91,631,096</b>          |              | <b>2.2%</b> |               |
|      | State Assessments             | \$ 642,750            | 0.6%          | \$ 702,425               | 9.3%        | \$ 702,425                    |              | 9.3%        | 0.7%          |
|      | <b>TOTAL</b>                  | <b>\$ 90,336,136</b>  | <b>87.9%</b>  | <b>\$ 92,233,511</b>     | <b>2.1%</b> | <b>\$ 92,333,521</b>          |              | <b>2.2%</b> |               |
| W99  | Water Enterprise Fund         | \$6,240,274           | 6.1%          | \$6,199,885              | -0.6%       | \$6,199,885                   | 9-0-0        | -0.6%       | 5.9%          |
| X99  | Sewer Enterprise Fund         | \$5,706,390           | 5.6%          | \$6,252,900              | 9.6%        | \$6,252,900                   | 9-0-0        | 9.6%        | 5.9%          |
| Y99  | Storm Water Enterprise Fund   | \$530,430             | 0.5%          | \$467,800                | -11.8%      | \$467,800                     | 9-0-0        | -11.8%      | 0.4%          |
|      | <b>TOTAL ENTERPRISE FUNDS</b> | <b>\$12,477,094</b>   | <b>12.1%</b>  | <b>\$12,920,585</b>      | <b>3.6%</b> | <b>\$12,920,585</b>           |              | <b>3.6%</b> | <b>12.3%</b>  |
|      | <b>GRAND TOTAL VOTED</b>      | <b>\$ 102,170,480</b> | <b>99.4%</b>  | <b>\$104,451,671</b>     | <b>2.2%</b> | <b>\$ 104,551,681</b>         |              | <b>2.3%</b> | <b>99.3%</b>  |

# Town of Reading

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**Board of Selectmen** [selectmen@ci.reading.ma.us](mailto:selectmen@ci.reading.ma.us)

John R. Halsey, Chairman

Kevin M. Sexton, Vice Chairman

Barry C. Berman, Secretary

John J. Arena

Daniel Ensminger

**Town Manager** [townmanager@ci.reading.ma.us](mailto:townmanager@ci.reading.ma.us)

Robert W. LeLacheur, Jr, CFA

**Town Accountant & Finance Director**

Sharon Angstrom, CPA

**Assistant Town Manager & Public Services Director**

Jean J. Delios

**Administrative Services Director & Ombudsman**

Mathew A. Kraunelis, Esq.

**Library Director**

Amy Lannon, MLIS

**Chief of Police**

Mark D. Segalla

**Fire Chief**

Gregory J. Burns

**Director of Facilities**

Joseph P. Huggins

**Department of Public Works Director**

Jeffrey T. Zager

**Town of Reading**

16 Lowell St.

Reading, MA 01867

[Readingma.gov](http://Readingma.gov)

March 20, 2017

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## Shared Costs FY18 Budgets

|                           | Town Mgr             |                      |                      |              |
|---------------------------|----------------------|----------------------|----------------------|--------------|
|                           | FY16 actual          | FY17 budget          | FY18 budget          | Change       |
| Benefits                  | \$ 14,717,663        | \$ 15,813,500        | \$ 16,496,047        | 4.32%        |
| Capital                   | \$ 2,874,250         | \$ 2,220,000         | \$ 2,259,400         | 1.77%        |
| Debt                      | \$ 4,354,412         | \$ 4,900,000         | \$ 5,057,915         | 3.22%        |
| FINCOM Reserves           | \$ 140,500           | \$ 150,000           | \$ 150,000           | 0.00%        |
| Regional Schools          | \$ 358,142           | \$ 384,350           | \$ 386,000           | 0.43%        |
| <b>TOTAL</b>              | <b>\$ 22,444,967</b> | <b>\$ 23,467,850</b> | <b>\$ 24,349,362</b> | <b>3.76%</b> |
| <i>State Assessments*</i> | <i>\$ 655,688</i>    | <i>\$ 642,100</i>    | <i>\$ 702,425</i>    | <i>9.39%</i> |

*\*not voted by Town Meeting*

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 more challenging to manage.

### Benefits

**Retirement (\$4,281,547; +2.0%):** The Retirement Board voted an increase of +4.5% to the annual contribution required, however in FY17 they had reduced that amount so the annual change for FY18 is only +1.6%; 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 \$500,000 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.

**Medicare (\$790,000; +4.6%):** 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.

|  | FY14                | FY15                | FY16                | FY17                | FY17 REVISED        | FY17       | FY18 TOWN           | PCT          |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|--------------|
|  | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | BUDGET              | YTD        | MANAGER             |              |
| <b>RETIREMENT AND PENSION EXPENSES</b> |                     |                     |                     |                     |                     |            |                     |              |
| RETIREMENT ASSESSMENT                  | \$ 3,266,550        | \$ 3,363,721        | \$ 3,515,087        | \$ 3,570,858        | \$ 3,673,000        | 97%        | \$ 3,731,547        | 1.59%        |
| NON-CONTRIB RETIREMENT                 | \$ 19,594           | \$ -                | \$ -                | \$ -                | \$ -                |            | \$ -                |              |
| RETIREMENT OBRA MGMT FEES              | \$ 14,481           | \$ 15,246           | \$ 16,385           | \$ 17,789           | \$ 25,000           | 71%        | \$ 25,000           | 0.00%        |
| OPEB CONTRIBUTIONS                     | \$ 450,000          | \$ 475,000          | \$ 500,000          | \$ -                | \$ 500,000          | 0%         | \$ 500,000          | 0.00%        |
| RETIREMENT ACTUARIAL SERVICES          | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |            | \$ 25,000           |              |
| <b>RETIREMENT AND PENSION</b>          | <b>\$ 3,750,625</b> | <b>\$ 3,853,967</b> | <b>\$ 4,031,472</b> | <b>\$ 3,588,647</b> | <b>\$ 4,198,000</b> | <b>85%</b> | <b>\$ 4,281,547</b> | <b>1.99%</b> |
| <b>MEDICARE EMPLOYEE BENEFITS</b>      |                     |                     |                     |                     |                     |            |                     |              |
| MEDICARE EMPLOYEE BENEFITS             | \$ 618,868          | \$ 667,875          | \$ 703,050          | \$ 446,745          | \$ 745,000          | 60%        | \$ 785,000          | 5.37%        |
| REGIONAL EE MEDICARE COSTS             | \$ 1,774            | \$ 1,857            | \$ 1,040            | \$ -                | \$ 10,000           | 0%         | \$ 5,000            | -50.00%      |
| <b>MEDICARE EXPENSES</b>               | <b>\$ 620,642</b>   | <b>\$ 669,732</b>   | <b>\$ 704,090</b>   | <b>\$ 446,745</b>   | <b>\$ 755,000</b>   | <b>59%</b> | <b>\$ 790,000</b>   | <b>4.64%</b> |

**Health & Life Insurance (\$10,870,500; +4.9%):** 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 received the proposed FY18 increase which is reflected in the figures below, however negotiations with the PEC have not yet begun.

|                              | FY14                | FY15                | FY16                | FY17                | FY17 REVISED         | FY17       | FY18 TOWN            | PCT          |
|------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|------------|----------------------|--------------|
| HEALTH INSURANCE EXPENSES    | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | BUDGET               | YTD        | MANAGER              | CHANGE       |
| GROUP HEALTH INSURANCE PREM  | \$ 8,094,520        | \$ 8,664,022        | \$ 9,356,185        | \$ 6,656,397        | \$ 10,200,000        | 65%        | \$ 10,710,000        | 5.00%        |
| REGIONAL EE HEALTH INS COSTS | \$ 11,875           | \$ 14,031           | \$ 7,021            | \$ -                | \$ 10,000            | 0%         | \$ 10,000            | 0.00%        |
| OPT-OUT HEALTH INS PAYMENT   | \$ 21,500           | \$ 52,500           | \$ 61,783           | \$ -                | \$ 75,000            | 0%         | \$ 75,000            | 0.00%        |
| GROUP INS PROFESSIONAL SVC   | \$ -                | \$ 2,535            | \$ -                | \$ -                | \$ 25,000            | 0%         | \$ 25,000            | 0.00%        |
| HEALTH INS. TO ANOTHER TOWN  | \$ 1,248            | \$ 18,532           | \$ 16,491           | \$ -                | \$ 20,000            | 0%         | \$ 20,000            | 0.00%        |
| GROUP LIFE INSURANCE PREMI   | \$ 27,507           | \$ 24,635           | \$ 26,855           | \$ 20,157           | \$ 30,000            | 67%        | \$ 30,000            | 0.00%        |
| REGIONAL EE LIFE INS COSTS   | \$ 81               | \$ 75               | \$ 23               | \$ -                | \$ 500               | 0%         | \$ 500               | 0.00%        |
| <b>HEALTH INSURANCE</b>      | <b>\$ 8,156,730</b> | <b>\$ 8,776,330</b> | <b>\$ 9,468,359</b> | <b>\$ 6,676,554</b> | <b>\$ 10,360,500</b> | <b>64%</b> | <b>\$ 10,870,500</b> | <b>4.92%</b> |

From the most recent available data, during the period FY07 – FY14 Reading has seen +4.2% annual rates of increase of health insurance premium spending which compares favorably to the 25 Peer Communities at +4.5% annually. Reading employees & retirees pay for 29% of the premiums, a figure still above Peer averages. In the general fund, town employees have accounted for a +4.1% annual increase from FY11-FY17 (to date), while school employees are at +5.1%.

This winter a subcommittee of the PEC is working with the Town Manger to try to find other levers which will reduce premiums. One example that has been gaining popularity in the private sector is limited network plans. The only such option we have seen thus far would exclude any coverage at all at Children's Hospital, which as an employer does not seem to be a responsible choice to make on behalf of employees and their families.

**Worker Compensation (\$309,000; +3.0%):** The town has received acclaim for safety policies which have kept budget increases modest.

**Indemnification (\$105,000; +5.0%):** Police & Fire on duty injury related expenses can vary widely in this line item.

**Unemployment Compensation (\$140,000; +40%):** Proposed staff reductions in this budget cause the needed unemployment reserves to increase.

|                                      | FY14<br>ACTUALS   | FY15<br>ACTUALS   | FY16<br>ACTUALS   | FY17<br>ACTUALS   | FY17 REVISED<br>BUDGET | FY17<br>YTD | FY18 TOWN         |               |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|------------------------|-------------|-------------------|---------------|
|                                      |                   |                   |                   |                   |                        |             | MANAGER<br>BUDGET | PCT<br>CHANGE |
| WORKERCOMP DEDUCTIBLES/CLAIMS        | \$ 1,494          | \$ 4,274          | \$ 6,448          | \$ 2,103          | \$ 10,000              | 21%         | \$ 10,000         | 0.00%         |
| WORKERCOMP INSURANCE PREMIUMS        | \$ 200,705        | \$ 230,852        | \$ 256,112        | \$ 287,321        | \$ 285,000             | 101%        | \$ 295,000        | 3.51%         |
| REGIONAL EE WORKERCOMP INS           | \$ 1,011          | \$ 1,076          | \$ 1,134          | \$ -              | \$ 5,000               | 0%          | \$ 4,000          | -20.00%       |
| <b>WORKERS COMPENSATION EXPENSES</b> | <b>\$ 203,210</b> | <b>\$ 236,202</b> | <b>\$ 263,694</b> | <b>\$ 289,424</b> | <b>\$ 300,000</b>      | <b>96%</b>  | <b>\$ 309,000</b> | <b>3.00%</b>  |
| <b>111F W RETIREMENT PENDING</b>     | <b>\$ -</b>       | <b>\$ 151,662</b> | <b>\$ 74,966</b>  | <b>\$ -</b>       | <b>\$ -</b>            |             | <b>\$ -</b>       |               |
| <b>PUB SAFETY 111F SALARIES</b>      | <b>\$ -</b>       | <b>\$ 151,662</b> | <b>\$ 74,966</b>  | <b>\$ -</b>       | <b>\$ -</b>            |             | <b>\$ -</b>       |               |
| PUB SAF POLICE INDEMNIFICATION       | \$ 9,283          | \$ 55,596         | \$ 52,175         | \$ 25,078         | \$ 50,000              | 50%         | \$ 52,500         | 5.00%         |
| PUB SAFETY FIRE INDEMNIFICATION      | \$ 45,529         | \$ 85,101         | \$ 32,158         | \$ 17,662         | \$ 50,000              | 35%         | \$ 52,500         | 5.00%         |
| <b>PUB SAFETY 111F EXPENSES</b>      | <b>\$ 54,811</b>  | <b>\$ 292,358</b> | <b>\$ 159,299</b> | <b>\$ 42,740</b>  | <b>\$ 100,000</b>      | <b>43%</b>  | <b>\$ 105,000</b> | <b>5.00%</b>  |
| <b>PUB SAFETY 111F TOTAL</b>         | <b>\$ 54,811</b>  | <b>\$ 444,020</b> | <b>\$ 234,266</b> | <b>\$ 42,740</b>  | <b>\$ 100,000</b>      | <b>43%</b>  | <b>\$ 105,000</b> | <b>5.00%</b>  |
| UNEMPLOYMENT-TOWN EMPLOYEES          | \$ 28,880         | \$ 11,597         | \$ 25,856         | \$ 6,159          | \$ 30,000              | 21%         | \$ 40,000         | 33.33%        |
| UNEMPLOYMENT SCHOOL EMPLOYEES        | \$ 50,849         | \$ 80,055         | \$ 62,074         | \$ 28,531         | \$ 65,000              | 44%         | \$ 95,000         | 46.15%        |
| UNEMPLOYMENT PROF REPRESENTATI       | \$ 2,560          | \$ 2,755          | \$ 2,820          | \$ 2,255          | \$ 5,000               | 45%         | \$ 5,000          | 0.00%         |
| <b>UNEMPLOYMENT COMP. EXPENSES</b>   | <b>\$ 82,288</b>  | <b>\$ 94,407</b>  | <b>\$ 90,750</b>  | <b>\$ 36,945</b>  | <b>\$ 100,000</b>      | <b>37%</b>  | <b>\$ 140,000</b> | <b>40.00%</b> |

## Capital & Debt

### Capital (\$2,259,400; +1.8%)

The target baseline capital spending per FINCOM policy for FY18 is \$2.36 million, and the proposed FY18 capital spending is \$2.26 million. This \$100,000 shortfall in funding is purposeful for the third consecutive year in order to assist the Operating budgets per vote of the Finance Committee. The shortfall had been larger in the fall 2016 but \$150,000 of savings in other accommodated costs were directed to capital, since the recent RMHS litigation settlement has negatively impacted the capital plan by over \$3.5 million (debt, including projected interest) during the next ten years. Note that by including recent mid-year capital spending, the FINCOM 5% minimum spending has been achieved.

### Capital Projects:

**\$230,000** for Core Facilities: \$150,000 funding for the Permanent Building Committee; \$40,000 for F-350 Box Truck (2006) and \$40,000 for a Chevy Pickup 2500HD (1999).

**\$84,000** for School Facilities: carpet/flooring at Barrows (\$25,000), Killam (\$24,000); RMHS (\$20,000) and Parker (\$15,000).

**\$69,000** for Town Facilities: \$35,000 for HVAC work at the Pleasant Street Center; \$24,000 for windows and doors in the West Side Fire station; and \$10,000 door repair at the DPW garage.

**\$100,000** for Schools: for large scale technology projects.

**\$140,000** for Administrative Services: \$100,000 for large scale technology projects; \$40,000 for GIS planimetrics for recent flyover data.

**\$15,000** for Public Services: for annual playground improvements program - at Joshua Eaton.

**\$370,000** for Public Safety/Fire: \$190,000 for breathing apparatus – the town has submitted what is described as a very competitive grant application so the share from the

town may decrease; \$45,000 to replace thermal imaging equipment (2010); \$45,000 to replace car #1 (2005); \$45,000 to replace Rescue Tools (2006); \$30,000 for Fire Hoses and \$15,000 for multi-gas meters.

**\$1,251,400** for Public Works: \$400,000 for road repairs (an additional ~ \$600,000 of Chapter 90 grant funds will supplement the road repair budget); \$100,000 for skim coating & seal crack road repairs; \$100,000 in general curb and sidewalk repairs for pedestrian safety; \$50,000 for general parking lot improvements; and the following replacement equipment: \$150,000 sander truck #9 (2004); \$150,000 truck #10 (1996); \$95,000 Screener (1994); \$65,000 truck #24 (2000); \$40,000 Lebot 300L roller (1998); \$32,400 car #4 (1993); \$22,000 SKAG 72" mower (1998); \$20,000 SKAG 61" mower (2008); \$15,000 SKAG 52" mower (1995); and \$12,000 2GV leaf vac (2000).

See the Capital Plan in the Appendix for further details.

**Debt (\$5,057,915; +3.2%)**

The FY18 debt schedule includes an estimated \$390,000 payment as the first on ten installments for the \$3 million RMHS construction settlement that was borrowed. We will borrow permanent debt in June 2017 after Annual Town Meeting sees a debt authorization request from one of the enterprise funds. The most cost effective way to borrow is to aggregate as many issues together as is possible. Note that as has been described, this unexpected debt caused many capital items to be delayed, and in the case of certain recreation projects that delay is several years.

A total of \$2.98 million of this debt is excluded from Proposition 2-1/2, with about equal amounts for the Library and the High School construction projects. The former is fully repaid in FY25, and the latter in FY24.

Inside the tax levy is \$2.06 million of debt as follows:

| FY18 DEBT SCHEDULE        | PRIN             | INT            | TOTAL            |                       |
|---------------------------|------------------|----------------|------------------|-----------------------|
| Energy Improvements       | 335,000          | 85,388         | 420,388          | <i>all buildings</i>  |
| RMHS litigation \$3mil.   | 300,000          | 90,000         | 390,000          | <i>not yet issued</i> |
| Modular class \$1.2 mil.  | 150,000          | 39,000         | 189,000          |                       |
| Wood End*                 | 145,000          | 30,878         | 175,878          |                       |
| West St. \$1.3 mil.       | 130,000          | 33,800         | 163,800          |                       |
| Parker*                   | 150,000          | 2,288          | 152,288          | <i>last payment</i>   |
| Barrows*                  | 120,000          | 25,808         | 145,808          |                       |
| HS Ret. Wall \$0.5 mil.   | 100,000          | 14,000         | 114,000          |                       |
| Killam Green Repair       | 67,000           | 16,750         | 83,750           |                       |
| Ladder truck \$0.8 mil.   | 80,000           | 1,220          | 81,220           | <i>last payment</i>   |
| Downtown Impr \$0.65 mil. | 65,000           | 1,300          | 66,300           | <i>last payment</i>   |
| Birch Mdw Green Repair    | 33,000           | 8,250          | 41,250           |                       |
| Barrows/Wd End*           | 30,000           | 6,552          | 36,552           |                       |
| <b>TOTAL</b>              | <b>1,705,000</b> | <b>355,233</b> | <b>2,060,233</b> |                       |

See the Debt Schedule in the Appendix for further details.

**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 (\$386,000; +0.4%)**

No significant change is expected at Reading's formal district with the Northeast Metro Technical Regional Vocational school in Wakefield. They are evaluating their school building, and significant repairs or replacement 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.

|                                 | FY14<br>ACTUALS   | FY15<br>ACTUALS   | FY16<br>ACTUALS   | FY17<br>ACTUALS   | FY17 REVISED<br>BUDGET | FY17<br>YTD | FY18 TOWN<br>MANAGER<br>BUDGET | PCT<br>CHANGE |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|------------------------|-------------|--------------------------------|---------------|
| REGIONSCH NORTH EAST REG VOKE   | \$ 239,830        | \$ 229,908        | \$ 244,852        | \$ 185,465        | \$ 257,100             | 72%         | \$ 259,650                     | 0.99%         |
| ESSEX NORTH VOKE                | \$ -              | \$ 89,843         | \$ 41,362         | \$ 20,631         | \$ 43,500              | 47%         | \$ 38,400                      | -11.72%       |
| REGIONSCH MINUTEMAN REGVOKE     | \$ 146,289        | \$ 147,249        | \$ 71,928         | \$ 19,974         | \$ 83,750              | 24%         | \$ 87,950                      | 5.01%         |
| <b>VOCATIONAL SCHOOLS TOTAL</b> | <b>\$ 386,119</b> | <b>\$ 467,000</b> | <b>\$ 358,142</b> | <b>\$ 226,070</b> | <b>\$ 384,350</b>      | <b>59%</b>  | <b>\$ 386,000</b>              | <b>0.43%</b>  |

**State Assessments (\$702,425; +9.4% 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 February 2017 based on the Governor's budget.

|                            | FY14<br>ACTUALS  | FY15<br>ACTUALS  | FY16<br>ACTUALS  | FY17<br>ACTUALS  | FY17<br>REVISED<br>BUDGET | FY17<br>YTD | FY18<br>TOWN<br>MANAGER<br>BUDGET | PCT<br>CHANGE |
|----------------------------|------------------|------------------|------------------|------------------|---------------------------|-------------|-----------------------------------|---------------|
| <b>STATE ASSESSMENTS</b>   |                  |                  |                  |                  |                           |             |                                   |               |
| SCHOOL CHOICE TUITION      | \$ 13,400        | \$ 21,647        | \$ 48,149        | \$ 26,382        | \$ 39,800                 | 66%         | \$ 68,018                         | 70.90%        |
| CHARTERSCHOOL TUITION      | \$ 48,416        | \$ 40,905        | \$ 23,972        | \$ 3,757         | \$ 12,400                 | 30%         | \$ 31,369                         | 152.98%       |
| ESSEX AGRICULTURAL TUITION | \$ 12,553        | \$ -             | \$ -             | \$ -             | \$ -                      |             | \$ -                              |               |
| RMV NON RENEWAL            | \$ 14,740        | \$ 14,740        | \$ 14,740        | \$ 7,818         | \$ 14,750                 | 53%         | \$ 16,080                         | 9.02%         |
| AIR POLLUTION CONTROL      | \$ 8,150         | \$ 8,162         | \$ 8,436         | \$ 4,326         | \$ 8,650                  | 50%         | \$ 8,938                          | 3.33%         |
| MAPC                       | \$ 7,991         | \$ 12,596        | \$ 12,531        | \$ 6,424         | \$ 12,850                 | 50%         | \$ 13,087                         | 1.84%         |
| MBTA                       | \$528,555        | \$536,111        | \$542,365        | \$273,879        | \$547,750                 | 50%         | \$ 551,912                        | 0.76%         |
| SPED STATE ASSESSMENT      | \$ 5,432         | \$ 5,668         | \$ 5,495         | \$ -             | \$ 5,900                  | 0%          | \$ 13,021                         | 120.69%       |
| <b>TOTAL ASSESSMENTS</b>   | <b>\$639,237</b> | <b>\$639,829</b> | <b>\$655,688</b> | <b>\$322,586</b> | <b>\$642,100</b>          | <b>50%</b>  | <b>\$ 702,425</b>                 | <b>9.39%</b>  |

While state assessments increased by 9.4% in the Governor's FY18 budget, state aid increased by only 0.9%.

## Administrative Services FY18 Budget

The Administrative Services Department's FY18 budget is increased by 2.3% when compared to the previous year. Excluding some FY18 funding holdbacks for the School department, the budget is about unchanged. Details by Division are shown below:

|                    | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           |             |
|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|-------------|
|                    | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | YTD        | MANAGER BUDGET      | PCT CHANGE  |
| Operations         | \$ 429,409          | \$ 460,109          | \$ 487,291          | \$ 366,523          | \$ 680,865          | 54%        | \$ 641,575          | -5.8%       |
| Town Manager       | \$ 142,857          | \$ 150,148          | \$ 154,184          | \$ 98,085           | \$ 181,325          | 54%        | \$ 176,325          | -2.8%       |
| Selectmen          | \$ 3,186            | \$ 2,599            | \$ 1,870            | \$ 667              | \$ 2,600            | 26%        | \$ 2,600            | 0.0%        |
| Finance Committee  | \$ 52,273           | \$ 64,292           | \$ 54,828           | \$ 35,273           | \$ 56,600           | 62%        | \$ 61,100           | 8.0%        |
| Legal              | \$ 58,873           | \$ 450,397          | \$ 439,972          | \$ 104,181          | \$ 185,000          | 56%        | \$ 225,000          | 21.6%       |
| Property Insurance | \$ 368,969          | \$ 390,283          | \$ 409,382          | \$ 380,606          | \$ 445,000          | 86%        | \$ 445,000          | 0.0%        |
| Human Resources    | \$ 119,544          | \$ 89,279           | \$ 136,101          | \$ 109,796          | \$ 168,250          | 65%        | \$ 169,525          | 0.8%        |
| Technology         | \$ 624,852          | \$ 627,949          | \$ 641,270          | \$ 476,301          | \$ 747,700          | 64%        | \$ 841,725          | 12.6%       |
| Town Clerk         | \$ 115,340          | \$ 122,855          | \$ 126,997          | \$ 78,163           | \$ 133,275          | 59%        | \$ 151,850          | 13.9%       |
| Elections          | \$ 52,590           | \$ 75,147           | \$ 46,094           | \$ 70,624           | \$ 115,100          | 61%        | \$ 64,200           | -44.2%      |
| <b>DEPARTMENT</b>  | <b>\$ 1,967,893</b> | <b>\$ 2,433,058</b> | <b>\$ 2,497,989</b> | <b>\$ 1,720,220</b> | <b>\$ 2,715,715</b> | <b>63%</b> | <b>\$ 2,778,900</b> | <b>2.3%</b> |

### Overview

The Administrative Service department is designed to promote organizational efficiency and communication. The Administrative Services Director (ASD) serves as the department head, and the Human Resources Director serves as the assistant department head.

The role of Ombudsman – an advocate for the public – was thought to be separated from the role of the Town Manager's position many years ago. However due to financial constraints the two roles remained together for many years. Changes to the Charter approved in January 2015 by a Special Town Meeting now requires the Town Manager to appoint someone else within the organization to that role, and the ASD position will formally serve as Ombudsman as well as department head. This position replaced the former Assistant Town Manager/Finance Director.

A breakdown of department Salaries and Expenses are on the next page – these are the two budget lines voted by Town Meeting for most town departments as indicated in the FY18 Spending Scorecard.

| SALARIES           | FY14                | FY15                | FY16                | FY17              | FY17                | FY17       | FY18 TOWN           | PCT           |
|--------------------|---------------------|---------------------|---------------------|-------------------|---------------------|------------|---------------------|---------------|
|                    | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS           | REVISED BUDGET      | YTD        | MANAGER BUDGET      | CHANGE        |
| Operations         | \$ 295,712          | \$ 318,089          | \$ 352,181          | \$ 288,434        | \$ 539,365          | 53%        | \$ 499,075          | -7.47%        |
| Town Manager       | \$ 140,646          | \$ 148,467          | \$ 153,524          | \$ 97,505         | \$ 166,325          | 59%        | \$ 166,325          | 0.00%         |
| Selectmen          | \$ -                | \$ -                | \$ -                | \$ -              | \$ -                |            | \$ -                |               |
| Finance Committee  | \$ -                | \$ -                | \$ -                | \$ -              | \$ -                |            | \$ -                |               |
| Legal              | \$ -                | \$ -                | \$ -                | \$ -              | \$ -                |            | \$ -                |               |
| Property Insurance | \$ -                | \$ -                | \$ -                | \$ -              | \$ -                |            | \$ -                |               |
| Human Resources    | \$ 98,181           | \$ 71,082           | \$ 98,460           | \$ 83,889         | \$ 141,250          | 59%        | \$ 145,025          | 2.67%         |
| Technology         | \$ 278,886          | \$ 268,823          | \$ 292,402          | \$ 186,881        | \$ 317,500          | 59%        | \$ 325,825          | 2.62%         |
| Town Clerk         | \$ 115,040          | \$ 122,855          | \$ 126,997          | \$ 78,163         | \$ 133,275          | 59%        | \$ 136,850          | 2.68%         |
| Elections          | \$ 27,963           | \$ 39,240           | \$ 20,315           | \$ 57,686         | \$ 73,600           | 78%        | \$ 27,200           | -63.04%       |
| <b>SALARIES</b>    | <b>\$ 956,428</b>   | <b>\$ 968,556</b>   | <b>\$ 1,043,880</b> | <b>\$ 792,558</b> | <b>\$ 1,371,315</b> | <b>58%</b> | <b>\$ 1,300,300</b> | <b>-5.18%</b> |
| <b>EXPENSES</b>    |                     |                     |                     |                   |                     |            |                     |               |
| Operations         | \$ 133,697          | \$ 142,021          | \$ 135,110          | \$ 78,089         | \$ 141,500          | 55%        | \$ 142,500          | 0.71%         |
| Town Manager       | \$ 2,211            | \$ 1,681            | \$ 659              | \$ 580            | \$ 15,000           | 4%         | \$ 10,000           | -33.33%       |
| Selectmen          | \$ 3,186            | \$ 2,599            | \$ 1,870            | \$ 667            | \$ 2,600            | 26%        | \$ 2,600            | 0.00%         |
| Finance Committee  | \$ 52,273           | \$ 64,292           | \$ 54,828           | \$ 35,273         | \$ 56,600           | 62%        | \$ 61,100           | 7.95%         |
| Legal              | \$ 58,873           | \$ 450,397          | \$ 439,972          | \$ 104,181        | \$ 185,000          | 56%        | \$ 225,000          | 21.62%        |
| Property Insurance | \$ 368,969          | \$ 390,283          | \$ 409,382          | \$ 380,606        | \$ 445,000          | 86%        | \$ 445,000          | 0.00%         |
| Human Resources    | \$ 21,363           | \$ 18,197           | \$ 37,641           | \$ 25,908         | \$ 27,000           | 96%        | \$ 24,500           | -9.26%        |
| Technology         | \$ 345,967          | \$ 359,126          | \$ 348,868          | \$ 289,420        | \$ 430,200          | 67%        | \$ 515,900          | 19.92%        |
| Town Clerk         | \$ 300              | \$ -                | \$ -                | \$ -              | \$ -                |            | \$ 15,000           |               |
| Elections          | \$ 24,627           | \$ 35,907           | \$ 25,779           | \$ 12,938         | \$ 41,500           | 31%        | \$ 37,000           | -10.84%       |
| <b>EXPENSES</b>    | <b>\$ 1,011,465</b> | <b>\$ 1,464,502</b> | <b>\$ 1,454,109</b> | <b>\$ 927,662</b> | <b>\$ 1,344,400</b> | <b>69%</b> | <b>\$ 1,478,600</b> | <b>9.98%</b>  |

As was mentioned in the Town Manager's Budget Message, one-time expenses were funded in the FY18 budget in order to minimize staff reductions in FY19. In the table above, \$95,000 of such items are included in both Technology and the Town Clerk's office and will be described in those following sections. Without these one-time items, FY18 expenses are up +2.9% in this budget.

**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 \$176,513 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.

**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.

| OPERATIONS DIVISION            | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT           |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                                | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE        |
| ADMIN SERVICES DIRECTOR        | \$ -              | \$ 15,282         | \$ 97,436         | \$ 59,869         | \$ 101,400        | 59%        | \$ 103,625        | 2.19%         |
| OPS BUSINESS ADMINISTRATOR     | \$ 67,765         | \$ 74,944         | \$ 43,289         | \$ 46,421         | \$ 80,115         | 58%        | \$ 80,700         | 0.73%         |
| OPS PROCUREMENT OFFICER        | \$ 33,273         | \$ -              | \$ 5,284          | \$ 41,793         | \$ 71,500         | 58%        | \$ 73,350         | 2.59%         |
| OPERATIONS SPECIALIST          | \$ 10,593         | \$ 24,342         | \$ 3,389          | \$ 4,352          | \$ 40,000         | 11%        | \$ 20,000         | -50.00%       |
| EXECUTIVE ASSISTANT            | \$ 61,062         | \$ 63,653         | \$ 69,532         | \$ 41,711         | \$ 70,300         | 59%        | \$ 66,700         | -5.12%        |
| AS SR ADMINISTRATIVE ASSISTANT | \$ -              | \$ 21,323         | \$ 47,246         | \$ 28,958         | \$ 49,775         | 58%        | \$ 51,125         | 2.71%         |
| AS ADMINISTRATIVE ASSISTANT    | \$ 11,065         | \$ 19,409         | \$ 43,248         | \$ 26,319         | \$ 45,225         | 58%        | \$ 46,450         | 2.71%         |
| AS ADMINISTRATIVE SECRETARY    | \$ 51,954         | \$ 42,798         | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| OPS ADMINISTRATIVE SECRETARY   | \$ -              | \$ (2)            | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| AS CLERK                       | \$ 47,608         | \$ 41,543         | \$ 37,261         | \$ 32,383         | \$ 42,050         | 77%        | \$ 42,625         | 1.37%         |
| PAY & CLASS FUNDING            | \$ -              | \$ -              | \$ -              | \$ -              | \$ 23,350         | 0%         | \$ -              | -100.00%      |
| OPS WAGES OVERTIME             | \$ 6,516          | \$ 11,531         | \$ 4,812          | \$ 5,514          | \$ 8,000          | 69%        | \$ 8,000          | 0.00%         |
| OPS WAGES TEMP                 | \$ 5,876          | \$ 3,266          | \$ 686            | \$ 1,117          | \$ 7,650          | 15%        | \$ 6,500          | -15.03%       |
| <b>SALARIES</b>                | <b>\$ 295,712</b> | <b>\$ 318,089</b> | <b>\$ 352,181</b> | <b>\$ 288,434</b> | <b>\$ 539,365</b> | <b>53%</b> | <b>\$ 499,075</b> | <b>-7.47%</b> |

FY18 reductions include cutting the Operations Specialist position (some long-term projects have been on hold due to funding concerns); leaving \$23,350 unspent from the non-union pay & classification funding in order to avoid further future layoffs; and a slight reduction in hours for the High School student temp office position. Note the shaded positions above were vacant for periods of time and returned unspent budgeted wages to the general fund, which explains actual spending at lower than budgeted levels by more than \$100,000 for a few years.

| OPERATIONS DIVISION              | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT           |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                                  | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE        |
| OPS OFFICE EQUIP REPAIR          | \$ 1,056          | \$ 801            | \$ 160            | \$ 595            | \$ 1,000          | 60%        | \$ 1,000          | 0.00%         |
| OPS ADVERTISING                  | \$ -              | \$ -              | \$ 152            | \$ -              | \$ -              |            | \$ -              |               |
| OPS PRINTING SERVICES            | \$ 1,141          | \$ 7,047          | \$ 751            | \$ 751            | \$ 3,000          | 25%        | \$ 3,000          | 0.00%         |
| OPS PAY AND CLASS STUDY          | \$ 1,926          | \$ -              | \$ (5,900)        | \$ -              | \$ -              |            | \$ -              |               |
| OPS PROF DEV/TRAINING            | \$ 1,251          | \$ 4,347          | \$ 6,459          | \$ 4,358          | \$ 5,000          | 87%        | \$ 5,000          | 0.00%         |
| OPS DUES/MEMBERSHIPS             | \$ 5,380          | \$ 5,730          | \$ 6,660          | \$ 6,598          | \$ 8,500          | 78%        | \$ 8,000          | -5.88%        |
| OPS PROF DEV REGISTRATION        | \$ 13,760         | \$ 632            | \$ 612            | \$ 500            | \$ 2,000          | 25%        | \$ 1,000          | -50.00%       |
| OPS PROF DEV - TRAVEL            | \$ 544            | \$ 1,815          | \$ 2,878          | \$ 2,788          | \$ -              |            | \$ 2,500          | 100.00%       |
| OPS SUPPLIES/EQUIPMENT           | \$ 300            | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| OPS OFFICE SUPPLIES              | \$ 3,070          | \$ 6,630          | \$ 4,669          | \$ 3,394          | \$ 4,000          | 85%        | \$ 4,000          | 0.00%         |
| OPS SUPPLIES COPIER              | \$ 5,880          | \$ 6,974          | \$ 7,085          | \$ 4,279          | \$ 8,000          | 53%        | \$ 8,000          | 0.00%         |
| OPS LEASE COPIER                 | \$ 24,832         | \$ 26,728         | \$ 28,256         | \$ 15,401         | \$ 30,000         | 51%        | \$ 30,000         | 0.00%         |
| OPS POSTAGE                      | \$ 33,599         | \$ 81,517         | \$ 83,328         | \$ 39,424         | \$ 80,000         | 49%        | \$ 80,000         | 0.00%         |
| OPS POSTAGE FOR BILLING          | \$ 40,957         | \$ (200)          | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| <b>EXPENSES</b>                  | <b>\$ 133,697</b> | <b>\$ 142,021</b> | <b>\$ 135,110</b> | <b>\$ 78,089</b>  | <b>\$ 141,500</b> | <b>55%</b> | <b>\$ 142,500</b> | <b>0.71%</b>  |
| <b>OPERATIONS DIVISION TOTAL</b> | <b>\$ 429,409</b> | <b>\$ 460,109</b> | <b>\$ 487,291</b> | <b>\$ 366,523</b> | <b>\$ 680,865</b> | <b>54%</b> | <b>\$ 641,575</b> | <b>-5.77%</b> |

**Town Manager's Office** includes the divisions of Selectmen, Finance Committee, Law and Property Insurance: These divisions all conduct activities that are central to the organization, often including the School department and occasionally the Light department. Note that the Finance Committee has a \$150,000 Reserve Fund that is not a part of this budget and is voted separately.

|                                 | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT           |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
| TOWN MANAGER                    | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE        |
| TOWN MANAGER                    | \$ 140,646        | \$ 148,467        | \$ 153,524        | \$ 97,505         | \$ 166,325        | 59%        | \$ 166,325        | 0.00%         |
| TOWN MGR SALARIES               | \$ 140,646        | \$ 148,467        | \$ 153,524        | \$ 97,505         | \$ 166,325        | 59%        | \$ 166,325        | 0.00%         |
| TOWN MGR RESERVE FUND           | \$ 2,211          | \$ 1,681          | \$ 659            | \$ 580            | \$ 15,000         | 4%         | \$ 10,000         | -33.33%       |
| TOWN MGR EXPENSES               | \$ 2,211          | \$ 1,681          | \$ 659            | \$ 580            | \$ 15,000         | 4%         | \$ 10,000         | -33.33%       |
| <b>TOWN MGR TOTAL</b>           | <b>\$ 142,857</b> | <b>\$ 150,148</b> | <b>\$ 154,184</b> | <b>\$ 98,085</b>  | <b>\$ 181,325</b> | <b>54%</b> | <b>\$ 176,325</b> | <b>-2.76%</b> |
| <b>SELECTMEN</b>                |                   |                   |                   |                   |                   |            |                   |               |
| SELECTMEN ADVERTISING           | \$ 2,275          | \$ 2,052          | \$ 1,832          | \$ 667            | \$ 2,000          | 33%        | \$ 2,000          | 0.00%         |
| SELECTMEN OTHER                 | \$ 911            | \$ 547            | \$ 38             | \$ -              | \$ 600            | 0%         | \$ 600            | 0.00%         |
| SELECTMEN EXPENSES              | \$ 3,186          | \$ 2,599          | \$ 1,870          | \$ 667            | \$ 2,600          | 26%        | \$ 2,600          | 0.00%         |
| <b>SELECTMEN TOTAL</b>          | <b>\$ 3,186</b>   | <b>\$ 2,599</b>   | <b>\$ 1,870</b>   | <b>\$ 667</b>     | <b>\$ 2,600</b>   | <b>26%</b> | <b>\$ 2,600</b>   | <b>0.00%</b>  |
| <b>FINANCE COMMITTEE</b>        |                   |                   |                   |                   |                   |            |                   |               |
| FINCOM FINANCIAL AUDIT          | \$ 52,000         | \$ 63,780         | \$ 54,500         | \$ 35,000         | \$ 56,000         | 63%        | \$ 60,500         | 8.04%         |
| FINCOM PROF DEV/TRAINING        | \$ 273            | \$ 512            | \$ 328            | \$ 273            | \$ 600            | 46%        | \$ 600            | 0.00%         |
| FINCOM EXPENSES                 | \$ 52,273         | \$ 64,292         | \$ 54,828         | \$ 35,273         | \$ 56,600         | 62%        | \$ 61,100         | 7.95%         |
| <b>FINCOM TOTAL</b>             | <b>\$ 52,273</b>  | <b>\$ 64,292</b>  | <b>\$ 54,828</b>  | <b>\$ 35,273</b>  | <b>\$ 56,600</b>  | <b>62%</b> | <b>\$ 61,100</b>  | <b>7.95%</b>  |
| <b>LEGAL</b>                    |                   |                   |                   |                   |                   |            |                   |               |
| LAW LEGAL COUNSEL               | \$ 44,715         | \$ 265,230        | \$ 155,619        | \$ 79,734         | \$ 160,000        | 50%        | \$ 200,000        | 25.00%        |
| LAW LABOR COUNSEL               | \$ 14,158         | \$ 7,700          | \$ 4,958          | \$ 8,703          | \$ 25,000         | 35%        | \$ 25,000         | 0.00%         |
| TLT LITIGATION                  | \$ -              | \$ 177,467        | \$ 154,395        | \$ 15,744         | \$ -              |            | \$ -              |               |
| LEGAL SETTLEMENT                | \$ -              | \$ -              | \$ 125,000        | \$ -              | \$ -              |            | \$ -              |               |
| LEGAL EXPENSES                  | \$ 58,873         | \$ 450,397        | \$ 439,972        | \$ 104,181        | \$ 185,000        | 56%        | \$ 225,000        | 21.62%        |
| <b>LEGAL TOTAL</b>              | <b>\$ 58,873</b>  | <b>\$ 450,397</b> | <b>\$ 439,972</b> | <b>\$ 104,181</b> | <b>\$ 185,000</b> | <b>56%</b> | <b>\$ 225,000</b> | <b>21.62%</b> |
| <b>PROPERTY INSURANCE</b>       |                   |                   |                   |                   |                   |            |                   |               |
| LIABIL INS PROF CONSULTANT      | \$ -              | \$ -              | \$ 705            | \$ -              | \$ -              |            | \$ -              |               |
| PROP & CASUALTY INSURANCE       | \$ 349,087        | \$ 364,208        | \$ 393,023        | \$ 380,606        | \$ 410,000        | 93%        | \$ 415,000        | 1.22%         |
| LIABIL INS DEDUCTIBLES/CLAIMS   | \$ 19,882         | \$ 26,075         | \$ 15,653         | \$ -              | \$ 35,000         | 0%         | \$ 30,000         | -14.29%       |
| PROPERTY INSURANCE EXPENSES     | \$ 368,969        | \$ 390,283        | \$ 409,382        | \$ 380,606        | \$ 445,000        | 86%        | \$ 445,000        | 0.00%         |
| <b>PROPERTY INSURANCE TOTAL</b> | <b>\$ 368,969</b> | <b>\$ 390,283</b> | <b>\$ 409,382</b> | <b>\$ 380,606</b> | <b>\$ 445,000</b> | <b>86%</b> | <b>\$ 445,000</b> | <b>0.00%</b>  |

Reductions in FY18 include the Town Manager's Reserve fund, which is important to supplement town budget line items for unanticipated small costs, and also for small community projects such as a recent Girl Scout Gold Award trail map of the town. Increases are seen in the annual audit and anticipated Town Counsel expenses.

**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.

|                                 | FY14              | FY15             | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         |               |
|---------------------------------|-------------------|------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                                 | ACTUALS           | ACTUALS          | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | PCT CHANGE    |
| <b>HUMAN RESOURCES</b>          |                   |                  |                   |                   |                   |            |                   |               |
| HR DIRECTOR/ASST DEPT HEAD      | \$ 98,181         | \$ 71,082        | \$ 75,866         | \$ 46,628         | \$ 78,600         | 59%        | \$ 80,700         | 2.67%         |
| HR GENERALIST                   | \$ -              | \$ -             | \$ 22,594         | \$ 37,261         | \$ 62,650         | 59%        | \$ 64,325         | 2.67%         |
| <b>HUMAN RESOURCES SALARIES</b> | <b>\$ 98,181</b>  | <b>\$ 71,082</b> | <b>\$ 98,460</b>  | <b>\$ 83,889</b>  | <b>\$ 141,250</b> | <b>59%</b> | <b>\$ 145,025</b> | <b>2.67%</b>  |
| HR PROF/TECH SV                 | \$ 6,650          | \$ -             | \$ 14,145         | \$ 17,991         | \$ 7,500          | 240%       | \$ 5,000          | -33.33%       |
| HR ADVERTISING                  | \$ 3,659          | \$ 3,170         | \$ 3,635          | \$ 2,303          | \$ 5,000          | 46%        | \$ 5,000          | 0.00%         |
| PRE-EMPLOYMENT COSTS            | \$ 6              | \$ -             | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| HR EMPLOYEE PHYSICALS           | \$ 11,048         | \$ 13,732        | \$ 16,661         | \$ 4,195          | \$ 12,000         | 35%        | \$ 12,000         | 0.00%         |
| DOT CERTIFICATIONS              | \$ -              | \$ 1,295         | \$ 3,199          | \$ 1,419          | \$ 2,500          | 57%        | \$ 2,500          | 0.00%         |
| <b>HUMAN RESOURCES EXPENSES</b> | <b>\$ 21,363</b>  | <b>\$ 18,197</b> | <b>\$ 37,641</b>  | <b>\$ 25,908</b>  | <b>\$ 27,000</b>  | <b>96%</b> | <b>\$ 24,500</b>  | <b>-9.26%</b> |
| <b>HUMAN RESOURCES TOTAL</b>    | <b>\$ 119,544</b> | <b>\$ 89,279</b> | <b>\$ 136,101</b> | <b>\$ 109,796</b> | <b>\$ 168,250</b> | <b>65%</b> | <b>\$ 169,525</b> | <b>0.76%</b>  |

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.

**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.

|                               | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         |              |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                               | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | PCT CHANGE   |
| <b>TECHNOLOGY</b>             |                   |                   |                   |                   |                   |            |                   |              |
| TECHNOLOGY DIRECTOR           | \$ 87,626         | \$ 92,924         | \$ 100,194        | \$ 64,858         | \$ 103,300        | 63%        | \$ 106,100        | 2.71%        |
| COMPUTER TECHNICIAN           | \$ 109,469        | \$ 76,170         | \$ 95,205         | \$ 69,281         | \$ 123,350        | 56%        | \$ 126,725        | 2.74%        |
| GIS ADMINISTRATOR             | \$ 66,900         | \$ 69,304         | \$ 72,029         | \$ 44,268         | \$ 78,850         | 56%        | \$ 81,000         | 2.73%        |
| TECH OVERTIME                 | \$ 14,891         | \$ 29,257         | \$ 24,974         | \$ 8,474          | \$ 12,000         | 71%        | \$ 12,000         | 0.00%        |
| TECHNOLOGY SICK LEAVE BUYBACK | \$ -              | \$ 1,168          | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| <b>TECHNOLOGY SALARIES</b>    | <b>\$ 278,886</b> | <b>\$ 268,823</b> | <b>\$ 292,402</b> | <b>\$ 186,881</b> | <b>\$ 317,500</b> | <b>59%</b> | <b>\$ 325,825</b> | <b>2.62%</b> |

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.

| TECHNOLOGY                              | FY14<br>ACTUALS   | FY15<br>ACTUALS   | FY16<br>ACTUALS   | FY17<br>ACTUALS   | FY17              | FY18 TOWN   | PCT<br>CHANGE     |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------|-------------------|-------------------|
|   |                   |                   |                   |                   | REVISED<br>BUDGET | FY17<br>YTD |                   | MANAGER<br>BUDGET |
| PHONE LANDLINES                         | \$ 40,434         | \$ 39,664         | \$ 45,762         | \$ 26,760         | \$ 45,000         | 59%         | \$ 45,000         | 0.00%             |
| PHONE WIRELESS                          | \$ 32,848         | \$ 38,076         | \$ 41,023         | \$ 25,750         | \$ 45,000         | 57%         | \$ 45,000         | 0.00%             |
| TECH MAINT CONTRACT/REPAIR              | \$ 6,205          | \$ 3,600          | \$ 9,463          | \$ 11,306         | \$ 7,000          | 162%        | \$ 7,000          | 0.00%             |
| TECH PROF/TECH SV                       | \$ -              | \$ 317            | \$ 804            | \$ -              | \$ 3,000          | 0%          | \$ 3,000          | 0.00%             |
| TECH PROF/TECH MAIL/DELIVERY S          | \$ -              | \$ 16             | \$ -              | \$ -              | \$ -              |             | \$ -              |                   |
| INTERNET SERVICE PROVIDER               | \$ -              | \$ 125            | \$ -              | \$ -              | \$ -              |             | \$ -              |                   |
| TECH LICENSE & SUPPORT                  | \$ 8,722          | \$ 13,904         | \$ 17,492         | \$ 23,783         | \$ 10,000         | 238%        | \$ 10,000         | 0.00%             |
| TECH MICROSOFT SERVER SUPPORT           | \$ 1,116          | \$ 1,215          | \$ -              | \$ -              | \$ 1,500          | 0%          | \$ 1,500          | 0.00%             |
| *TECH MICROSOFT OFFICE UPGRADE          |                   |                   |                   |                   |                   |             | \$ 40,000         | 100.00%           |
| TECH TONER CARTRIDGES                   | \$ 10,994         | \$ 10,719         | \$ 13,596         | \$ 4,228          | \$ 15,000         | 28%         | \$ 15,000         | 0.00%             |
| TECH OFF SUPPLIES PAPER                 | \$ -              | \$ 48             | \$ -              | \$ -              | \$ -              |             | \$ -              |                   |
| TECH COMPUTER PARTS & SUPPLIES          | \$ 16,999         | \$ 25,764         | \$ 18,379         | \$ 9,866          | \$ 25,000         | 39%         | \$ 25,000         | 0.00%             |
| TECH PC HARDWARE                        | \$ 55,905         | \$ 19,265         | \$ 13,983         | \$ 13,342         | \$ 35,000         | 38%         | \$ 65,000         | 85.71%            |
| TECH NETWORK HARDWARE                   | \$ 11,015         | \$ 9,630          | \$ 3,297          | \$ 35             | \$ 13,000         | 0%          | \$ 23,000         | 76.92%            |
| TECH GIS SUPPLIES                       | \$ -              | \$ -              | \$ -              | \$ -              | \$ 1,000          | 0%          | \$ 1,000          | 0.00%             |
| TECH PC SOFTWARE                        | \$ 440            | \$ -              | \$ 6,300          | \$ -              | \$ -              |             | \$ -              |                   |
| TECH MILEAGE REIMBURSEMENT              | \$ 105            | \$ -              | \$ 52             | \$ -              | \$ -              |             | \$ -              |                   |
| <b>TECHNOLOGY PARTS &amp; EQUIPMENT</b> | <b>\$ 184,781</b> | <b>\$ 162,344</b> | <b>\$ 170,152</b> | <b>\$ 115,069</b> | <b>\$ 200,500</b> | <b>57%</b>  | <b>\$ 280,500</b> | <b>39.90%</b>     |
| MUNIS FINANCIAL SYS                     | \$ 64,665         | \$ 67,880         | \$ 69,443         | \$ 73,385         | \$ 75,000         | 98%         | \$ 78,000         | 4.00%             |
| ADMINS FINANCIAL SYS                    | \$ 1,800          | \$ 1,920          | \$ 2,040          | \$ 2,190          | \$ 2,000          | 110%        | \$ 2,500          | 25.00%            |
| DOCUMENT STORAGE SYS                    | \$ 13,611         | \$ 13,611         | \$ 13,611         | \$ -              | \$ 15,000         | 0%          | \$ 15,000         | 0.00%             |
| WEBSITE SYS                             | \$ 4,400          | \$ 4,400          | \$ 10,400         | \$ -              | \$ 6,000          | 0%          | \$ 6,000          | 0.00%             |
| PUBLIC SAFETY SYS                       | \$ 31,143         | \$ 35,296         | \$ 20,358         | \$ 25,707         | \$ 36,000         | 71%         | \$ 36,000         | 0.00%             |
| EMERGENCY COMMUNICATION SYS             | \$ 9,900          | \$ 9,900          | \$ 9,900          | \$ 9,919          | \$ 13,000         | 76%         | \$ 13,000         | 0.00%             |
| RESIDENT COMMUNICATION SYS              | \$ -              | \$ -              | \$ 4,900          | \$ 4,900          | \$ 5,000          | 98%         | \$ 5,000          | 0.00%             |
| ELDER/HUMAN SVC MONITOR SYS             | \$ -              | \$ -              | \$ -              | \$ 1,800          | \$ 2,000          | 90%         | \$ 2,000          | 0.00%             |
| PERMITS & LICENSING SYS                 | \$ 25,135         | \$ 34,507         | \$ 25,135         | \$ 26,392         | \$ 28,000         | 94%         | \$ 30,000         | 7.14%             |
| GIS SYS                                 | \$ 1,232          | \$ 18,726         | \$ 11,503         | \$ 14,142         | \$ 29,000         | 49%         | \$ 29,000         | 0.00%             |
| ASSESSOR FINANCIAL SYS                  | \$ 7,500          | \$ 8,500          | \$ 9,000          | \$ 7,775          | \$ 8,800          | 88%         | \$ 9,000          | 2.27%             |
| FACILITIES WORK ORDER SYS               | \$ -              | \$ -              | \$ -              | \$ 6,341          | \$ 7,500          | 85%         | \$ 7,500          | 0.00%             |
| CEMETERY SYS                            | \$ 1,800          | \$ 2,040          | \$ 2,425          | \$ 1,800          | \$ 2,400          | 75%         | \$ 2,400          | 0.00%             |
| <b>TECHNOLOGY SYSTEM LICENSES</b>       | <b>\$ 161,185</b> | <b>\$ 196,781</b> | <b>\$ 178,716</b> | <b>\$ 174,351</b> | <b>\$ 229,700</b> | <b>76%</b>  | <b>\$ 235,400</b> | <b>2.48%</b>      |
| <b>TECHNOLOGY EXPENSES</b>              | <b>\$ 345,967</b> | <b>\$ 359,126</b> | <b>\$ 348,868</b> | <b>\$ 289,420</b> | <b>\$ 430,200</b> | <b>67%</b>  | <b>\$ 515,900</b> | <b>19.92%</b>     |
| <b>TECHNOLOGY TOTAL</b>                 | <b>\$ 624,852</b> | <b>\$ 627,949</b> | <b>\$ 641,270</b> | <b>\$ 476,301</b> | <b>\$ 747,700</b> | <b>64%</b>  | <b>\$ 841,725</b> | <b>12.58%</b>     |

Three technology one-time projects for a total of \$80,000 are included in the parts & equipment section above. The \$40,000 Office upgrade is noted (\*) because it is a holdback for the FY18 school budget. Increases in PC hardware (\$30,000 for rugged field tablets for DPW) and in Network hardware (a \$10,000 upgrade to the town's firewall) are shown above. Otherwise this section is level funded for FY18. System licenses have modest annual increases.

**Town Clerk 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.

|                                | FY14              | FY15              | FY16              | FY17             | FY17              | FY17       | FY18 TOWN         | PCT            |
|--------------------------------|-------------------|-------------------|-------------------|------------------|-------------------|------------|-------------------|----------------|
|                                | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS          | REVISED           | YTD        | MANAGER           | CHANGE         |
| TOWN CLERK OFFICE              |                   |                   |                   |                  | BUDGET            |            | BUDGET            |                |
| TOWN CLERK                     | \$ 67,671         | \$ 72,920         | \$ 77,677         | \$ 47,732        | \$ 80,450         | 59%        | \$ 82,625         | 2.70%          |
| ASST TOWN CLERK                | \$ 47,369         | \$ 49,935         | \$ 49,320         | \$ 30,431        | \$ 52,825         | 58%        | \$ 54,225         | 2.65%          |
| TOWN CLERK OFFICE SALARIES     | \$ 115,040        | \$ 122,855        | \$ 126,997        | \$ 78,163        | \$ 133,275        | 59%        | \$ 136,850        | 2.68%          |
| *TOWN CLERK PROF/TECH SV       | \$ 300            | \$ -              | \$ -              | \$ -             | \$ -              | \$ -       | \$ 15,000         | 100.00%        |
| TOWN CLERK OFFICE EXPENSES     | \$ 300            | \$ -              | \$ -              | \$ -             | \$ -              | \$ -       | \$ 15,000         | 100.00%        |
| <b>TOWN CLERK OFFICE TOTAL</b> | <b>\$ 115,340</b> | <b>\$ 122,855</b> | <b>\$ 126,997</b> | <b>\$ 78,163</b> | <b>\$ 133,275</b> | <b>59%</b> | <b>\$ 151,850</b> | <b>13.94%</b>  |
| <b>ELECTIONS</b>               |                   |                   |                   |                  |                   |            |                   |                |
| ELECT REGISTRAR SALARY         | \$ 1,594          | \$ 1,599          | \$ 2,029          | \$ 1,066         | \$ 2,000          | 53%        | \$ 2,000          | 0.00%          |
| ELECTION WORKERS               | \$ 25,948         | \$ 41,404         | \$ 20,771         | \$ 56,172        | \$ 75,000         | 75%        | \$ 25,000         | -66.67%        |
| TOWN MEETING MONITOR           | \$ 421            | \$ 1,037          | \$ 215            | \$ 448           | \$ 2,000          | 22%        | \$ 2,000          | 0.00%          |
| ELECTIONS STATE GRANT SUPPORT  | \$ -              | \$ (4,800)        | \$ (2,700)        | \$ -             | \$ (5,400)        | 0%         | \$ (1,800)        | -66.67%        |
| ELECTIONS SALARIES             | \$ 27,963         | \$ 39,240         | \$ 20,315         | \$ 57,686        | \$ 73,600         | 78%        | \$ 27,200         | -63.04%        |
| ELECT ADVERTISING              | \$ 4,830          | \$ 6,603          | \$ 8,312          | \$ 1,188         | \$ 9,000          | 13%        | \$ 9,000          | 0.00%          |
| ELECT PRINTING TOWN MEETING    | \$ 1,600          | \$ 5,194          | \$ 1,600          | \$ 1,200         | \$ 4,500          | 27%        | \$ 4,500          | 0.00%          |
| ELECT CENSUS EXPENSES          | \$ 7,869          | \$ 8,298          | \$ 3,554          | \$ 782           | \$ 5,000          | 16%        | \$ 5,000          | 0.00%          |
| ELECT BALLOT PROGRAMMING       | \$ 544            | \$ 10,247         | \$ 10,418         | \$ 6,188         | \$ 10,000         | 62%        | \$ 10,000         | 0.00%          |
| ELECT PROF/TECH SERVICES       | \$ 6,520          | \$ 1,800          | \$ 45             | \$ -             | \$ 3,000          | 0%         | \$ 3,000          | 0.00%          |
| ELECT SUPPLIES/EQUIPMENT       | \$ 715            | \$ 251            | \$ -              | \$ 41            | \$ 3,000          | 1%         | \$ 3,000          | 0.00%          |
| ELECTIONS - MEALS FOR WORKERS  | \$ 2,549          | \$ 3,513          | \$ 1,850          | \$ 3,539         | \$ 7,000          | 51%        | \$ 2,500          | -64.29%        |
| ELECTIONS EXPENSES             | \$ 24,627         | \$ 35,907         | \$ 25,779         | \$ 12,938        | \$ 41,500         | 31%        | \$ 37,000         | -10.84%        |
| <b>ELECTIONS TOTAL</b>         | <b>\$ 52,590</b>  | <b>\$ 75,147</b>  | <b>\$ 46,094</b>  | <b>\$ 70,624</b> | <b>\$ 115,100</b> | <b>61%</b> | <b>\$ 64,200</b>  | <b>-44.22%</b> |

Note the \$15,000 professional/technical line is noted (\*) because it is a holdback for the FY18 school budget. The Town Clerk's Office has some very old documents, and recent advances in technology have produced amazing restorations. A community-wide historic document project was outlined by the Town Manager in the spring of 2017, and a grant application has been made by the Library Director. Hopefully this effort above will be able to continue in the future for the benefit of current and future Reading residents.

A reduction from three budgeted elections to one budgeted election is shown above, representing a cut equivalent to between 1-2 FTE positions. In FY17 the town needed to find an extra \$50,000 within its budget in order to fund these extra elections. Perhaps one annual local election should be baseline funded in the town budget, and additional elections then be included in accommodated costs each year, in order to remove the volatility from the town's election budget.

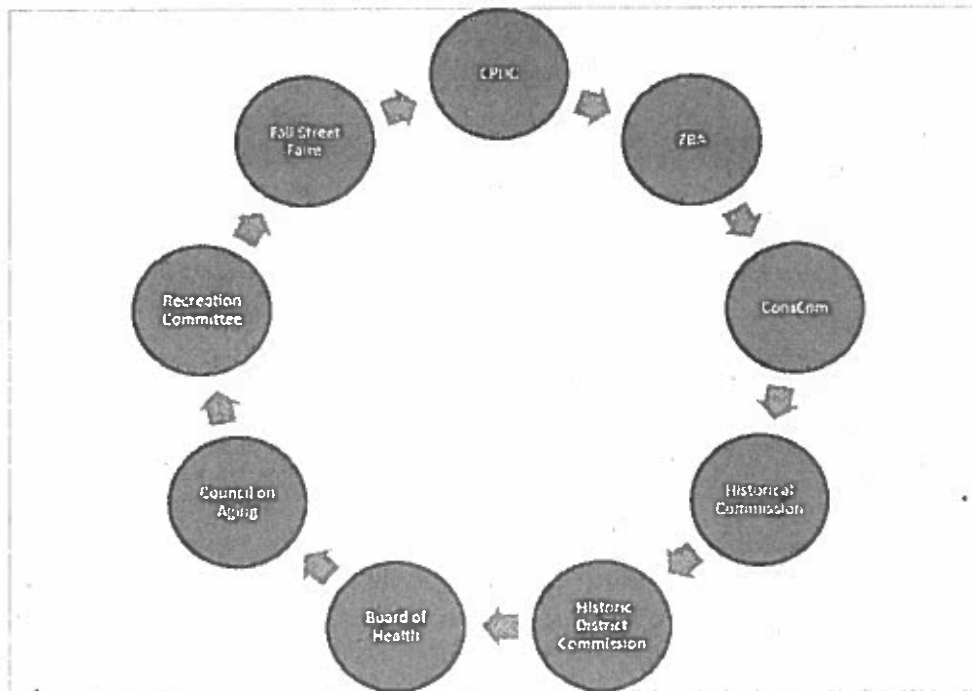
## Public Services FY18 Budget

The Public Services Department's FY18 budget is decreased by 0.5% when compared to the previous year. Details by Division are shown below:

|                       | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           | PCT           |
|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|---------------|
|                       | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED             | YTD        | MANAGER             | CHANGE        |
|                       |                     |                     |                     |                     | BUDGET              |            | BUDGET              |               |
| PS Administration     | \$ 318,304          | \$ 336,661          | \$ 362,685          | \$ 212,110          | \$ 352,949          | 60%        | \$ 371,350          | 5.21%         |
| Conservation          | \$ 33,087           | \$ 38,203           | \$ 56,496           | \$ 37,177           | \$ 61,900           | 60%        | \$ 63,625           | 2.79%         |
| Planning              | \$ 66,268           | \$ 103,691          | \$ 147,624          | \$ 146,093          | \$ 181,501          | 80%        | \$ 203,450          | 12.09%        |
| Inspectional Services | \$ 107,658          | \$ 124,742          | \$ 126,767          | \$ 90,584           | \$ 132,450          | 68%        | \$ 140,950          | 6.42%         |
| Historical            | \$ 87               | \$ 306              | \$ 249              | \$ 230              | \$ 1,500            | 15%        | \$ 1,500            | 0.00%         |
| Health                | \$ 230,516          | \$ 202,738          | \$ 230,943          | \$ 152,138          | \$ 246,175          | 62%        | \$ 245,775          | -0.16%        |
| Elder/Human Services  | \$ 160,435          | \$ 160,239          | \$ 168,008          | \$ 147,030          | \$ 219,350          | 67%        | \$ 206,550          | -5.84%        |
| Veterans              | \$ 207,560          | \$ 224,067          | \$ 238,492          | \$ 151,541          | \$ 293,975          | 52%        | \$ 304,500          | 3.58%         |
| Recreation            | \$ 152,505          | \$ 146,039          | \$ 135,469          | \$ 63,725           | \$ 151,775          | 42%        | \$ 95,425           | -37.13%       |
| <b>DEPARTMENT</b>     | <b>\$ 1,276,419</b> | <b>\$ 1,336,685</b> | <b>\$ 1,466,733</b> | <b>\$ 1,000,627</b> | <b>\$ 1,641,575</b> | <b>61%</b> | <b>\$ 1,633,125</b> | <b>-0.51%</b> |

### 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 (ATM) 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. Volunteer Boards and Committees are a vital part of the department as shown above.

**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.

**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.

A breakdown of department Salaries and Expenses are shown below – these are the two budget lines voted by Town Meeting. Four staffing changes are proposed by this budget: in Administration, the reduction of the Office Manager to part-time and the addition of an Administrative Specialist to help cover volunteer board night meetings; in Recreation the elimination of the Community Services Director (assistant department head) position and the addition of a part-time Recreation Coordinator. These four changes are projected to save about \$35,000 in FY18.

|                       | FY14              | FY15              | FY16                | FY17              | FY17                | FY17       | FY18 TOWN           |               |
|-----------------------|-------------------|-------------------|---------------------|-------------------|---------------------|------------|---------------------|---------------|
|                       | ACTUALS           | ACTUALS           | ACTUALS             | ACTUALS           | REVISED             | YTD        | MANAGER             | PCT           |
| SALARIES              |                   |                   |                     |                   | BUDGET              |            | BUDGET              | CHANGE        |
| PS Administration     | \$ 264,321        | \$ 312,799        | \$ 362,650          | \$ 196,643        | \$ 324,949          | 61%        | \$ 343,350          | 5.66%         |
| Conservation          | \$ 33,087         | \$ 38,203         | \$ 56,496           | \$ 37,177         | \$ 61,900           | 60%        | \$ 63,625           | 2.79%         |
| Planning              | \$ 66,268         | \$ 97,010         | \$ 142,344          | \$ 140,368        | \$ 171,501          | 82%        | \$ 193,450          | 12.80%        |
| Inspectional Services | \$ 107,658        | \$ 124,742        | \$ 126,767          | \$ 90,584         | \$ 132,450          | 68%        | \$ 140,950          | 6.42%         |
| Historical            |                   |                   |                     |                   |                     |            |                     |               |
| Health                | \$ 89,312         | \$ 59,340         | \$ 147,456          | \$ 99,093         | \$ 168,425          | 59%        | \$ 168,525          | 0.06%         |
| Elder/Human Services  | \$ 149,026        | \$ 149,086        | \$ 156,421          | \$ 138,859        | \$ 205,850          | 67%        | \$ 193,050          | -6.22%        |
| Veterans              | \$ 20,066         | \$ 25,044         | \$ 53,559           | \$ 33,131         | \$ 56,975           | 58%        | \$ 58,500           | 2.68%         |
| Recreation            | \$ 152,505        | \$ 146,039        | \$ 135,469          | \$ 63,725         | \$ 151,775          | 42%        | \$ 95,425           | -37.13%       |
| <b>SALARIES</b>       | <b>\$ 882,243</b> | <b>\$ 952,262</b> | <b>\$ 1,181,162</b> | <b>\$ 799,580</b> | <b>\$ 1,273,825</b> | <b>63%</b> | <b>\$ 1,256,875</b> | <b>-1.33%</b> |

Expenses are unchanged from the previous year with the exception of some increase in Veterans benefits. Note that all Recreation expenses are paid directly from revenues deposited to the Recreation Revolving fund. An annual surplus in the revolving fund is returned to free cash at fiscal year-end, indirectly paying the Recreation wage costs.

| EXPENSES              | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT<br>CHANGE |
|-----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                       | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED<br>BUDGET | YTD        | MANAGER<br>BUDGET |               |
| PS Administration     | \$ 53,982         | \$ 23,861         | \$ 35             | \$ 15,467         | \$ 28,000         | 55%        | \$ 28,000         | 0.00%         |
| Conservation          |                   |                   |                   |                   |                   |            |                   |               |
| Planning              | \$ -              | \$ 6,681          | \$ 5,279          | \$ 5,725          | \$ 10,000         | 57%        | \$ 10,000         | 0.00%         |
| Inspectional Services |                   |                   |                   |                   |                   |            |                   |               |
| Historical            | \$ 87             | \$ 306            | \$ 249            | \$ 230            | \$ 1,500          | 15%        | \$ 1,500          | 0.00%         |
| Health                | \$ 141,204        | \$ 143,398        | \$ 83,488         | \$ 53,044         | \$ 77,750         | 68%        | \$ 77,250         | -0.64%        |
| Elder/Human Services  | \$ 11,409         | \$ 11,153         | \$ 11,587         | \$ 8,171          | \$ 13,500         | 61%        | \$ 13,500         | 0.00%         |
| Veterans              | \$ 187,494        | \$ 199,023        | \$ 184,934        | \$ 118,410        | \$ 237,000        | 50%        | \$ 246,000        | 3.80%         |
| Recreation            |                   |                   |                   |                   |                   |            |                   |               |
| <b>EXPENSES</b>       | <b>\$ 394,176</b> | <b>\$ 384,423</b> | <b>\$ 285,571</b> | <b>\$ 201,047</b> | <b>\$ 367,750</b> | <b>55%</b> | <b>\$ 376,250</b> | <b>2.31%</b>  |

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.

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. Another example of a creative approach is seen in Inspectional Services where the technical expertise from three part-time building inspectors (that previously held the top position in their communities) is combined with the administrative efficiency of a full-time Permits Coordinator, who expedites permits with the aid of software systems and field tablets. This teamwork often results in 'same day' permits.

The Administration budget consists of the department head, clerical support, and shared department expenses. The position noted below (\*) moved mid-FY17 to the Inspections Services budget as the Permits Coordinator.

|                                       | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT<br>CHANGE |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                                       | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED<br>BUDGET | YTD        | MANAGER<br>BUDGET |               |
| ASSISTANT TOWN MANAGER                | \$ 107,218        | \$ 112,985        | \$ 120,698        | \$ 74,168         | \$ 125,000        | 59%        | \$ 128,350        | 2.68%         |
| PS OFFICE MANAGER                     | \$ -              | \$ 23,111         | \$ 50,991         | \$ 31,341         | \$ 52,825         | 59%        | \$ 26,050         | -50.69%       |
| ADMINISTRATIVE SPECIALIST             | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ 55,125         | 100.00%       |
| PS SENIOR ADMIN ASSISTANT*            | \$ -              | \$ -              | \$ 45,930         | \$ 991            | \$ 16,849         | 6%         | \$ -              | -100.00%      |
| PS ADMINISTRATIVE ASSISTANT           | \$ 33,367         | \$ 44,126         | \$ 33,261         | \$ 26,319         | \$ 45,225         | 58%        | \$ 46,450         | 2.71%         |
| PS ADMINISTRATIVE SECRETARY           | \$ -              | \$ 37,760         | \$ 59,573         | \$ 26,432         | \$ 45,400         | 58%        | \$ 46,625         | 2.70%         |
| PS CLERK                              | \$ 108,588        | \$ 76,462         | \$ 37,569         | \$ 23,087         | \$ 39,650         | 58%        | \$ 40,750         | 2.77%         |
| PS ADMIN OVERTIME                     | \$ 40,149         | \$ 38,355         | \$ 39,629         | \$ 14,305         | \$ 30,000         | 48%        | \$ 15,000         | -50.00%       |
| PS REVOLVING FUND SUPPORT             | \$ (25,000)       | \$ (20,000)       | \$ (25,000)       | \$ -              | \$ (30,000)       | 0%         | \$ (15,000)       | -50.00%       |
| <b>PUBLIC SERVICES ADMIN SALARIES</b> | <b>\$ 264,321</b> | <b>\$ 312,799</b> | <b>\$ 362,650</b> | <b>\$ 196,643</b> | <b>\$ 324,949</b> | <b>61%</b> | <b>\$ 343,350</b> | <b>5.66%</b>  |
| PS ADMIN PROF DEV/TRAINING            | \$ 5,505          | \$ 8,901          | \$ 6,566          | \$ 4,895          | \$ 11,000         | 44%        | \$ 11,000         | 0.00%         |
| PS EQUIPMENT & SUPPLIES               | \$ 6,518          | \$ 5,136          | \$ (15,918)       | \$ 5,511          | \$ 7,000          | 79%        | \$ 7,000          | 0.00%         |
| PS ADMIN MILEAGE REIMBURSEMENT        | \$ 6,690          | \$ 7,282          | \$ 8,104          | \$ 3,551          | \$ 8,000          | 44%        | \$ 8,000          | 0.00%         |
| PS ADMIN ADVERTISING                  | \$ 1,468          | \$ 2,494          | \$ 1,108          | \$ 1,484          | \$ 2,000          | 74%        | \$ 2,000          | 0.00%         |
| PS OUTSOURCED PROF SERVICES           | \$ 33,750         | \$ -              | \$ 135            | \$ -              | \$ -              |            | \$ -              |               |
| PS ADMIN UTIL WTR/SWR/STM WTR         | \$ 51             | \$ 48             | \$ 39             | \$ 26             | \$ -              |            | \$ -              |               |
| <b>PUBLIC SERVICES ADMIN EXPENSES</b> | <b>\$ 53,982</b>  | <b>\$ 23,861</b>  | <b>\$ 35</b>      | <b>\$ 15,467</b>  | <b>\$ 28,000</b>  | <b>55%</b> | <b>\$ 28,000</b>  | <b>0.00%</b>  |
| <b>PUBLIC SERVICES ADMIN TOTAL</b>    | <b>\$ 318,304</b> | <b>\$ 336,661</b> | <b>\$ 362,685</b> | <b>\$ 212,110</b> | <b>\$ 352,949</b> | <b>60%</b> | <b>\$ 371,350</b> | <b>5.21%</b>  |

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

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

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. The Administrator also provides oversight of the Mattera Cabin (previously handled by the Community Services Director). Note the position was restored to full-time in FY16.

|                              | FY14             | FY15             | FY16             | FY17             | FY17             | FY17       | FY18 TOWN        | PCT          |
|------------------------------|------------------|------------------|------------------|------------------|------------------|------------|------------------|--------------|
|                              | ACTUALS          | ACTUALS          | ACTUALS          | ACTUALS          | REVISED BUDGET   | YTD        | MANAGER BUDGET   | CHANGE       |
| CONSERVATION ADMIN           | \$ 37,087        | \$ 42,203        | \$ 60,496        | \$ 37,177        | \$ 63,900        | 58%        | \$ 65,625        | 2.70%        |
| CONSCOMM REVOLV FUND SUPPORT | \$ (4,000)       | \$ (4,000)       | \$ (4,000)       | \$ -             | \$ (2,000)       | 0%         | \$ (2,000)       | -0.00%       |
| CONSERVATION SALARIES        | \$ 33,087        | \$ 38,203        | \$ 56,496        | \$ 37,177        | \$ 61,900        | 60%        | \$ 63,625        | 2.79%        |
| <b>CONSERVATION TOTAL</b>    | <b>\$ 33,087</b> | <b>\$ 38,203</b> | <b>\$ 56,496</b> | <b>\$ 37,177</b> | <b>\$ 61,900</b> | <b>60%</b> | <b>\$ 63,625</b> | <b>2.79%</b> |

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.

|                                  | FY14             | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT           |
|----------------------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                                  | ACTUALS          | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE        |
| COMM DEV DIR/ASST DEPT HEAD      | \$ 64,583        | \$ 75,069         | \$ 84,749         | \$ 47,558         | \$ 81,750         | 58%        | \$ 83,950         | 2.69%         |
| PLANNING INTERN                  | \$ -             | \$ 1,994          | \$ 9,015          | \$ -              | \$ -              |            | \$ -              |               |
| PLANNING PERMITS COORDINATOR     | \$ -             | \$ -              | \$ -              | \$ 30,610         | \$ 38,976         | 79%        | \$ 57,350         | 47.14%        |
| PLANNING WAGES OVERTIME          | \$ 1,685         | \$ 668            | \$ -              | \$ 335            | \$ -              |            | \$ -              |               |
| PLAN REGL AFFORD HOUSING COORD** | \$ -             | \$ 19,279         | \$ 48,580         | \$ 30,120         | \$ 50,775         | 59%        | \$ 52,150         | 2.71%         |
| ECONOMIC DEVELOPMENT DIRECTOR    | \$ -             | \$ -              | \$ -              | \$ 31,744         | \$ 125,000        | 25%        | \$ 120,000        | -4.00%        |
| PLANNING REVOLV FUND SUPPORT     | \$ -             | \$ -              | \$ -              | \$ -              | \$ (125,000)      | 0%         | \$ (120,000)      | -4.00%        |
| PLANNING SALARIES                | \$ 66,268        | \$ 97,010         | \$ 142,344        | \$ 140,368        | \$ 171,501        | 82%        | \$ 193,450        | 12.80%        |
| REGIONAL HOUSING EXPENSES**      | \$ -             | \$ 6,681          | \$ 5,279          | \$ 5,635          | \$ 10,000         | 56%        | \$ 10,000         | 0.00%         |
| ECON DEVELOP OTH EXPENSES        | \$ -             | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ 7,500          | 100.00%       |
| ECON DEVELOPMENT TRAVEL          | \$ -             | \$ -              | \$ -              | \$ 90             | \$ -              |            | \$ 5,000          | 100.00%       |
| ECON DEVELOP PROF DEV/TRAINING   | \$ -             | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ 2,500          | 100.00%       |
| REVOLVING FD EXP SUPPORT         | \$ -             | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ (15,000)       | 100.00%       |
| PLANNING EXPENSES                | \$ -             | \$ 6,681          | \$ 5,279          | \$ 5,725          | \$ 10,000         | 57%        | \$ 10,000         | 0.00%         |
| <b>PLANNING TOTAL</b>            | <b>\$ 66,268</b> | <b>\$ 103,691</b> | <b>\$ 147,624</b> | <b>\$ 146,093</b> | <b>\$ 181,501</b> | <b>80%</b> | <b>\$ 203,450</b> | <b>12.09%</b> |

\*\* about 80% of these costs are offset by revenues from regional partners deposited in the general fund

Pro-active community development efforts have been enhanced by the recent addition of an Economic Development Director and a part-time Economic Development Liaison. A Peer Community Economic Development project will serve as a baseline for efforts in this new segment, and will be completed in the spring 2017. These efforts are offset by funding from the permits revolving fund.

The Planning Division also includes a Regional Housing Services Office staffed by a full time Housing Coordinator shared with three other Towns. 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:

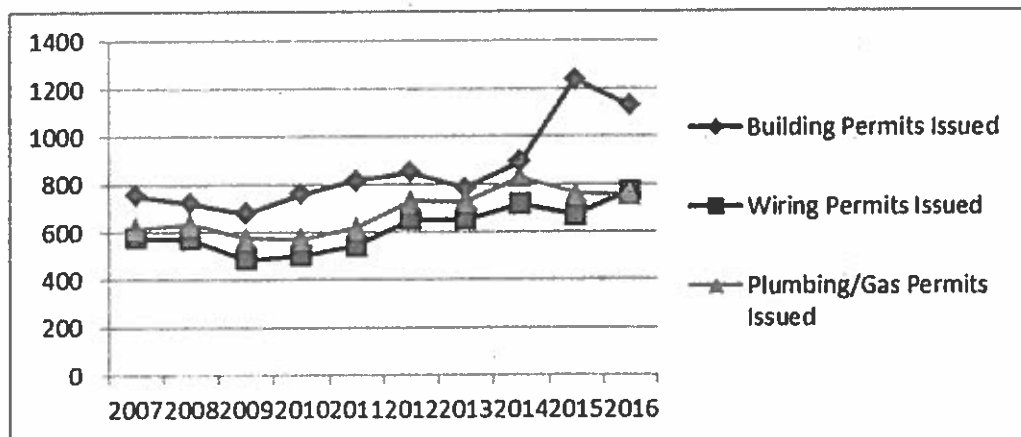
|                           |       |
|---------------------------|-------|
| 2010 Census Housing Units | 9,584 |
| Current SHI               | 745   |
| Current % SHI             | 7.78% |

|  |       |
|--|-------|
| Projected SHI units                        |       |
| Johnson Woods II                           | 7     |
| Reading Village (train depot 40B)          | 68    |
| Schoolhouse Commons (St. Agnes School 40B) | 20    |
| Projected SHI                              | 840   |
| Projected % SHI                            | 8.76% |

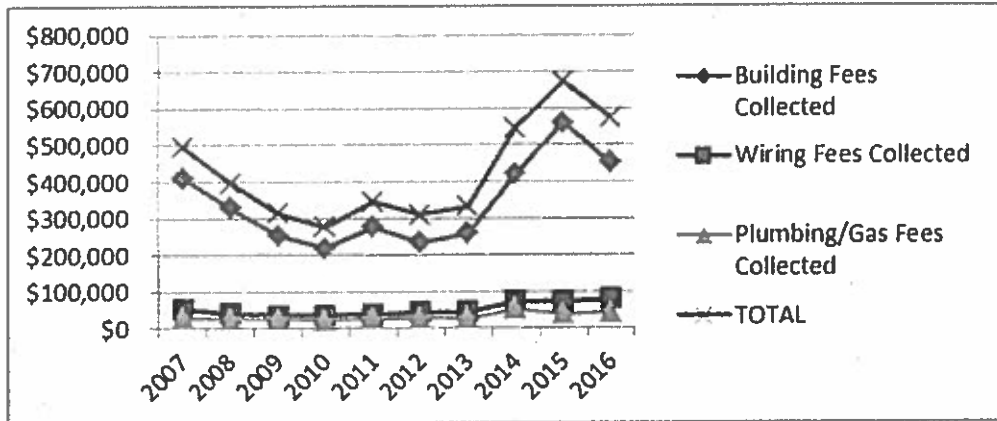
|  |     |
|--|-----|
| Remaining for 10% target                                 | 118 |
| <i>plus additional units for 2020 Census adjustments</i> |     |

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. Likewise 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. Using state of the art permitting software and a dedicated permits coordinator both permits and inspections are provided in a timely, flexible, and efficient manner. Regular Friday scheduled inspections have been added even though Town Hall is closed on Fridays. Hours have been increased in FY17 because of increased demands, and are funded by vacant positions in other divisions. These increased hours are carried forward in the FY18 budget as shown by the 6.4% increase.

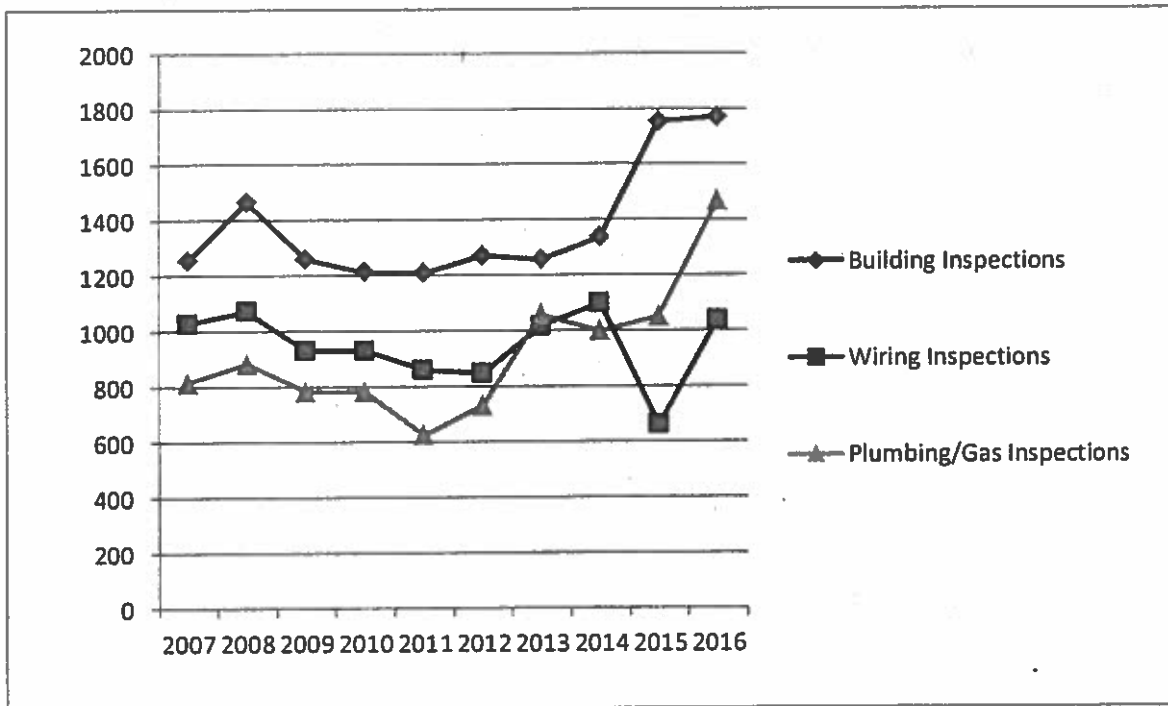
### Permitting Activity



## Permitting Fees



## Inspections



|                                    | FY14<br>ACTUALS   | FY15<br>ACTUALS   | FY16<br>ACTUALS   | FY17<br>ACTUALS  | FY17<br>REVISED<br>BUDGET | FY17<br>YTD | FY18 TOWN<br>MANAGER<br>BUDGET | PCT<br>CHANGE |
|------------------------------------|-------------------|-------------------|-------------------|------------------|---------------------------|-------------|--------------------------------|---------------|
| INSPECTION BUILDING INSP           | \$ 79,359         | \$ 82,255         | \$ 89,207         | \$ 40,438        | \$ 88,500                 | 46%         | \$ 104,150                     | 17.68%        |
| INSPECTION WIRE INSP               | \$ 22,978         | \$ 26,455         | \$ 27,095         | \$ 17,615        | \$ 29,475                 | 60%         | \$ 33,400                      | 13.32%        |
| INSPECTION PLUMBING INSP           | \$ 21,795         | \$ 25,465         | \$ 27,547         | \$ 17,598        | \$ 29,475                 | 60%         | \$ 33,400                      | 13.32%        |
| INSPECTION ALTERNATE INSP          | \$ 18,526         | \$ 17,498         | \$ 17,620         | \$ 14,933        | \$ 25,000                 | 60%         | \$ 10,000                      | -60.00%       |
| INSPECTION CODE ENFORCEMENT        | \$ -              | \$ 8,068          | \$ 299            | \$ -             | \$ 5,000                  | 0%          | \$ -                           | -100.00%      |
| INSPECTION REVOLV FUND SUPPORT     | \$ (35,000)       | \$ (35,000)       | \$ (35,000)       | \$ -             | \$ (45,000)               | 0%          | \$ (40,000)                    | -11.11%       |
| INSPECTIONAL SERVICES SALARIES     | \$ 107,658        | \$ 124,742        | \$ 126,767        | \$ 90,584        | \$ 132,450                | 68%         | \$ 140,950                     | 6.42%         |
| <b>INSPECTIONAL SERVICES TOTAL</b> | <b>\$ 107,658</b> | <b>\$ 124,742</b> | <b>\$ 126,767</b> | <b>\$ 90,584</b> | <b>\$ 132,450</b>         | <b>68%</b>  | <b>\$ 140,950</b>              | <b>6.42%</b>  |

The **Historical Division** is staffed by volunteers with support from the CD Director as well as the PS Clerk. 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. It is important to note that there are two separate and distinct boards: (1) the Historical Commission; and (2) the Historic District Commission.

|                               | FY14         | FY15          | FY16          | FY17          | FY17            | FY17       | FY18 TOWN       | PCT          |
|-------------------------------|--------------|---------------|---------------|---------------|-----------------|------------|-----------------|--------------|
|                               | ACTUALS      | ACTUALS       | ACTUALS       | ACTUALS       | REVISED BUDGET  | YTD        | MANAGER BUDGET  | CHANGE       |
| HISTORICAL SUPPLIES/EQUIPMENT | \$ 87        | \$ 306        | \$ 249        | \$ 230        | \$ 1,500        | 15%        | \$ 1,500        | 0.00%        |
| HISTORICAL EXPENSES           | \$ 87        | \$ 306        | \$ 249        | \$ 230        | \$ 1,500        | 15%        | \$ 1,500        | 0.00%        |
| <b>HISTORICAL TOTAL</b>       | <b>\$ 87</b> | <b>\$ 306</b> | <b>\$ 249</b> | <b>\$ 230</b> | <b>\$ 1,500</b> | <b>15%</b> | <b>\$ 1,500</b> | <b>0.00%</b> |

**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.

|                                | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT           |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                                | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE        |
| HEALTH AGENT                   | \$ -              | \$ 15,307         | \$ 67,190         | \$ 44,253         | \$ 75,800         | 58%        | \$ 77,850         | 2.70%         |
| HEALTH INSPECTOR               | \$ 41,609         | \$ 43,277         | \$ 56,786         | \$ 33,392         | \$ 68,500         | 49%        | \$ 65,850         | -3.87%        |
| HEALTH NURSE                   | \$ 49,803         | \$ 2,856          | \$ 25,197         | \$ 15,044         | \$ 26,225         | 57%        | \$ 26,925         | 2.67%         |
| HEALTH WAGES OVERTIME          | \$ -              | \$ -              | \$ 383            | \$ -              | \$ -              | \$ -       | \$ -              |               |
| HEALTH REVOLV FUND SUPPORT     | \$ (2,100)        | \$ (2,100)        | \$ (2,100)        | \$ -              | \$ (2,100)        | 0%         | \$ (2,100)        | 0.00%         |
| HEALTH SICK LEAVE BUYBACK      | \$ -              | \$ -              | \$ -              | \$ 6,405          | \$ -              | \$ -       | \$ -              |               |
| HEALTH SALARIES                | \$ 89,312         | \$ 59,340         | \$ 147,456        | \$ 99,093         | \$ 168,425        | 59%        | \$ 168,525        | 0.06%         |
| REGIONALIZED STAFFING          | \$ 70,241         | \$ 74,673         | \$ 13,290         | \$ -              | \$ -              | \$ -       | \$ -              |               |
| HEALTH PROF/TECH SV            | \$ 300            | \$ 300            | \$ 300            | \$ 300            | \$ 500            | 60%        | \$ 500            | 0.00%         |
| HEALTH WEIGHTS & MEASURES      | \$ 5,000          | \$ 5,000          | \$ 5,000          | \$ 5,000          | \$ 5,750          | 87%        | \$ 5,750          | 0.00%         |
| HEALTH ANIMAL DISPOSAL         | \$ 5,432          | \$ 3,960          | \$ 4,030          | \$ 2,864          | \$ 7,000          | 41%        | \$ 7,000          | 0.00%         |
| HEALTH MOSQUITO CONTROL        | \$ 36,300         | \$ 37,000         | \$ 38,000         | \$ 30,000         | \$ 40,000         | 75%        | \$ 40,000         | 0.00%         |
| HEALTH INSP SUPPLIES/EQUIPMENT | \$ 1,934          | \$ 1,052          | \$ 1,131          | \$ 771            | \$ 2,000          | 39%        | \$ 2,000          | 0.00%         |
| HEALTH CLINIC SUPPLIES/EQUIPME | \$ 102            | \$ -              | \$ -              | \$ -              | \$ -              | \$ -       | \$ -              |               |
| HEALTH MILEAGE REIMBURSEMENT   | \$ 1,895          | \$ 1,413          | \$ 1,737          | \$ 859            | \$ 2,000          | 43%        | \$ 2,000          | 0.00%         |
| HEALTH RIVERSIDE COMM CARE     | \$ 7,000          | \$ 7,000          | \$ 7,000          | \$ 3,500          | \$ 7,500          | 47%        | \$ 7,000          | -6.67%        |
| HEALTH EMARC SOCIAL SERVICES   | \$ 13,000         | \$ 13,000         | \$ 13,000         | \$ 9,750          | \$ 13,000         | 75%        | \$ 13,000         | 0.00%         |
| HEALTH EXPENSES                | \$ 141,204        | \$ 143,398        | \$ 83,488         | \$ 53,044         | \$ 77,750         | 68%        | \$ 77,250         | -0.64%        |
| <b>HEALTH TOTAL</b>            | <b>\$ 230,516</b> | <b>\$ 202,738</b> | <b>\$ 230,943</b> | <b>\$ 152,138</b> | <b>\$ 246,175</b> | <b>62%</b> | <b>\$ 245,775</b> | <b>-0.16%</b> |

An increase in FY17 Health Inspector hours was proposed but is not needed, so the FY18 budget will revert to the previous schedule.

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.

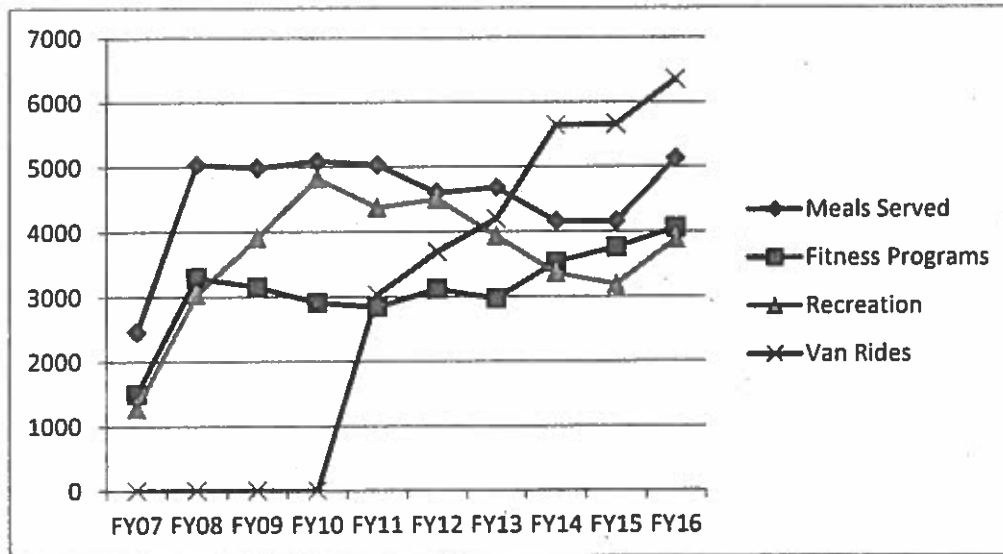
H/E Services provide the following:

- 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 volunteers (~125) who support the PSC as Receptionists, Kitchen Help, 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., Reading Public Library (RPL), Housing Authority, Sanborn Place);
- Holiday Meal programs
- Public Safety monthly roundtable – review critical cases and areas of concern in the community.
- Monthly Memory Café in collaboration with RPL

|                                      | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT           |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                                      | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE        |
| ELDER/HUMAN SVC ADMIN                | \$ 30,919         | \$ 37,595         | \$ 38,204         | \$ 21,954         | \$ 37,525         | 59%        | \$ 38,500         | 2.60%         |
| E/H SENIOR CASE MANAGER              | \$ -              | \$ -              | \$ 30,332         | \$ 29,167         | \$ 50,050         | 58%        | \$ 51,450         | 2.80%         |
| E/H SVC CASE WORKER                  | \$ 51,487         | \$ 68,196         | \$ 18,309         | \$ -              | \$ -              | \$ -       | \$ -              |               |
| E/H SVC NURSE ADVOCATE               | \$ 34,077         | \$ 8,005          | \$ 34,254         | \$ 36,671         | \$ 63,900         | 57%        | \$ 63,075         | -1.29%        |
| E/H SVC SENIOR CENTER COORD          | \$ 40,254         | \$ 41,583         | \$ 43,209         | \$ 26,758         | \$ 44,775         | 60%        | \$ 46,025         | 2.79%         |
| E/H SVC VAN DRIVER                   | \$ 32,018         | \$ 33,164         | \$ 34,683         | \$ 21,326         | \$ 37,600         | 57%        | \$ 42,000         | 11.70%        |
| E/H SVC SUBST VAN DRIVER             | \$ 2,591          | \$ 2,726          | \$ 4,509          | \$ 2,985          | \$ 5,000          | 60%        | \$ -              | -100.00%      |
| E/H SVC WAGES OVERTIME               | \$ 87             | \$ -              | \$ -              | \$ -              | \$ -              | \$ -       | \$ -              |               |
| E/H SVC STATE GRANT SUPPORT          | \$ (39,407)       | \$ (39,182)       | \$ (44,079)       | \$ -              | \$ (30,000)       | 0%         | \$ (45,000)       | 50.00%        |
| E/H SVC TRUST FUND SUPPORT           | \$ (3,000)        | \$ (3,000)        | \$ (3,000)        | \$ -              | \$ (3,000)        | 0%         | \$ (3,000)        | 0.00%         |
| <b>ELDER/HUMAN SERVICES SALARIES</b> | <b>\$ 149,026</b> | <b>\$ 149,086</b> | <b>\$ 156,421</b> | <b>\$ 138,859</b> | <b>\$ 205,850</b> | <b>67%</b> | <b>\$ 193,050</b> | <b>-6.22%</b> |
| E/H SVC DUES & MEMBERSHIPS           | \$ 228            | \$ 818            | \$ 793            | \$ 892            | \$ 1,000          | 89%        | \$ 1,000          | 0.00%         |
| E/H SVC PROF DEV REGISTRATIONS       | \$ 365            | \$ 170            | \$ 678            | \$ 119            | \$ 800            | 15%        | \$ 800            | 0.00%         |
| E/H SVC PROGRAMS                     | \$ 775            | \$ 1,293          | \$ 1,460          | \$ 488            | \$ 1,500          | 33%        | \$ 1,500          | 0.00%         |
| E/H SVC SFTWR LICENSE /SUPPORT       | \$ 903            | \$ 905            | \$ -              | \$ -              | \$ -              | \$ -       | \$ -              |               |
| E/H SVC SUPPLIES/EQUIPMENT           | \$ 1,267          | \$ 1,339          | \$ 1,322          | \$ 522            | \$ 1,500          | 35%        | \$ 1,500          | 0.00%         |
| E/H SVC VOLUNTEER TRAINING           | \$ 39             | \$ -              | \$ -              | \$ -              | \$ 500            | 0%         | \$ 500            | 0.00%         |
| E/H SVC MILEAGE REIMB                | \$ 1,173          | \$ 917            | \$ 769            | \$ 351            | \$ 1,200          | 29%        | \$ 1,200          | 0.00%         |
| E/H SVC MEAL DELIVERY SVC            | \$ 5,593          | \$ 5,593          | \$ 5,593          | \$ 5,593          | \$ 5,800          | 96%        | \$ 5,800          | 0.00%         |
| E/H SVC OTHER EXPENSES               | \$ 1,065          | \$ -              | \$ 973            | \$ 119            | \$ 1,000          | 12%        | \$ 1,000          | 0.00%         |
| E/H SVC VOLUNTEER SUPPORT COST       | \$ -              | \$ 120            | \$ -              | \$ 88             | \$ 200            | 44%        | \$ 200            | 0.00%         |
| <b>ELDER/HUMAN SERVICES EXPENSES</b> | <b>\$ 11,409</b>  | <b>\$ 11,153</b>  | <b>\$ 11,587</b>  | <b>\$ 8,171</b>   | <b>\$ 13,500</b>  | <b>61%</b> | <b>\$ 13,500</b>  | <b>0.00%</b>  |
| <b>ELDER/HUMAN SERVICES TOTAL</b>    | <b>\$ 160,435</b> | <b>\$ 160,239</b> | <b>\$ 168,008</b> | <b>\$ 147,030</b> | <b>\$ 219,350</b> | <b>67%</b> | <b>\$ 206,550</b> | <b>-5.84%</b> |

Because of our aging population, our state grant has increased, though not as much as originally proposed by the state's FY17 budget. Note that public hours of the Pleasant Street Center will be reduced by one hour each day. 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. Also note a past position vacancy in the shaded position in the table on the previous page, which explains low actual spending in those years.



**The Veterans Services Division** provides assistance to Veterans who reside in Reading. A full time Veterans Services Officer (VSO):

- Efficiently using Reading’s share (25% of CH 115) of Veterans Services Funds.
- Identifying individuals who qualify for assistance; especially those who are unaware of their eligibility.
- Screening beneficiaries to insure eligibility.
- Assisting with preparation of VA applications and securing needed approvals to preserve funding.
- Conducting outreach at town events including School functions to promote veterans services.
- Increasing VSO presence at the PSC. Scuttlebutt, a socialization program, was draws over 20 veterans each month.

|                                | FY14      | FY15      | FY16      | FY17      | FY17           | FY17 | FY18 TOWN      | PCT    |
|--------------------------------|-----------|-----------|-----------|-----------|----------------|------|----------------|--------|
|                                | ACTUALS   | ACTUALS   | ACTUALS   | ACTUALS   | REVISED BUDGET | YTD  | MANAGER BUDGET | CHANGE |
| VETERANS SERVICE OFFICER       | \$ 20,066 | \$ 25,044 | \$ 53,559 | \$ 33,131 | \$ 56,975      | 58%  | \$ 58,500      | 2.68%  |
| VETERANS SALARIES              | \$ 20,066 | \$ 25,044 | \$ 53,559 | \$ 33,131 | \$ 56,975      | 58%  | \$ 58,500      | 2.68%  |
| VETERANS ADMINISTRATION SVCS   | \$ 192    | \$ -      | \$ -      | \$ -      | \$ -           |      | \$ -           |        |
| VETERANS OFFICE SUPPLIES       | \$ 459    | \$ 129    | \$ 444    | \$ 164    | \$ 500         | 33%  | \$ 500         | 0.00%  |
| VETERANS MILEAGE REIMBURSEMENT | \$ -      | \$ 171    | \$ 544    | \$ 268    | \$ 500         | 54%  | \$ 500         | 0.00%  |
| VETERANS EXPENSES              | \$ 651    | \$ 300    | \$ 989    | \$ 432    | \$ 1,000       | 43%  | \$ 1,000       | 0.00%  |

|                                  | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         |              |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                                  | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED           | YTD        | MANAGER           | PCT          |
|                                  |                   |                   |                   |                   | BUDGET            |            | BUDGET            | CHANGE       |
| VETS AID MONTHLY BENEFITS        | \$ 87,190         | \$ 90,876         | \$ 83,735         | \$ 47,856         | \$ 100,000        | 48%        | \$ 100,000        | 0.00%        |
| VETS AID MEDIGAP                 | \$ 27,904         | \$ 27,027         | \$ 31,054         | \$ 22,740         | \$ 28,000         | 81%        | \$ 35,000         | 25.00%       |
| VETS AID MEDICARE PART B         | \$ 23,248         | \$ 24,335         | \$ 23,066         | \$ 14,539         | \$ 27,500         | 53%        | \$ 26,500         | -3.64%       |
| VETS AID FUEL                    | \$ 21,469         | \$ 19,995         | \$ 17,906         | \$ 13,905         | \$ 22,000         | 63%        | \$ 24,000         | 9.09%        |
| VETS AID MEDICAL BENEFIT         | \$ 12,360         | \$ 13,739         | \$ 10,134         | \$ 7,927          | \$ 20,000         | 40%        | \$ 20,000         | 0.00%        |
| VETS AID DOCTOR                  | \$ 2,925          | \$ 3,780          | \$ 3,188          | \$ 1,759          | \$ 5,000          | 35%        | \$ 5,000          | 0.00%        |
| VETS AID HOSPITAL                | \$ 719            | \$ 4,683          | \$ 3,498          | \$ 2,133          | \$ 5,000          | 43%        | \$ 5,000          | 0.00%        |
| VETS AID MEDICARE PART D         | \$ 2,035          | \$ 2,429          | \$ 3,314          | \$ 2,879          | \$ 4,000          | 72%        | \$ 5,000          | 25.00%       |
| VET BENEFITS HEARING AIDS        | \$ -              | \$ 3,750          | \$ 2,815          | \$ 500            | \$ 5,000          | 10%        | \$ 5,000          | 0.00%        |
| VETS AID DURABLE MEDICAL         | \$ 3,035          | \$ 2,169          | \$ 1,067          | \$ 1,410          | \$ 4,000          | 35%        | \$ 4,000          | 0.00%        |
| VETS AID ONE TIME BENEFIT        | \$ 3,781          | \$ -              | \$ 1,134          | \$ 2,000          | \$ 4,000          | 50%        | \$ 4,000          | 0.00%        |
| VETS AID DENTAL                  | \$ -              | \$ 228            | \$ 639            | \$ 275            | \$ 3,000          | 9%         | \$ 3,000          | 0.00%        |
| VETS AID EYE GLASSES             | \$ 708            | \$ 559            | \$ 135            | \$ 56             | \$ 2,500          | 2%         | \$ 2,500          | 0.00%        |
| VETS AID SHELTER                 | \$ 280            | \$ -              | \$ -              | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%        |
| VETS AID AMBULANCE               | \$ 430            | \$ 346            | \$ 741            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%        |
| VETS AID CH115 RETRO BENEFIT     | \$ 758            | \$ 4,806          | \$ 1,518          | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%        |
| <b>VETERANS BENEFIT EXPENSES</b> | <b>\$ 186,843</b> | <b>\$ 198,723</b> | <b>\$ 183,945</b> | <b>\$ 117,977</b> | <b>\$ 236,000</b> | <b>50%</b> | <b>\$ 245,000</b> | <b>3.81%</b> |
| <b>VETERANS TOTAL</b>            | <b>\$ 207,560</b> | <b>\$ 224,067</b> | <b>\$ 238,492</b> | <b>\$ 151,541</b> | <b>\$ 293,975</b> | <b>52%</b> | <b>\$ 304,500</b> | <b>3.58%</b> |

The Recreation Division provides fee-based self-supporting services, including:

- Over 500 programs/classes (annual revenues now \$700,000);
- Nearly 6400 registrations;
- Oversight of Field & Playground Scheduling, Field management & improvements, safety inspections;
- Over 50 seasonal employees support programming/events;
- Participating in community events: Downtown Trick or Treat, Halloween Parade, Friends and Family Day, Fall Street Faire, Egg Hunt and Summer Concert Series;
- On-line Tennis Reservations service with [www.reserveagame.com](http://www.reserveagame.com);
- Summer Camp - Sold out all 8 weeks;
- Pickle ball, which became the fastest growing adult activity in Town.

|                              | FY14   | FY15              | FY16              | FY17             | FY17              | FY17       | FY18 TOWN        |                |
|------------------------------|--|-------------------|-------------------|------------------|-------------------|------------|------------------|----------------|
|                              | ACTUALS  | ACTUALS           | ACTUALS           | ACTUALS          | REVISED           | YTD        | MANAGER          | PCT            |
|                              |  |                   |                   |                  | BUDGET            |            | BUDGET           | CHANGE         |
| COMM SVC DIR/ASST DEPT HEAD  | \$ 73,854  | \$ 78,492         | \$ 82,125         | \$ 29,342        | \$ 83,050         | 35%        | \$ -             | -100.00%       |
| RECREATION ADMINISTRATOR     | \$ 42,526  | \$ 46,342         | \$ 52,685         | \$ 34,383        | \$ 66,225         | 52%        | \$ 68,025        | 2.72%          |
| RECREATION COORDINATOR       | \$ -   | \$ -              | \$ -              | \$ -             | \$ -              |            | \$ 24,900        | 100.00%        |
| RECREATION CLERK             | \$ 35,575  | \$ 19,571         | \$ -              | \$ -             | \$ -              |            | \$ -             |                |
| RECREATION WAGES OVERTIME    | \$ 549   | \$ 1,559          | \$ 659            | \$ -             | \$ 2,500          | 0%         | \$ 2,500         | 0.00%          |
| RECREATION OUT OF GRADE WORK | \$ -   | \$ 76             | \$ -              | \$ -             | \$ -              |            | \$ -             |                |
| <b>RECREATION SALARIES</b>   | <b>\$ 152,505</b>  | <b>\$ 146,039</b> | <b>\$ 135,469</b> | <b>\$ 63,725</b> | <b>\$ 151,775</b> | <b>42%</b> | <b>\$ 95,425</b> | <b>-37.13%</b> |
| RECREATION EXPENSES          | <i>paid directly by Recreation Revolving Fund as per MGL</i> |                   |                   |                  |                   |            |                  |                |
|                              |  |                   |                   | \$ 1,410         |                   |            |                  |                |
| <b>RECREATION TOTAL</b>      | <b>\$ 152,505</b>  | <b>\$ 146,039</b> | <b>\$ 135,469</b> | <b>\$ 63,725</b> | <b>\$ 151,775</b> | <b>42%</b> | <b>\$ 95,425</b> | <b>-37.13%</b> |

The elimination of the Community Services Director position is a significant blow to our effort to coordinate so-called night-time government. A previously discussed clerical position and a part-time Recreation Coordinator position will dampen the impacts of the eliminated CSD. Note that the Recreation Revolving Fund has been used in the past to fund a part-time position such as this one, but where it is now viewed as a permanent need, the Town Manager and Town Accountant both preferred to place this in the general fund budget, despite the obvious shortfall of overall FY18 funding.

## Finance Department FY18 Budget

The Finance Department's FY18 budget is increased by 1.8% when compared to the previous year as shown below:

|                   | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         |              |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                   | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | PCT CHANGE   |
| Accounting        | \$ 174,509        | \$ 181,065        | \$ 184,098        | \$ 115,872        | \$ 204,775        | 57%        | \$ 210,175        | 2.64%        |
| Assessor          | \$ 149,215        | \$ 118,847        | \$ 167,620        | \$ 51,416         | \$ 147,625        | 35%        | \$ 150,125        | 1.69%        |
| General Finance   | \$ 394,567        | \$ 383,114        | \$ 421,936        | \$ 240,822        | \$ 438,150        | 55%        | \$ 444,750        | 1.51%        |
| <b>DEPARTMENT</b> | <b>\$ 718,291</b> | <b>\$ 683,026</b> | <b>\$ 773,655</b> | <b>\$ 408,110</b> | <b>\$ 790,550</b> | <b>52%</b> | <b>\$ 805,050</b> | <b>1.83%</b> |

|                   | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         |              |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                   | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | PCT CHANGE   |
| <b>SALARIES</b>   |                   |                   |                   |                   |                   |            |                   |              |
| Accounting        | \$ 172,619        | \$ 177,894        | \$ 181,022        | \$ 114,760        | \$ 200,525        | 57%        | \$ 205,725        | 2.59%        |
| Assessor          | \$ 51,385         | \$ 54,607         | \$ 35,802         | \$ 36,029         | \$ 62,125         | 58%        | \$ 62,625         | 0.80%        |
| General Finance   | \$ 339,138        | \$ 342,343        | \$ 378,581        | \$ 222,326        | \$ 381,150        | 58%        | \$ 387,750        | 1.73%        |
| <b>DEPARTMENT</b> | <b>\$ 563,142</b> | <b>\$ 574,845</b> | <b>\$ 595,406</b> | <b>\$ 373,114</b> | <b>\$ 643,800</b> | <b>58%</b> | <b>\$ 656,100</b> | <b>1.91%</b> |

|                   | FY14              | FY15              | FY16              | FY17             | FY17              | FY17       | FY18 TOWN         |              |
|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|------------|-------------------|--------------|
|                   | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS          | REVISED BUDGET    | YTD        | MANAGER BUDGET    | PCT CHANGE   |
| <b>EXPENSES</b>   |                   |                   |                   |                  |                   |            |                   |              |
| Accounting        | \$ 1,890          | \$ 3,171          | \$ 3,076          | \$ 1,113         | \$ 4,250          | 26%        | \$ 4,450          | 4.71%        |
| Assessor          | \$ 97,830         | \$ 64,240         | \$ 131,818        | \$ 15,387        | \$ 85,500         | 18%        | \$ 87,500         | 2.34%        |
| General Finance   | \$ 55,429         | \$ 40,770         | \$ 43,355         | \$ 18,496        | \$ 57,000         | 32%        | \$ 57,000         | 0.00%        |
| <b>DEPARTMENT</b> | <b>\$ 155,149</b> | <b>\$ 108,181</b> | <b>\$ 178,249</b> | <b>\$ 34,995</b> | <b>\$ 146,750</b> | <b>24%</b> | <b>\$ 148,950</b> | <b>1.50%</b> |

In the Finance department, the Town Accountant also serves as the Finance Director and department head. In March 2017 the Treasurer-Collector left for another community, and upon the request of the Town Manager and Town Accountant the Board of Selectmen approved changes to the FY17 Classification Plan that separated that position into a Treasurer/Assistant Finance Director to serve as the assistant department head, and a Collector. Other clerical changes were made such that the amount of FTEs and total spending were unchanged. Note 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 FY18 budget, there are no other 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.

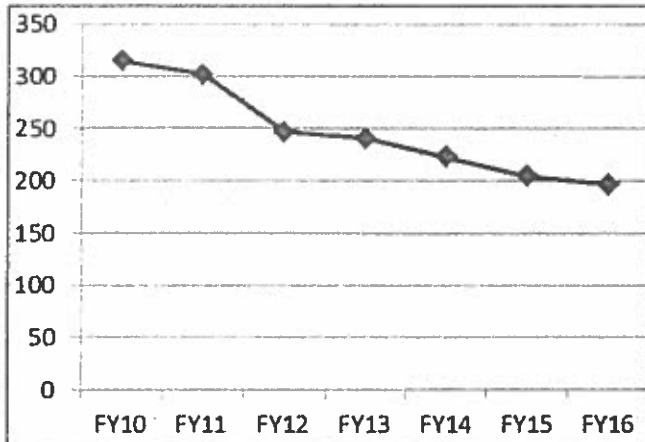
|                               | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT          |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                               | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE       |
| TOWN ACCOUNTANT               | \$ 111,770        | \$ 105,593        | \$ 109,716        | \$ 67,425         | \$ 113,650        | 59%        | \$ 116,700        | 2.68%        |
| ACC SR ADMIN ASSISTANT        | \$ -              | \$ 14,588         | \$ 32,584         | \$ 19,939         | \$ 36,650         | 54%        | \$ 37,575         | 2.52%        |
| ACC ADMINISTRATIVE ASSISTANT  | \$ 28,345         | \$ 35,065         | \$ 36,527         | \$ 26,204         | \$ 45,225         | 58%        | \$ 46,450         | 2.71%        |
| ACC CLERK                     | \$ 28,820         | \$ 19,966         | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| ASSISTANT TOWN ACCOUNTANT     | \$ 2,000          | \$ 2,013          | \$ 2,025          | \$ 1,192          | \$ 2,000          | 60%        | \$ 2,000          | 0.00%        |
| ACCOUNTING OVERTIME           | \$ 1,683          | \$ 668            | \$ 170            | \$ -              | \$ 3,000          | 0%         | \$ 3,000          | 0.00%        |
| ACCOUNTING SALARIES           | \$ 172,619        | \$ 177,894        | \$ 181,022        | \$ 114,760        | \$ 200,525        | 57%        | \$ 205,725        | 2.59%        |
| ACCTING PROF DEV/TRAINING     | \$ 1,012          | \$ 1,716          | \$ 1,835          | \$ 540            | \$ 2,500          | 22%        | \$ 2,500          | 0.00%        |
| ACCTING PROF DEV REGISTRATION | \$ 506            | \$ 493            | \$ 466            | \$ 190            | \$ 500            | 38%        | \$ 600            | 20.00%       |
| ACCTING PROF DEV - TRAVEL     | \$ 195            | \$ 217            | \$ 566            | \$ 50             | \$ 500            | 10%        | \$ 600            | 20.00%       |
| ACCTING OFFICE SUPP           | \$ 178            | \$ 745            | \$ 209            | \$ 333            | \$ 750            | 44%        | \$ 750            | 0.00%        |
| ACCOUNTING EXPENSES           | \$ 1,890          | \$ 3,171          | \$ 3,076          | \$ 1,113          | \$ 4,250          | 26%        | \$ 4,450          | 4.71%        |
| <b>ACCOUNTING TOTAL</b>       | <b>\$ 174,509</b> | <b>\$ 181,065</b> | <b>\$ 184,098</b> | <b>\$ 115,872</b> | <b>\$ 204,775</b> | <b>57%</b> | <b>\$ 210,175</b> | <b>2.64%</b> |

**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, shown as a Regionalized Staffing expense below:

|                                 | FY14              | FY15              | FY16              | FY17             | FY17              | FY17       | FY18 TOWN         | PCT          |
|---------------------------------|-------------------|-------------------|-------------------|------------------|-------------------|------------|-------------------|--------------|
|                                 | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS          | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE       |
| ASSISTANT ASSESSOR              | \$ 51,267         | \$ 54,607         | \$ 34,725         | \$ 36,029        | \$ 58,125         | 62%        | \$ 58,625         | 0.86%        |
| ASST ASSESSOR STIPEND           | \$ -              | \$ -              | \$ 1,077          | \$ -             | \$ 4,000          | 0%         | \$ 4,000          | 0.00%        |
| ASSESSORS WAGES OVERTIME        | \$ 118            | \$ -              | \$ -              | \$ -             | \$ -              |            | \$ -              |              |
| ASSESSOR SALARIES               | \$ 51,385         | \$ 54,607         | \$ 35,802         | \$ 36,029        | \$ 62,125         | 58%        | \$ 62,625         | 0.80%        |
| REGIONALIZED STAFFING           | \$ 52,094         | \$ 55,471         | \$ 61,435         | \$ -             | \$ 65,000         | 0%         | \$ 67,000         | 3.08%        |
| ASSESSOR PERS PROP INSPECTIONS  | \$ 17,511         | \$ 6,500          | \$ 4,760          | \$ 5,240         | \$ 7,500          | 70%        | \$ 7,500          | 0.00%        |
| ASSESSOR ADVERTISING            | \$ -              | \$ -              | \$ 291            | \$ -             | \$ -              |            | \$ -              |              |
| ASSESSORS REVALUATION           | \$ 25,068         | \$ -              | \$ 62,178         | \$ 8,249         | \$ -              |            | \$ -              |              |
| ASSESSORS APPRAISALS            | \$ -              | \$ -              | \$ -              | \$ -             | \$ 5,000          | 0%         | \$ 5,000          | 0.00%        |
| ASSESS PROF DEV/TRAINING        | \$ 1,194          | \$ 804            | \$ 1,049          | \$ 1,311         | \$ 2,500          | 52%        | \$ 2,500          | 0.00%        |
| ASSESS DUES AND MEMBERSHIPS     | \$ 625            | \$ 240            | \$ 275            | \$ 200           | \$ 1,000          | 20%        | \$ 1,000          | 0.00%        |
| ASSESSORS PUBLICATIONS          | \$ -              | \$ 380            | \$ 190            | \$ -             | \$ 1,500          | 0%         | \$ 1,500          | 0.00%        |
| ASSESS PROF DEV - TRAVEL        | \$ 787            | \$ 226            | \$ 397            | \$ -             | \$ 1,000          | 0%         | \$ 1,000          | 0.00%        |
| ASSESSORS OFFICE SUPP           | \$ -              | \$ -              | \$ 89             | \$ 116           | \$ 500            | 23%        | \$ 500            | 0.00%        |
| ASSESSORS MILEAGE REIMBURSEMENT | \$ 552            | \$ 619            | \$ 1,090          | \$ 270           | \$ 1,500          | 18%        | \$ 1,500          | 0.00%        |
| ASSESSORS OTHER                 | \$ -              | \$ -              | \$ 65             | \$ -             | \$ -              |            | \$ -              |              |
| ASSESSOR EXPENSES               | \$ 97,830         | \$ 64,240         | \$ 131,818        | \$ 15,387        | \$ 85,500         | 18%        | \$ 87,500         | 2.34%        |
| <b>ASSESSOR TOTAL</b>           | <b>\$ 149,215</b> | <b>\$ 118,847</b> | <b>\$ 167,620</b> | <b>\$ 51,416</b> | <b>\$ 147,625</b> | <b>35%</b> | <b>\$ 150,125</b> | <b>1.69%</b> |

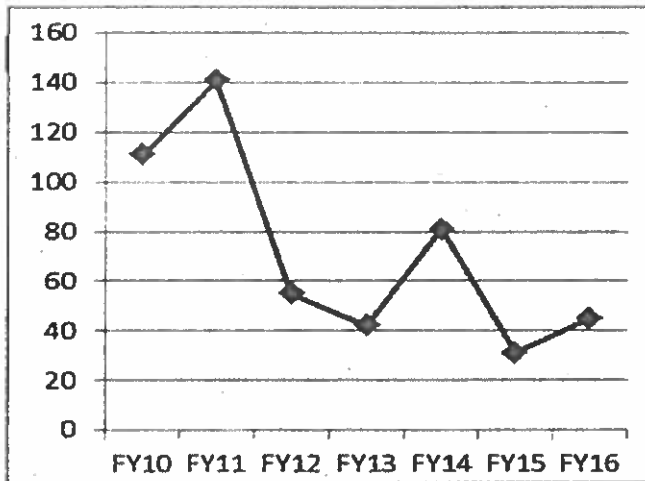
Note that the Senior Tax Relief process will begin in August 2017 with applications for property tax changes, and culminate with the Board of Selectmen setting the tax rate at a Public Hearing in late fall 2017. Existing staff in the department will assist in this process, and the need for Overtime will be monitored during this initial year.

**PROPERTY TAX EXEMPTIONS**



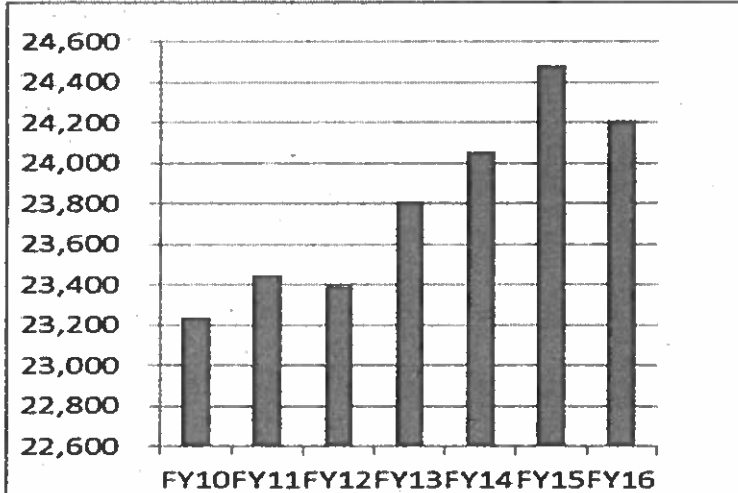
Taxpayers eligible for forms of property tax exemptions have declined over the past few years. Veterans have shown the largest decline from 178 to 125 followed by declines in financial eligibility (down 68 to 43) and other (down 56 to 29).

**TAX ABATEMENTS**



Tax abatements have shown a sharp decline as a new regional assessor has brought a more standardized approach. Note that abatements are lost revenue when granted.

**MOTOR VEHICLE EXCISE BILLS**



The number of excise bills has increased steadily during the past few years, roughly in line with the population growth from some large condo/apartment dwellings. These increases peaked in FY15 as bills in FY16 are down by approximately 1%.

**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.

|                                 | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT          |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                                 | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE       |
| TREAS-COLL/ASST DEPT HEAD       | \$ 81,887         | \$ 86,846         | \$ 91,989         | \$ 54,638         | \$ 92,150         | 59%        |                   | -100.00%     |
| TREASURER/ASST FIN DIRECTOR     |                   |                   |                   |                   |                   |            | \$ 86,325         | 100.00%      |
| COLLECTOR                       |                   |                   |                   |                   |                   |            | \$ 70,600         | 100.00%      |
| FINANCE ASST TREAS/COLL         | \$ 107,765        | \$ 111,670        | \$ 124,354        | \$ 71,110         | \$ 123,500        | 58%        |                   | -100.00%     |
| ASST TREASURER                  |                   |                   |                   |                   |                   |            | \$ 62,000         | 100.00%      |
| FIN ADMINISTRATIVE ASSISTANT    | \$ 42,197         | \$ 43,739         | \$ 45,441         | \$ 27,935         | \$ 48,025         | 58%        | \$ 49,325         | 2.71%        |
| FIN CLERK                       | \$ 104,972        | \$ 99,724         | \$ 97,936         | \$ 65,497         | \$ 110,475        | 59%        | \$ 113,500        | 2.74%        |
| FINANCE OVERTIME                | \$ 2,317          | \$ 365            | \$ 2,850          | \$ 294            | \$ 7,000          | 4%         | \$ 6,000          | -14.29%      |
| FINANCE LEAVE BUYBACK           | \$ -              | \$ -              | \$ 16,011         | \$ 2,853          | \$ -              |            | \$ -              |              |
| <b>GENERAL FINANCE SALARIES</b> | <b>\$ 339,138</b> | <b>\$ 342,343</b> | <b>\$ 378,581</b> | <b>\$ 222,326</b> | <b>\$ 381,150</b> | <b>58%</b> | <b>\$ 387,750</b> | <b>1.73%</b> |
| FINANCE PRINTING FORMS ETC      | \$ 15,272         | \$ 14,819         | \$ 14,860         | \$ 7,904          | \$ 16,500         | 48%        | \$ 16,500         | 0.00%        |
| FINANCE TAX TITLE               | \$ 16,734         | \$ 9,055          | \$ 9,383          | \$ 2,373          | \$ 15,000         | 16%        | \$ 15,000         | 0.00%        |
| FINANCE BANKING SERVICES        | \$ 13,919         | \$ 13,211         | \$ 11,696         | \$ 4,195          | \$ 15,000         | 28%        | \$ 15,000         | 0.00%        |
| FINANCE PROF DEV TRAINING       | \$ 2,541          | \$ 339            | \$ 1,135          | \$ 644            | \$ 2,800          | 23%        | \$ 2,800          | 0.00%        |
| FINANCE PROF DEV DUES/MEMBER    | \$ 690            | \$ 185            | \$ 185            | \$ 315            | \$ 1,200          | 26%        | \$ 1,200          | 0.00%        |
| FINANCE PROF DEV TRAVEL         | \$ 1,037          | \$ 290            | \$ 619            | \$ 798            | \$ 1,500          | 53%        | \$ 1,500          | 0.00%        |
| FINANCE SUPPLIES/EQUIPMENT      | \$ 2,164          | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| FINANCE OFFICE SUPP             | \$ 3,071          | \$ 2,870          | \$ 5,478          | \$ 2,267          | \$ 5,000          | 45%        | \$ 5,000          | 0.00%        |
| <b>GENERAL FINANCE EXPENSES</b> | <b>\$ 55,429</b>  | <b>\$ 40,770</b>  | <b>\$ 43,355</b>  | <b>\$ 18,496</b>  | <b>\$ 57,000</b>  | <b>32%</b> | <b>\$ 57,000</b>  | <b>0.00%</b> |
| <b>GENERAL FINANCE TOTAL</b>    | <b>\$ 394,567</b> | <b>\$ 383,114</b> | <b>\$ 421,936</b> | <b>\$ 240,822</b> | <b>\$ 438,150</b> | <b>55%</b> | <b>\$ 444,750</b> | <b>1.51%</b> |

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 replaces a Senior Administrative Assistant position.

## Public Safety Department FY18 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 FY18 is \$10,074,925 which is a +0.9% increase from the FY17 budget.

|                     | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN            |              |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|----------------------|--------------|
| PUBLIC SAFETY TOTAL | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | YTD        | MANAGER BUDGET       | PCT CHANGE   |
| Police              | \$ 4,087,578        | \$ 4,302,814        | \$ 4,496,216        | \$ 2,991,153        | \$ 4,809,850        | 62%        | \$ 4,787,250         | -0.47%       |
| RCASA               | \$ 74,645           | \$ 715              | \$ (360)            | \$ 14,464           | \$ -                |            | \$ -                 |              |
| Fire                | \$ 4,184,967        | \$ 4,371,220        | \$ 4,456,553        | \$ 2,997,811        | \$ 4,606,450        | 65%        | \$ 4,712,100         | 2.29%        |
| Dispatch            | \$ 422,909          | \$ 463,661          | \$ 492,113          | \$ 328,032          | \$ 565,150          | 58%        | \$ 575,575           | 1.84%        |
| <b>DEPARTMENT</b>   | <b>\$ 8,770,100</b> | <b>\$ 9,138,410</b> | <b>\$ 9,444,523</b> | <b>\$ 6,331,460</b> | <b>\$ 9,981,450</b> | <b>63%</b> | <b>\$ 10,074,925</b> | <b>0.94%</b> |

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

|                               | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           |              |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|--------------|
| PUBLIC SAFETY SALARIES        | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | YTD        | MANAGER BUDGET      | PCT CHANGE   |
| Police                        | \$ 3,880,661        | \$ 4,166,730        | \$ 4,338,070        | \$ 2,799,440        | \$ 4,537,350        | 62%        | \$ 4,520,550        | -0.37%       |
| RCASA                         | \$ 74,068           | \$ (174)            | \$ (360)            | \$ 14,464           | \$ -                |            | \$ -                |              |
| Fire                          | \$ 4,056,636        | \$ 4,224,805        | \$ 4,292,026        | \$ 2,867,984        | \$ 4,428,150        | 65%        | \$ 4,521,100        | 2.10%        |
| Dispatch                      | \$ 409,972          | \$ 440,589          | \$ 478,345          | \$ 320,768          | \$ 539,650          | 59%        | \$ 550,075          | 1.93%        |
| <b>DEPARTMENT</b>             | <b>\$ 8,421,337</b> | <b>\$ 8,831,949</b> | <b>\$ 9,108,081</b> | <b>\$ 6,002,656</b> | <b>\$ 9,505,150</b> | <b>63%</b> | <b>\$ 9,591,725</b> | <b>0.91%</b> |
| <b>PUBLIC SAFETY EXPENSES</b> |                     |                     |                     |                     |                     |            |                     |              |
| Police                        | \$ 206,917          | \$ 136,085          | \$ 158,147          | \$ 191,713          | \$ 272,500          | 70%        | \$ 266,700          | -2.13%       |
| RCASA                         | \$ 577              | \$ 888              | \$ -                | \$ -                | \$ -                |            | \$ -                |              |
| Fire                          | \$ 128,331          | \$ 146,415          | \$ 164,527          | \$ 129,827          | \$ 178,300          | 73%        | \$ 191,000          | 7.12%        |
| Dispatch                      | \$ 12,938           | \$ 23,072           | \$ 13,768           | \$ 7,265            | \$ 25,500           | 28%        | \$ 25,500           | 0.00%        |
| <b>DEPARTMENT</b>             | <b>\$ 348,763</b>   | <b>\$ 306,460</b>   | <b>\$ 336,442</b>   | <b>\$ 328,805</b>   | <b>\$ 476,300</b>   | <b>69%</b> | <b>\$ 483,200</b>   | <b>1.45%</b> |

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

## Police Department FY18 Budget

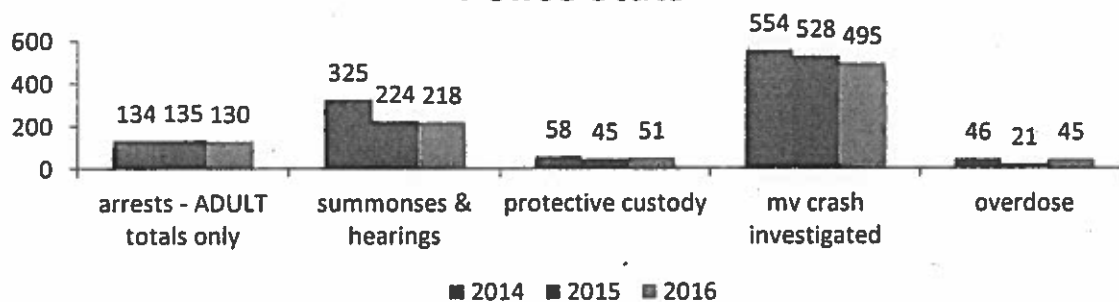
The Reading Police Department's FY18 budget is decreased by -0.5% when compared to the previous year. About 94% of the budget consists of personnel costs.

| POLICE DEPARTMENT            | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           | PCT<br>CHANGE |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|---------------|
|                              | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED<br>BUDGET   | YTD        | MANAGER<br>BUDGET   |               |
| POLICE CHIEF                 | \$ 143,461          | \$ 149,908          | \$ 168,051          | \$ 99,167           | \$ 165,900          | 60%        | \$ 170,525          | 2.79%         |
| DEPUTY POLICE CHIEF          | \$ 29,477           | \$ 131,196          | \$ 67,228           | \$ 63,046           | \$ 143,500          | 44%        | \$ 140,950          | -1.78%        |
| POL SENIOR ADMIN ASSISTANT   | \$ -                | \$ -                | \$ 4,478            | \$ 34,544           | \$ 58,250           | 59%        | \$ 58,725           | 0.82%         |
| POL ADMINISTRATIVE ASSISTANT | \$ 49,701           | \$ 51,484           | \$ 50,390           | \$ -                | \$ -                |            | \$ -                |               |
| POL ADMINISTRATIVE SECRETARY | \$ 39,894           | \$ 41,610           | \$ 37,687           | \$ 24,703           | \$ 45,400           | 54%        | \$ 46,650           | 2.75%         |
| POLICE LIEUTENANTS           | \$ 314,798          | \$ 398,553          | \$ 355,021          | \$ 207,280          | \$ 370,900          | 56%        | \$ 485,000          | 30.76%        |
| POLICE SERGEANTS             | \$ 630,031          | \$ 740,085          | \$ 788,909          | \$ 486,064          | \$ 836,300          | 58%        | \$ 742,500          | -11.22%       |
| POLICE OFFICERS              | \$ 1,797,635        | \$ 1,571,295        | \$ 1,659,355        | \$ 1,076,614        | \$ 1,737,400        | 62%        | \$ 1,745,000        | 0.44%         |
| POLICE DETECTIVES            | \$ 417,127          | \$ 610,699          | \$ 588,861          | \$ 329,674          | \$ 649,700          | 51%        | \$ 550,000          | -15.35%       |
| POLICE OVERTIME              | \$ 287,800          | \$ 267,489          | \$ 343,744          | \$ 307,534          | \$ 320,000          | 96%        | \$ 345,000          | 7.81%         |
| POLICE TRAINING              | \$ 17,475           | \$ 18,405           | \$ 20,340           | \$ 14,871           | \$ 21,500           | 69%        | \$ 21,500           | 0.00%         |
| POLICE FITNESS STIPEND       | \$ 3,750            | \$ 5,250            | \$ 6,000            | \$ 6,750            | \$ 6,000            | 113%       | \$ 6,000            | 0.00%         |
| POLICE BUYBACK               | \$ -                | \$ 25,190           | \$ 76,533           | \$ 45,969           | \$ -                |            | \$ -                |               |
| POLICE SCHOOL TRAFFIC        | \$ 114,910          | \$ 119,696          | \$ 134,638          | \$ 80,832           | \$ 153,450          | 53%        | \$ 157,650          | 2.74%         |
| POLICE PARKING ENFORCEMENT   | \$ 17,467           | \$ 18,120           | \$ 18,540           | \$ 11,412           | \$ 26,550           | 43%        | \$ 25,300           | -4.71%        |
| POLICE ANIMAL CONTROL        | \$ 17,135           | \$ 17,748           | \$ 18,295           | \$ 10,981           | \$ -                |            | \$ 23,250           |               |
| POLICE CELL MONITORS         | \$ -                | \$ -                | \$ -                | \$ -                | \$ 2,500            | 0%         | \$ 2,500            | 0.00%         |
| <b>POLICE SALARIES</b>       | <b>\$ 3,880,661</b> | <b>\$ 4,166,730</b> | <b>\$ 4,338,070</b> | <b>\$ 2,799,440</b> | <b>\$ 4,537,350</b> | <b>62%</b> | <b>\$ 4,520,550</b> | <b>-0.37%</b> |

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 been reduced by one Police Officer in this budget, to 41 sworn officers; two civilian office employees; a civilian part-time Parking Enforcement Officer; a civilian part-time Animal Control Officer; and 19 per diem school crossing guards. Note that during FY17 one Police detective position was shifted into the Police officer line above; and that in January 2017 there was a change in the command staff with an increase of one Lieutenant and a decrease of one Sergeant that carries through for FY18.

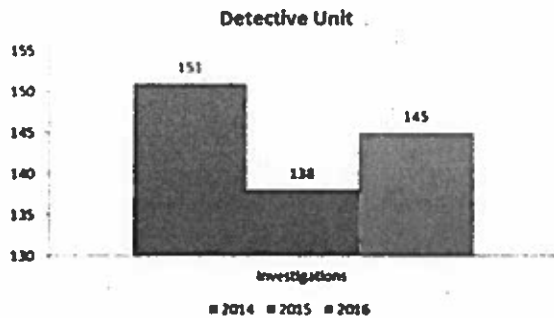
### Police Stats



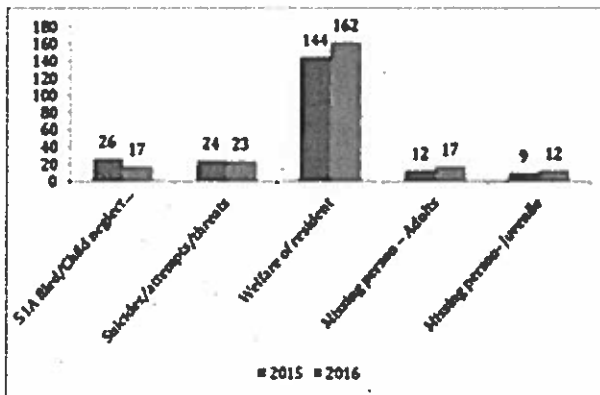
The department responds to 20,000 calls for service annually, some details are shown above.

As shown in the table below, both Part 1 and Part 2 Crimes have shown an increase of late:

| Part 1 Crimes | 2015       | 2016       | Part 2 Crimes      | 2015       | 2016       |
|---------------|------------|------------|--------------------|------------|------------|
| Larceny       | 141        | 159        | Family, nonviolent | 160        | 130        |
| Burglary      | 42         | 49         | Vandalism          | 59         | 76         |
| Rape          | 8          | 10         | Fraud              | 46         | 76         |
| Robbery       | 2          | 9          | D.U.I.             | 44         | 51         |
| MV theft      | 6          | 6          | Drug Violations    | 41         | 50         |
| Aggr Assault  | 11         | 4          | Simple Assault     | 50         | 46         |
| Arson         | 0          | 1          | Sex Offenses       | 8          | 10         |
| Crim Homicide | 0          | 0          | Other              | 25         | 18         |
| <b>Total</b>  | <b>210</b> | <b>238</b> | <b>Total</b>       | <b>433</b> | <b>457</b> |
| <b>Change</b> |            | <b>13%</b> | <b>Change</b>      |            | <b>6%</b>  |



The Detective unit has been busy – not shown to the left is the increasing complexity of recent cases which often cross into other jurisdictions and involve significant investment of staff time. The good news is the department’s track record at solving cases is excellent.



As the population ages, the amount of welfare of resident checks has increased. This is expected to increase significantly in years ahead.

Support Services is staffed with 3 police officers, 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.

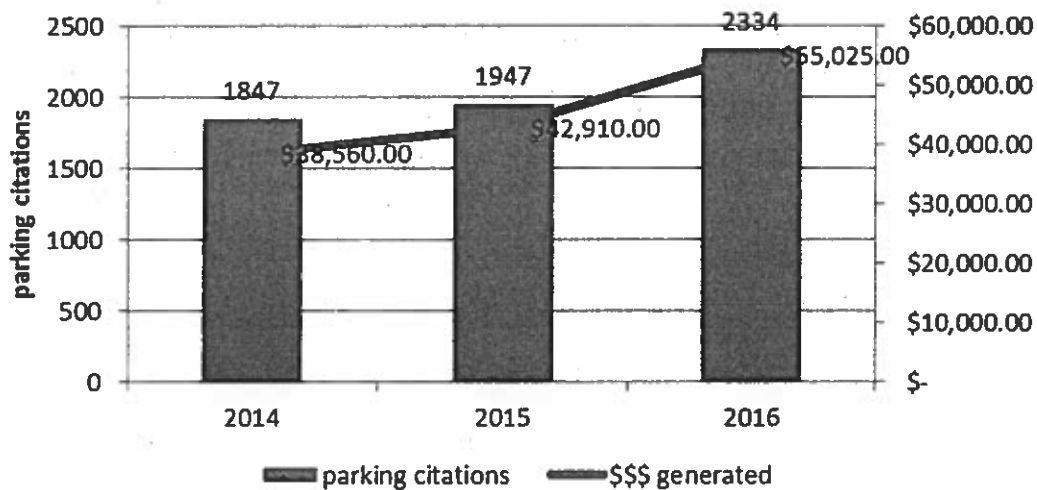
The Armorer and Fleet Maintenance Officer is responsible for processing all license to carry applications as well as any issues, maintenance of all firearms (including recertifying all officers with their firearms) and department vehicles.

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). The Reading Police Department processed 216 new applications for 2016, for about 81 8-hour working days of time this year. In addition there were an estimated 50 applications carried over from 2015 that needed administrative attention in the licensing system in order to get cleared and issued.

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 also 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 Community Service Officer was put in place in 2016. This officer 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.

### Parking Officer



An average of 360 public records requests per year were made in 2015 and 2016, and this is expected to increase in the future. 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 info, and redacts all personal information that needs to be taken out. This process can take several minutes up to many hours. The clerk then makes copies of all of the reports or audio recordings and follows up with the requestor within the mandated 10-day response period.

Below is a list of the department's relatively small expense budget. Note the holdback of one Police Cruiser for the School budget as has been mentioned. Note also that ongoing discussions with a different neighboring community over the prospects of regionalizing the Animal Control function in FY18 are shown below:

|                                | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           | PCT           |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|---------------|
| POLICE DEPARTMENT              | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | YTD        | MANAGER BUDGET      | CHANGE        |
| *POLICE EQUIP CRUISERS         | \$ 65,024           | \$ 51,200           | \$ 55,421           | \$ 73,603           | \$ 84,000           | 88%        | \$ 84,000           | 0.00%         |
| POLICE VEHICLE REPAIR          | \$ 7,076            | \$ 4,078            | \$ 6,107            | \$ 4,728            | \$ 10,000           | 47%        | \$ 10,000           | 0.00%         |
| REGIONAL ANIMAL CONTROL        | \$ -                | \$ -                | \$ -                | \$ -                | \$ 50,000           | 0%         | \$ 50,000           | 0.00%         |
| POLICE WEAPONS MAINTENANCE     | \$ 15,572           | \$ 533              | \$ 8,849            | \$ 9,747            | \$ 9,500            | 103%       | \$ 9,500            | 0.00%         |
| POLICE PARK PROGRAM SUPPLIES   | \$ 4,245            | \$ 6,677            | \$ 6,412            | \$ 6,965            | \$ 8,000            | 87%        | \$ 8,000            | 0.00%         |
| POLICE COMMUNICATIONS EQUIP    | \$ 1,915            | \$ 4,266            | \$ 4,508            | \$ 4,145            | \$ 7,500            | 55%        | \$ 7,500            | 0.00%         |
| POLICE PUBLIC SAFETY SUPPLIES  | \$ 1,223            | \$ 6,474            | \$ 826              | \$ 9,958            | \$ 17,300           | 58%        | \$ 7,500            | -56.65%       |
| POLICE CONT MAINTSVC EQUIPMENT | \$ 2,119            | \$ 3,638            | \$ 4,500            | \$ 797              | \$ 5,000            | 16%        | \$ 5,000            | 0.00%         |
| POLICE RADAR UNIT              | \$ 585              | \$ 994              | \$ 2,658            | \$ 902              | \$ 5,000            | 18%        | \$ 5,000            | 0.00%         |
| POLICE SUPPLIES/EQUIPMENT      | \$ 1,217            | \$ 1,574            | \$ 2,113            | \$ 3,707            | \$ 2,000            | 185%       | \$ 2,000            | 0.00%         |
| POLICE BICYCL SUPPL AND EQUIP  | \$ -                | \$ -                | \$ -                | \$ -                | \$ 2,000            | 0%         | \$ 2,000            | 0.00%         |
| POLICE MEDICAL SUPPLIES        | \$ -                | \$ -                | \$ -                | \$ 1,294            | \$ 2,000            | 65%        | \$ 2,000            | 0.00%         |
| POLICE PROF/TECH SV            | \$ -                | \$ -                | \$ -                | \$ -                | \$ 500              | 0%         | \$ 500              | 0.00%         |
| POLICE OFFICE SUPP             | \$ 18,023           | \$ 12,404           | \$ 14,086           | \$ 16,210           | \$ 12,000           | 135%       | \$ 12,000           | 0.00%         |
| POLICE POSTAGE                 | \$ 1,477            | \$ 1,533            | \$ 1,115            | \$ 1,092            | \$ 1,600            | 68%        | \$ 1,600            | 0.00%         |
| POLICE FURNISHINGS             | \$ 1,999            | \$ 1,726            | \$ 3,403            | \$ 686              | \$ 2,000            | 34%        | \$ 2,000            | 0.00%         |
| POLICE DUES AND MEMBERSHIPS    | \$ 10,704           | \$ 12,944           | \$ 15,708           | \$ 18,333           | \$ 13,000           | 141%       | \$ 17,000           | 30.77%        |
| POLICE OFFICER TRAINING        | \$ 16,380           | \$ 16,252           | \$ 5,050            | \$ 16,985           | \$ 17,000           | 100%       | \$ 17,000           | 0.00%         |
| POLICE PROF DEV/TRAINING       | \$ 4,595            | \$ 1,309            | \$ 713              | \$ 7,526            | \$ 6,500            | 116%       | \$ 6,500            | 0.00%         |
| POLICE UNIFORMS AND CLOTHING   | \$ 44,730           | \$ 6,188            | \$ 12,288           | \$ 6,207            | \$ 6,000            | 103%       | \$ 6,000            | 0.00%         |
| POLICE REIMBURSEMENTS          | \$ 8,493            | \$ 3,648            | \$ 12,196           | \$ 3,492            | \$ 5,000            | 70%        | \$ 5,000            | 0.00%         |
| POLICE PROFDEV REGISTRATIONS   | \$ 1,145            | \$ 50               | \$ 825              | \$ 3,969            | \$ 4,000            | 99%        | \$ 4,000            | 0.00%         |
| POLICE SPECIAL INVESTIGATION   | \$ 90               | \$ 226              | \$ 1,069            | \$ 632              | \$ 1,000            | 63%        | \$ 1,000            | 0.00%         |
| CROSSING GUARD SUPPLIES        | \$ -                | \$ -                | \$ -                | \$ 534              | \$ 1,000            | 53%        | \$ 1,000            | 0.00%         |
| POLICE OTHER                   | \$ -                | \$ 45               | \$ -                | \$ -                | \$ -                |            | \$ -                |               |
| POLICE FOOD FOR PRISONERS      | \$ 305              | \$ 326              | \$ 300              | \$ 200              | \$ 600              | 33%        | \$ 600              | 0.00%         |
| POLICE EXPENSES                | \$ 206,917          | \$ 136,085          | \$ 158,147          | \$ 191,713          | \$ 272,500          | 70%        | \$ 266,700          | -2.13%        |
| <b>POLICE DEPARTMENT TOTAL</b> | <b>\$ 4,087,578</b> | <b>\$ 4,302,814</b> | <b>\$ 4,496,216</b> | <b>\$ 2,991,153</b> | <b>\$ 4,809,850</b> | <b>62%</b> | <b>\$ 4,787,250</b> | <b>-0.47%</b> |

Expenses constitute a small portion of the department's budget. Animal control is an area that needs improved service in the town. One regional effort with a neighboring community was set to go but then cancelled; another regional partner has since been sought out and that solution is now proposed for FY18. Note that one of two Police Cruiser replacements for FY18 (\$42,000) is a holdback for the FY18 school department budget.

## Reading Coalition Against Substance Abuse (RCASA) FY18 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 FY18 and shown below. Federal funding for Drug Free Communities expires in FY19.

| RCASA                          | FY14             | FY15          | FY16            | FY17             | FY17           | FY17 | FY18 TOWN      | PCT          |
|--------------------------------|------------------|---------------|-----------------|------------------|----------------|------|----------------|--------------|
|                                | ACTUALS          | ACTUALS       | ACTUALS         | ACTUALS          | REVISED BUDGET | YTD  | MANAGER BUDGET |              |
| RCASA YOUTH COORDINATOR        | \$ -             | \$ -          | \$ 5,963        | \$ 9,604         | \$ -           |      | \$ -           |              |
| RCASA COMMUNITY OUTREACH COORD | \$ 35,027        | \$ 45,919     | \$ 40,164       | \$ 34,869        | \$ 37,325      |      | \$ 33,375      | -10.58%      |
| RCASA PROGRAM DIRECTOR         | \$ 70,703        | \$ 74,791     | \$ 77,387       | \$ 48,040        | \$ 80,400      |      | \$ 82,625      | 2.77%        |
| FED GRANT SUPPORT              | \$ (31,663)      | \$ (120,884)  | \$ (123,874)    | \$ (78,049)      | \$ (117,725)   |      | \$ (116,000)   | -1.47%       |
| RCASA SALARIES                 | \$ 74,068        | \$ (174)      | \$ (360)        | \$ 14,464        | \$ -           |      | \$ -           | 0.00%        |
| RCASA EVENT & PROGRAM COSTS    | \$ 66            | \$ 500        | \$ -            | \$ 14,942        | \$ -           |      | \$ -           | 0.00%        |
| RCASA SUPPLIES                 | \$ 500           | \$ 354        | \$ -            | \$ 3,624         | \$ -           |      | \$ -           | 0.00%        |
| IN-STATE TRAVEL                | \$ -             | \$ -          | \$ -            | \$ 3,551         | \$ -           |      | \$ -           | 0.00%        |
| OUT-OF-STATE TRAVEL            | \$ -             | \$ -          | \$ -            | \$ 7,221         | \$ -           |      | \$ -           | 0.00%        |
| RCASA OTHER EXPENSES           | \$ 11            | \$ 34         | \$ -            | \$ 1,884         | \$ -           |      | \$ -           | 0.00%        |
| FED GRANT SUPPORT              | \$ -             | \$ -          | \$ -            | \$ (31,221)      | \$ -           |      | \$ -           | 0.00%        |
| RCASA EXPENSES                 | \$ 577           | \$ 888        | \$ -            | \$ -             | \$ -           |      | \$ -           | 0.00%        |
| <b>RCASA TOTAL</b>             | <b>\$ 74,645</b> | <b>\$ 715</b> | <b>\$ (360)</b> | <b>\$ 14,464</b> | <b>\$ -</b>    |      | <b>\$ -</b>    | <b>0.00%</b> |

Unfortunately, as measured by calls for service to the Police department, substance abuse issues continue to climb as shown below. Note that recent changes in classification have broken out opiate related calls:

|                      | 2015 | 2016 |
|----------------------|------|------|
| Substance - Alcohol  | 106  | 135  |
| Substance - Drugs    | 119  | 133  |
| Substance - Opiates* | 2    | 13   |

However as measured by the Youth Risk Behavior Survey done in Reading Public Schools, there is evidence of some long-term success in this very challenging area:

|                                  | 2005 | 2015 |
|----------------------------------|------|------|
| Alcohol free (lifetime)          | 33%  | 45%  |
| Alcohol free (past 30 days)      | 55%  | 62%  |
| Alcohol free (no binge drinking) | 71%  | 78%  |

## Fire and Emergency Management FY18 Budget

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 FY18 budget will reduce staffing by one Firefighter. The Fire Department's budget request for FY18 is \$4,712,100 which represents a 2.3% increase over FY17. The salary budget request is \$4,521,100 and this represents 96% of the budget.

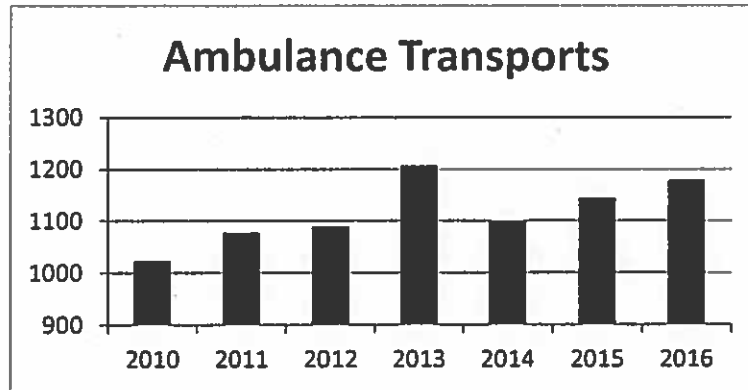
| FIRE DEPARTMENT               | FY14<br>ACTUALS     | FY15<br>ACTUALS     | FY16<br>ACTUALS     | FY17<br>ACTUALS     | FY17<br>REVISED<br>BUDGET | FY17<br>YTD | FY18 TOWN<br>MANAGER<br>BUDGET | PCT<br>CHANGE |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------------|-------------|--------------------------------|---------------|
| FIRE CHIEF                    | \$ 114,832          | \$ 118,776          | \$ 137,189          | \$ 92,836           | \$ 155,650                | 60%         | \$ 159,950                     | 2.76%         |
| ASSISTANT FIRE CHIEF          | \$ -                | \$ -                | \$ 20,593           | \$ 66,881           | \$ 116,500                | 57%         | \$ 118,950                     | 2.10%         |
| FIRE EXECUTIVE OFFICER        | \$ -                | \$ -                | \$ (37)             | \$ 1,030            | \$ -                      |             | \$ -                           |               |
| SENIOR ADMIN ASSISTANT        | \$ -                | \$ -                | \$ 31,341           | \$ 32,608           | \$ 57,300                 | 57%         | \$ 58,700                      | 2.44%         |
| FIRE ADMINISTRATIVE ASSISTANT | \$ 46,632           | \$ 48,281           | \$ 20,540           | \$ -                | \$ -                      |             | \$ -                           |               |
| EMS DIRECTOR                  | \$ -                | \$ -                | \$ 5,615            | \$ 4,481            | \$ 7,500                  | 60%         | \$ 7,500                       | 0.00%         |
| FIRE CAPTAINS                 | \$ 370,475          | \$ 381,963          | \$ 438,311          | \$ 408,302          | \$ 448,700                | 91%         | \$ 580,000                     | 29.26%        |
| FIRE LIEUTENANTS              | \$ 374,851          | \$ 327,310          | \$ 473,954          | \$ 174,996          | \$ 477,000                | 37%         | \$ 390,000                     | -18.24%       |
| FIRE FIREFIGHTERS             | \$ 2,432,598        | \$ 2,543,732        | \$ 2,611,254        | \$ 1,713,497        | \$ 2,764,500              | 62%         | \$ 2,775,000                   | 0.38%         |
| FIRE ALARM                    | \$ 11,862           | \$ 11,722           | \$ 20,777           | \$ 11,034           | \$ 11,000                 | 100%        | \$ 11,000                      | 0.00%         |
| FIRE OVERTIME                 | \$ 503,381          | \$ 574,041          | \$ 530,519          | \$ 362,320          | \$ 390,000                | 93%         | \$ 420,000                     | 7.69%         |
| FIRE HOLIDAY PAY              | \$ 202,005          | \$ 218,981          | \$ -                | \$ -                | \$ -                      |             | \$ -                           |               |
| FIRE SICK LEAVE BUYBACK       | \$ -                | \$ -                | \$ 1,971            | \$ -                | \$ -                      |             | \$ -                           |               |
| <b>FIRE SALARIES</b>          | <b>\$ 4,056,636</b> | <b>\$ 4,224,805</b> | <b>\$ 4,292,026</b> | <b>\$ 2,867,984</b> | <b>\$ 4,428,150</b>       | <b>65%</b>  | <b>\$ 4,521,100</b>            | <b>2.10%</b>  |

The FY18 budget reduces staffing by one Firefighter's position. 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. In FY17 the department increased the number of Captains and decreased the number of Lieutenants by one each as the Fire Prevention position was changed to improve staff flexibility. The reduction in staffing causes an increase in the Overtime budget.

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.

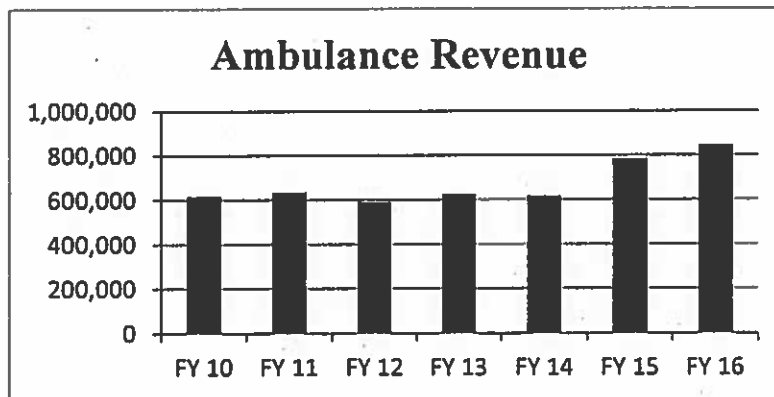
In calendar year 2016 the Fire Department responded to 3,459 emergency calls for assistance. Of these calls 2,026 involved some level of emergency medical response. A review of our Massachusetts Fire Incident Report data indicated we responded to 40 fires defined as structure fires, 10 fires in mobile equipment and 34 outside fires. All these fire incidents were required to be reported to the State Fire Marshal.

Firefighters responded to 2,039 total emergency medical responses for calendar year 2016 and transported 1,177 patients. Ambulance transports continue to trend upward. Below is our calendar year ambulance transport data for 2010 through 2016:



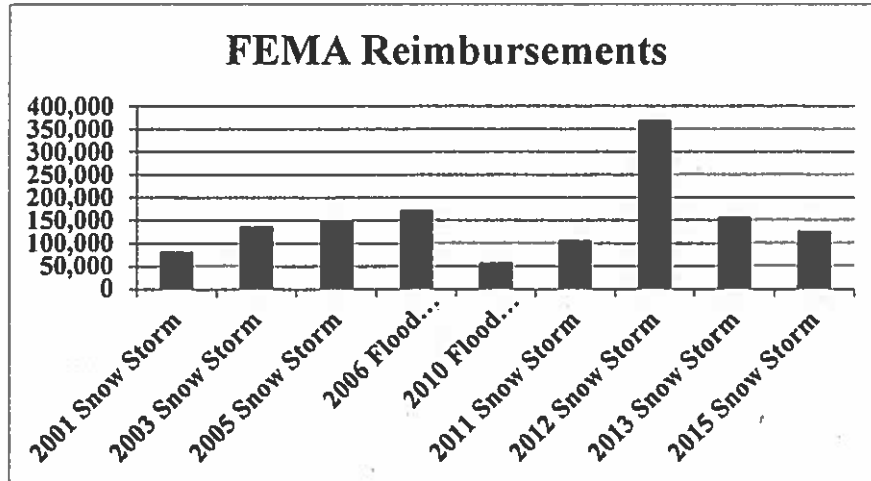
Ambulance Transports Calendar Years 2010 Through 2016

Ambulance Revenue has continued an upward trend. This is due to higher ambulance fees and the increase in number of patients transported. In fiscal year 2016, \$844,306 in ambulance revenue was collected. Note that all of these funds flow to the general fund and are available for a variety of uses, including the annual town and school budgets. Below is our fiscal year ambulance revenue data for 2010 through 2016:



Ambulance Revenue Fiscal Years 2010 Through 2016

The primary goals for Emergency Management are 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 to 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. 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 \$1,347,000 in reimbursements for emergency response and damage to infrastructure. Below is breakdown in revenue the Town of Reading has received since 2001:



Revenue Received from Calendar Years 2010 to 2017 from Presidential Disaster Declarations

|                                | FY14                | FY15                | FY16                | FY17                | FY17                | FY18 TOWN      | PCT                       |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------|---------------------------|
| FIRE DEPARTMENT                | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | MANAGER BUDGET | CHANGE                    |
| FIRE ALS MEDICAL SUPPLIES      | \$ 39,977           | \$ 46,412           | \$ 48,571           | \$ 28,532           | \$ 43,000           | 66%            | \$ 48,000 11.63%          |
| FIRE AMBULANCE SERVICE         | \$ 20,030           | \$ 16,617           | \$ 17,645           | \$ 16,709           | \$ 20,100           | 83%            | \$ 20,000 -0.50%          |
| AMBULANCE BILLING SERVICES     | \$ 11,575           | \$ 25,460           | \$ 32,338           | \$ 17,939           | \$ 35,000           | 51%            | \$ 35,000 0.00%           |
| FIRE EQUIP MAINT/SVC/REPAIR    | \$ 4,167            | \$ 6,736            | \$ 11,884           | \$ 8,972            | \$ 6,000            | 150%           | \$ 14,000 133.33%         |
| FIRE RADIO MAINT/REPAIRS       | \$ 1,192            | \$ 1,090            | \$ 2,055            | \$ 467              | \$ 4,000            | 12%            | \$ 10,000 150.00%         |
| FIRE APPARATUS MAINT/SVC/REPAI | \$ 3,360            | \$ 48               | \$ 6,273            | \$ 2,173            | \$ 1,000            | 217%           | \$ 3,000 200.00%          |
| FIRE ALARM MAINT/REPAIR        | \$ 1,524            | \$ 90               | \$ (679)            | \$ 233              | \$ 3,000            | 8%             | \$ 3,000 0.00%            |
| FIRE UNIFORMS AND CLOTHING     | \$ 31,725           | \$ 30,575           | \$ 31,105           | \$ 35,951           | \$ 48,500           | 74%            | \$ 38,000 -21.65%         |
| FIRE PROTECTIVE CLOTHING       | \$ 2,077            | \$ 2,934            | \$ 1,953            | \$ 7,847            | \$ 2,000            | 392%           | \$ 3,000 50.00%           |
| FIRE SUPPLIES/EQUIPMENT        | \$ 407              | \$ 892              | \$ 377              | \$ 550              | \$ 2,000            | 28%            | \$ 2,000 0.00%            |
| FIRE FIREFIGHTER TRAINING      | \$ 5,551            | \$ 6,803            | \$ 7,283            | \$ 3,459            | \$ 6,000            | 58%            | \$ 7,000 16.67%           |
| FIRE DUES AND MEMBERSHIPS      | \$ 3,780            | \$ 2,500            | \$ 3,525            | \$ 3,575            | \$ 3,100            | 115%           | \$ 3,500 12.90%           |
| FIRE PROFDEV REGISTRATIONS     | \$ 889              | \$ 909              | \$ 735              | \$ 504              | \$ 1,100            | 46%            | \$ 1,000 -9.09%           |
| FIRE PUBLICATIONS              | \$ 128              | \$ 604              | \$ 54               | \$ 415              | \$ 500              | 83%            | \$ 500 0.00%              |
| FIRE PROF DEV/TRAINING         | \$ 1,068            | \$ 800              | \$ -                | \$ -                | \$ -                |                | \$ -                      |
| FIRE OFFICE SUPP               | \$ 712              | \$ 550              | \$ 403              | \$ 1,004            | \$ 1,000            | 100%           | \$ 1,000 0.00%            |
| FIRE OTHER                     | \$ 168              | \$ 2,832            | \$ 596              | \$ 1,429            | \$ 1,000            | 143%           | \$ 1,000 0.00%            |
| FLAGS                          | \$ -                | \$ 562              | \$ 410              | \$ 68               | \$ 1,000            | 7%             | \$ 1,000 0.00%            |
| FIRE EXPENSES                  | \$ 128,331          | \$ 146,415          | \$ 164,527          | \$ 129,827          | \$ 178,300          | 73%            | \$ 191,000 7.12%          |
| <b>FIRE DEPARTMENT TOTAL</b>   | <b>\$ 4,184,967</b> | <b>\$ 4,371,220</b> | <b>\$ 4,456,553</b> | <b>\$ 2,997,811</b> | <b>\$ 4,606,450</b> | <b>65%</b>     | <b>\$ 4,712,100 2.29%</b> |

Most of the 7.1% increase in expenses is due to one-time purchases that will not be carried over into the FY 19 budget, including \$6,000 to purchase replacement portable radio batteries; \$8,000 to purchase equipment to protect Firefighters that are operating at a scene with a violent person; and \$2,000 for repair of nozzles and valves. The ALS medical supplies account has been increased \$5,000 due to the increasing costs of medications and disposable supplies.

## Dispatch FY18 Budget

The Reading Public Safety Dispatch budget request for FY18 is funded at \$575,575, a 1.8% increase compared with FY17. Over 95% of this budget is spent on personnel.

Dispatch is currently staffed with ten civilian Telecommunicators and one civilian Head Dispatcher who works several shifts per week as a Telecommunicator and oversees the administration of the Dispatch center. In addition to Town funding, \$50,000 in 911 grant funds are used to offset existing salaries. This grant is not guaranteed and can be discontinued at any time.

|                                | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         |              |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
| DISPATCH                       | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | FY17 YTD   | MANAGER BUDGET    | PCT CHANGE   |
| HEAD PUB SAFETY DISPATCHER     | \$ 60,114         | \$ 64,521         | \$ 68,924         | \$ 42,792         | \$ 71,650         | 60%        | \$ 73,575         | 2.69%        |
| PUB SAFETY DISPATCHERS         | \$ 331,673        | \$ 322,168        | \$ 407,984        | \$ 245,708        | \$ 463,000        | 53%        | \$ 473,500        | 2.27%        |
| DISPATCHER OVERTIME            | \$ 66,133         | \$ 91,264         | \$ 50,582         | \$ 32,268         | \$ 55,000         | 59%        | \$ 53,000         | -3.64%       |
| DISPATCH OT TRAINING           | \$ 656            | \$ (689)          | \$ 579            | \$ -              | \$ -              |            | \$ -              |              |
| DISPATCH E911 GRANT SUPPORT    | \$ (50,000)       | \$ (50,000)       | \$ (51,642)       | \$ -              | \$ (50,000)       | 0%         | \$ (50,000)       | 0.00%        |
| DISPATCH WAGES TEMP            | \$ 1,397          | \$ 13,324         | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| DISPATCH LEAVE BUYBACK         | \$ -              | \$ -              | \$ 1,917          | \$ -              | \$ -              |            | \$ -              |              |
| <b>DISPATCH SALARIES</b>       | <b>\$ 409,972</b> | <b>\$ 440,589</b> | <b>\$ 478,345</b> | <b>\$ 320,768</b> | <b>\$ 539,650</b> | <b>59%</b> | <b>\$ 550,075</b> | <b>1.93%</b> |
| DISPATCH COMM EQUIP            | \$ 4,351          | \$ 5,753          | \$ 1,644          | \$ 2,243          | \$ 6,000          | 37%        | \$ 6,000          | 0.00%        |
| DISPATCH EQUIP MAINT & REPAIR  | \$ -              | \$ -              | \$ 4,413          | \$ 1,268          | \$ 3,500          | 36%        | \$ 3,500          | 0.00%        |
| DISPATCH TECHNOLOGY SUPP       | \$ -              | \$ -              | \$ -              | \$ -              | \$ 3,500          | 0%         | \$ 3,500          | 0.00%        |
| DISPATCH EQUIPMENT             | \$ -              | \$ -              | \$ 1,518          | \$ 606            | \$ 3,500          | 17%        | \$ 3,500          | 0.00%        |
| DISPATCH VIDEO SURV MAINT      | \$ 1,395          | \$ 11,049         | \$ -              | \$ -              | \$ 2,500          | 0%         | \$ 2,500          | 0.00%        |
| DISPATCH MAINT CONTRACT/REPAIR | \$ 117            | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| DISPATCH SOFTWARE LICEN & SUPP | \$ 1,890          | \$ 3,979          | \$ 3,130          | \$ 2,620          | \$ 2,500          | 105%       | \$ 2,500          | 0.00%        |
| DISPATCH PROF DEV/TRAINING     | \$ 1,399          | \$ 261            | \$ 370            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%        |
| DISPATCH PROF DEV TRAVEL       | \$ 1,369          | \$ 441            | \$ 340            | \$ 183            | \$ 1,000          | 18%        | \$ 1,000          | 0.00%        |
| DISPATCH UNIFORMS AND CLOTHING | \$ 2,310          | \$ 630            | \$ 2,284          | \$ 345            | \$ 1,000          | 35%        | \$ 1,000          | 0.00%        |
| DISPATCH OFFICE SUPP           | \$ 106            | \$ 959            | \$ 68             | \$ -              | \$ -              |            | \$ -              |              |
| <b>DISPATCH EXPENSES</b>       | <b>\$ 12,938</b>  | <b>\$ 23,072</b>  | <b>\$ 13,768</b>  | <b>\$ 7,265</b>   | <b>\$ 25,500</b>  | <b>28%</b> | <b>\$ 25,500</b>  | <b>0.00%</b> |
| <b>DISPATCH TOTAL</b>          | <b>\$ 422,909</b> | <b>\$ 463,661</b> | <b>\$ 492,113</b> | <b>\$ 328,032</b> | <b>\$ 565,150</b> | <b>58%</b> | <b>\$ 575,575</b> | <b>1.84%</b> |

Each year this field becomes more complex due to changes in technology and in the Emergency Medical Dispatch requirements. The Reading Dispatch Center is in compliance with all requirements. Dispatch has gone through significant turnover in staffing over the past few years. In addition, the Town has increased the overall staffing levels, which has caused an increase in initial uniform and training costs and reduced the need for Overtime. As the table below shows, Dispatch fields about one call every 15 minutes throughout every day of the year.

|                        | 2014   | 2015   | 2016   |
|------------------------|--------|--------|--------|
| Calls/log entries      | 33,950 | 30,965 | 32,963 |
| Compost/Depot stickers | 4,087  | 4,124  | 4,429  |

## Public Works FY18 Budget

The Department of Public Works FY18 budget is increased by 1.0% when compared to the previous year. Details by Division are shown below:

|                        | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           |              |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|--------------|
|                        | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | YTD        | MANAGER BUDGET      | PCT CHANGE   |
| DPW Administration     | \$ 257,747          | \$ 333,902          | \$ 346,469          | \$ 211,260          | \$ 358,700          | 59%        | \$ 368,075          | 2.61%        |
| Engineering            | \$ 397,443          | \$ 434,725          | \$ 445,167          | \$ 208,522          | \$ 445,250          | 47%        | \$ 418,925          | -5.91%       |
| Highway/Equipment      | \$ 1,411,576        | \$ 1,391,153        | \$ 1,392,209        | \$ 834,734          | \$ 1,552,650        | 54%        | \$ 1,532,050        | -1.33%       |
| Storm Water (GF)       | \$ 169,914          | \$ 120,200          | \$ 157,066          | \$ 100,834          | \$ 173,775          | 58%        | \$ 176,200          | 1.40%        |
| Parks & Forestry       | \$ 523,222          | \$ 520,608          | \$ 565,914          | \$ 358,864          | \$ 596,705          | 60%        | \$ 617,325          | 3.46%        |
| Cemetery               | \$ 208,541          | \$ 207,872          | \$ 208,287          | \$ 129,141          | \$ 225,400          | 57%        | \$ 250,000          | 10.91%       |
| <b>OPERATIONS</b>      | <b>\$ 2,968,443</b> | <b>\$ 3,008,460</b> | <b>\$ 3,115,113</b> | <b>\$ 1,843,355</b> | <b>\$ 3,352,480</b> | <b>55%</b> | <b>\$ 3,362,575</b> | <b>0.30%</b> |
| Snow/Ice               | \$ 1,087,412        | \$ 1,449,515        | \$ 564,400          | \$ 362,543          | \$ 625,000          | 58%        | \$ 625,000          | 0.00%        |
| Traffic/Steet Lighting | \$ 131,711          | \$ 135,770          | \$ 127,758          | \$ 77,065           | \$ 180,000          | 43%        | \$ 180,000          | 0.00%        |
| Rubbish & Recycling    | \$ 1,289,452        | \$ 1,296,522        | \$ 1,319,895        | \$ 1,493,818        | \$ 1,550,000        | 96%        | \$ 1,596,500        | 3.00%        |
| Snow/Lighting/Rubbish  | \$ 2,508,575        | \$ 2,881,807        | \$ 2,012,053        | \$ 1,933,426        | \$ 2,355,000        | 82%        | \$ 2,401,500        | 1.97%        |
| <b>DEPARTMENT</b>      | <b>\$ 5,477,017</b> | <b>\$ 5,890,267</b> | <b>\$ 5,127,165</b> | <b>\$ 3,776,781</b> | <b>\$ 5,707,480</b> | <b>66%</b> | <b>\$ 5,764,075</b> | <b>0.99%</b> |

### 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, Storm Water). Following is a breakdown of salaries and expenses for these budgets:

|                        | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           |              |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|--------------|
|                        | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | YTD        | MANAGER BUDGET      | PCT CHANGE   |
| <b>SALARIES</b>        |                     |                     |                     |                     |                     |            |                     |              |
| DPW Administration     | \$ 238,859          | \$ 307,650          | \$ 306,971          | \$ 200,474          | \$ 338,200          | 59%        | \$ 347,575          | 2.77%        |
| Engineering            | \$ 365,266          | \$ 384,901          | \$ 415,606          | \$ 182,136          | \$ 400,750          | 45%        | \$ 374,425          | -6.57%       |
| Highway/Equipment      | \$ 766,925          | \$ 825,206          | \$ 829,907          | \$ 503,722          | \$ 846,800          | 59%        | \$ 852,200          | 0.64%        |
| Storm Water (GF)       | \$ 163,603          | \$ 115,640          | \$ 153,506          | \$ 98,690           | \$ 166,775          | 59%        | \$ 169,200          | 1.45%        |
| Parks & Forestry       | \$ 495,639          | \$ 489,970          | \$ 526,034          | \$ 330,503          | \$ 548,205          | 60%        | \$ 568,825          | 3.76%        |
| Cemetery               | \$ 160,738          | \$ 154,736          | \$ 169,848          | \$ 107,123          | \$ 180,700          | 59%        | \$ 204,950          | 13.42%       |
| <b>OPERATIONS</b>      | <b>\$ 2,191,029</b> | <b>\$ 2,278,103</b> | <b>\$ 2,401,873</b> | <b>\$ 1,422,648</b> | <b>\$ 2,481,430</b> | <b>57%</b> | <b>\$ 2,517,175</b> | <b>1.44%</b> |
| Snow/Ice               | \$ 244,065          | \$ 385,413          | \$ 145,337          | \$ 95,228           | \$ 115,000          | 83%        | \$ 115,000          | 0.00%        |
| Traffic/Steet Lighting |                     |                     |                     |                     |                     |            |                     |              |
| Rubbish & Recycling    |                     |                     |                     |                     |                     |            |                     |              |
| Snow/Lighting/Rubbish  | \$ 244,065          | \$ 385,413          | \$ 145,337          | \$ 95,228           | \$ 115,000          | 83%        | \$ 115,000          | 0.00%        |
| <b>DEPARTMENT</b>      | <b>\$ 2,435,094</b> | <b>\$ 2,663,516</b> | <b>\$ 2,547,210</b> | <b>\$ 1,517,876</b> | <b>\$ 2,596,430</b> | <b>58%</b> | <b>\$ 2,632,175</b> | <b>1.38%</b> |

| EXPENSES                | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           | PCT           |
|-------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|---------------|
|                         | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | YTD        | MANAGER BUDGET      | CHANGE        |
| DPW Administration      | \$ 18,888           | \$ 26,252           | \$ 39,498           | \$ 10,786           | \$ 20,500           | 53%        | \$ 20,500           | 0.00%         |
| Engineering             | \$ 32,177           | \$ 49,825           | \$ 29,561           | \$ 26,386           | \$ 44,500           | 59%        | \$ 44,500           | 0.00%         |
| Highway/Equipment       | \$ 644,651          | \$ 565,947          | \$ 562,302          | \$ 331,012          | \$ 705,850          | 47%        | \$ 679,850          | -3.68%        |
| Storm Water (GF)        | \$ 6,311            | \$ 4,560            | \$ 3,561            | \$ 2,144            | \$ 7,000            | 31%        | \$ 7,000            | 0.00%         |
| Parks & Forestry        | \$ 27,583           | \$ 30,638           | \$ 39,880           | \$ 28,360           | \$ 48,500           | 58%        | \$ 48,500           | 0.00%         |
| Cemetery                | \$ 47,803           | \$ 53,135           | \$ 38,439           | \$ 22,018           | \$ 44,700           | 49%        | \$ 45,050           | 0.78%         |
| <b>OPERATIONS</b>       | <b>\$ 777,414</b>   | <b>\$ 730,357</b>   | <b>\$ 713,240</b>   | <b>\$ 420,707</b>   | <b>\$ 871,050</b>   | <b>48%</b> | <b>\$ 845,400</b>   | <b>-2.94%</b> |
| Snow/Ice                | \$ 843,347          | \$ 1,064,102        | \$ 419,063          | \$ 267,315          | \$ 510,000          | 52%        | \$ 510,000          | 0.00%         |
| Traffic/Street Lighting | \$ 131,711          | \$ 135,770          | \$ 127,758          | \$ 77,065           | \$ 180,000          | 43%        | \$ 180,000          | 0.00%         |
| Rubbish & Recycling     | \$ 1,289,452        | \$ 1,296,522        | \$ 1,319,895        | \$ 1,493,818        | \$ 1,550,000        | 96%        | \$ 1,596,500        | 3.00%         |
| Snow/Lighting/Rubbish   | \$ 2,264,510        | \$ 2,496,394        | \$ 1,866,716        | \$ 1,838,198        | \$ 2,240,000        | 82%        | \$ 2,286,500        | 2.08%         |
| <b>DEPARTMENT</b>       | <b>\$ 3,041,923</b> | <b>\$ 3,226,751</b> | <b>\$ 2,579,956</b> | <b>\$ 2,258,906</b> | <b>\$ 3,111,050</b> | <b>73%</b> | <b>\$ 3,131,900</b> | <b>0.67%</b>  |

**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.

|                                 | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT          |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                                 | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE       |
| DPW DIRECTOR                    | \$ 114,347        | \$ 117,248        | \$ 123,123        | \$ 79,112         | \$ 133,200        | 59%        | \$ 136,925        | 2.80%        |
| DPW ASSISTANT DIRECTOR          | \$ 9,272          | \$ 99,493         | \$ 87,007         | \$ 60,400         | \$ 101,725        | 59%        | \$ 104,525        | 2.75%        |
| DPW SENIOR ADMIN ASSISTANT      | \$ -              | \$ -              | \$ 31,260         | \$ 32,608         | \$ 56,000         | 58%        | \$ 57,550         | 2.77%        |
| DPW ADMINISTRATIVE ASSISTANT    | \$ 46,624         | \$ 48,304         | \$ 20,603         | \$ -              | \$ -              | \$ -       | \$ -              | \$ -         |
| DPW ADMINISTRATIVE SECRETARY    | \$ -              | \$ 19,847         | \$ 43,843         | \$ 26,947         | \$ 46,275         | 58%        | \$ 47,575         | 2.81%        |
| DPW CLERK                       | \$ 38,514         | \$ 21,195         | \$ -              | \$ -              | \$ -              | \$ -       | \$ -              | \$ -         |
| DPW ADMIN OVERTIME              | \$ 1,634          | \$ 1,563          | \$ 1,135          | \$ 1,407          | \$ 1,000          | 141%       | \$ 1,000          | 0.00%        |
| DPW ADMIN LEAVE BUYBACK         | \$ 28,468         | \$ -              | \$ -              | \$ -              | \$ -              | \$ -       | \$ -              | \$ -         |
| DPW ADMINISTRATION SALARIES     | \$ 238,859        | \$ 307,650        | \$ 306,971        | \$ 200,474        | \$ 338,200        | 59%        | \$ 347,575        | 2.77%        |
| DPW ADMIN ADVERTISING           | \$ 1,015          | \$ 2,258          | \$ 2,942          | \$ 738            | \$ 1,500          | 49%        | \$ 1,500          | 0.00%        |
| DPW ADMIN PROF DEV/TRAINING     | \$ 4,187          | \$ 10,871         | \$ 35,832         | \$ 9,022          | \$ 15,000         | 60%        | \$ 15,000         | 0.00%        |
| DPW ADMIN PROF DEV - TRAVEL     | \$ 547            | \$ 130            | \$ -              | \$ 114            | \$ 500            | 23%        | \$ 500            | 0.00%        |
| DPW ADMIN SUPPLIES/EQUIPMENT    | \$ 475            | \$ 1,246          | \$ 1,004          | \$ 646            | \$ 1,500          | 43%        | \$ 1,500          | 0.00%        |
| TOWN FOREST SUPPLIES            | \$ 993            | \$ 790            | \$ -              | \$ -              | \$ 1,000          | 0%         | \$ 1,000          | 0.00%        |
| TRAILS COMM SUPPLIES            | \$ 991            | \$ 996            | \$ 1,000          | \$ 266            | \$ 1,000          | 27%        | \$ 1,000          | 0.00%        |
| EDC FLOWER MAINTENANCE          | \$ 10,680         | \$ 9,960          | \$ (1,281)        | \$ -              | \$ -              | \$ -       | \$ -              | 0.00%        |
| DPW ADMINISTRATION EXPENSES     | \$ 18,888         | \$ 26,252         | \$ 39,498         | \$ 10,786         | \$ 20,500         | 53%        | \$ 20,500         | 0.00%        |
| <b>DPW ADMINISTRATION TOTAL</b> | <b>\$ 257,747</b> | <b>\$ 333,902</b> | <b>\$ 346,469</b> | <b>\$ 211,260</b> | <b>\$ 358,700</b> | <b>59%</b> | <b>\$ 368,075</b> | <b>2.61%</b> |

**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.

|                                | FY14              | FY15              | FY16              | FY17              | FY17 REVISED      | FY17       | FY18 TOWN         | PCT           |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                                | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | BUDGET            | YTD        | MANAGER           | CHANGE        |
| TOWN ENGINEER                  | \$ 96,383         | \$ 97,907         | \$ 126,864        | \$ 49,902         | \$ 108,450        | 46%        | \$ 87,650         | -19.18%       |
| ENG SENIOR CIVIL ENGINEER      | \$ 69,263         | \$ 71,708         | \$ 62,923         | \$ -              | \$ 76,100         | 0%         | \$ 64,400         | -15.37%       |
| ENG CIVIL ENGINEER             | \$ 133,642        | \$ 137,075        | \$ 140,281        | \$ 87,604         | \$ 142,350        | 62%        | \$ 146,600        | 2.99%         |
| ENG FIELD TECH II              | \$ 58,693         | \$ 60,020         | \$ 60,930         | \$ 37,983         | \$ 61,350         | 62%        | \$ 63,275         | 3.14%         |
| ENG SURVEYOR AID II            | \$ -              | \$ 13,181         | \$ 16,674         | \$ -              | \$ -              | \$ -       | \$ -              |               |
| ENG AIDE                       | \$ 2,850          | \$ 703            | \$ -              | \$ -              | \$ -              | \$ -       | \$ -              |               |
| ENGINEERING OVERTIME           | \$ 4,265          | \$ 3,947          | \$ 7,607          | \$ 6,427          | \$ 12,000         | 54%        | \$ 12,000         | 0.00%         |
| ENGINEERING OUT OF GRADE WORK  | \$ 170            | \$ 359            | \$ 328            | \$ 220            | \$ 500            | 44%        | \$ 500            | 0.00%         |
| ENGINEERING SALARIES           | \$ 365,266        | \$ 384,901        | \$ 415,606        | \$ 182,136        | \$ 400,750        | 45%        | \$ 374,425        | -6.57%        |
| TRAFFIC CONTROL REPAIRS        | \$ 19,460         | \$ 33,767         | \$ 12,672         | \$ 6,808          | \$ 22,000         | 31%        | \$ 22,000         | 0.00%         |
| ENGINEERING PROF REVIEW SVCS   | \$ 373            | \$ 1,010          | \$ 150            | \$ 9,950          | \$ 2,000          | 498%       | \$ 2,000          | 0.00%         |
| ENGINEERING POLICE DETAILS     | \$ 4,737          | \$ 7,698          | \$ 10,547         | \$ 6,376          | \$ 11,000         | 58%        | \$ 11,000         | 0.00%         |
| ENGINEERING SUPPLIES/EQUIPMENT | \$ 3,265          | \$ 2,111          | \$ 1,485          | \$ 1,469          | \$ 3,500          | 42%        | \$ 3,500          | 0.00%         |
| ENGINEERING COMPUTER SUPPLIES  | \$ 3,892          | \$ 4,864          | \$ 4,707          | \$ 1,708          | \$ 5,000          | 34%        | \$ 5,000          | 0.00%         |
| ENGINEERING RECORDING FEES     | \$ 450            | \$ 375            | \$ -              | \$ 75             | \$ 1,000          | 8%         | \$ 1,000          | 0.00%         |
| ENGINEERING EXPENSES           | \$ 32,177         | \$ 49,825         | \$ 29,561         | \$ 26,386         | \$ 44,500         | 59%        | \$ 44,500         | 0.00%         |
| <b>ENGINEERING TOTAL</b>       | <b>\$ 397,443</b> | <b>\$ 434,725</b> | <b>\$ 445,167</b> | <b>\$ 208,522</b> | <b>\$ 445,250</b> | <b>47%</b> | <b>\$ 418,925</b> | <b>-5.91%</b> |

Employee turnover in the Town Engineer position caused some savings in FY17 that is carried through the next year. A civil engineer position has been left vacant during FY17 under the Town Manager's hiring freeze, but is now expected to be filled before FY18, also at a reduced salary level. All expense lines are level funded.

**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.

|                            | FY14       | FY15       | FY16       | FY17       | FY17 REVISED | FY17 | FY18 TOWN  | PCT      |
|----------------------------|------------|------------|------------|------------|--------------|------|------------|----------|
|                            | ACTUALS    | ACTUALS    | ACTUALS    | ACTUALS    | BUDGET       | YTD  | MANAGER    | CHANGE   |
| HIGHWAY SUPERVISOR         | \$ 64,425  | \$ 71,053  | \$ 66,965  | \$ 38,964  | \$ 64,900    | 60%  | \$ 67,650  | 4.24%    |
| HIGHWAY FOREMAN            | \$ 66,336  | \$ 67,961  | \$ 72,815  | \$ 46,098  | \$ 74,750    | 62%  | \$ 76,800  | 2.74%    |
| HIGHWAY WORKING FOREMAN    | \$ 95,686  | \$ 93,963  | \$ 109,522 | \$ 69,303  | \$ 112,600   | 62%  | \$ 116,775 | 3.71%    |
| HIGHWAY EQUIPMENT OPERATOR | \$ 162,474 | \$ 144,386 | \$ 170,531 | \$ 106,197 | \$ 172,650   | 62%  | \$ 177,425 | 2.77%    |
| HIGHWAY SKILLED LABORER    | \$ 3,668   | \$ 74,390  | \$ 61,317  | \$ 52,399  | \$ 84,900    | 62%  | \$ 87,675  | 3.27%    |
| HIGHWAY LABORER            | \$ 93,747  | \$ 53,832  | \$ 50,033  | \$ 13,568  | \$ 24,200    | 56%  | \$ 25,550  | 5.58%    |
| HIGHWAY MASTER MECHANIC    | \$ 61,303  | \$ 63,460  | \$ 65,940  | \$ 41,744  | \$ 67,675    | 62%  | \$ 69,550  | 2.77%    |
| HIGHWAY MECHANIC CLASS I   | \$ 102,433 | \$ 108,681 | \$ 101,988 | \$ 65,699  | \$ 106,725   | 62%  | \$ 112,350 | 5.27%    |
| HIGHWAY MECHANIC CLASS III | \$ -       | \$ 16,944  | \$ 31,909  | \$ 20,691  | \$ 34,400    | 60%  | \$ 36,425  | 5.89%    |
| HIGHWAY OVERTIME           | \$ 53,458  | \$ 57,931  | \$ 53,527  | \$ 30,101  | \$ 60,000    | 50%  | \$ 60,000  | 0.00%    |
| HIGHWAY OUT OF GRADE WORK  | \$ 6,480   | \$ 6,281   | \$ 6,509   | \$ 3,786   | \$ 8,000     | 47%  | \$ 8,000   | 0.00%    |
| HGWY ON-CALL PREMIUM       | \$ 12,789  | \$ 13,865  | \$ 13,710  | \$ 8,796   | \$ 14,000    | 63%  | \$ 14,000  | 0.00%    |
| HIGHWAY LONGEVITY          | \$ 40,162  | \$ 33,102  | \$ -       | \$ -       | \$ -         | \$ - | \$ -       |          |
| HIGHWAY WAGES TEMP         | \$ 3,964   | \$ 19,357  | \$ 13,644  | \$ 6,375   | \$ 22,000    | 29%  | \$ -       | -100.00% |
| HIGHWAY SICK LEAVE BUYBACK | \$ -       | \$ -       | \$ 11,498  | \$ -       | \$ -         | \$ - | \$ -       |          |
| HIGHWAY/EQUIP SALARIES     | \$ 766,925 | \$ 825,206 | \$ 829,907 | \$ 503,722 | \$ 846,800   | 59%  | \$ 852,200 | 0.64%    |

A seasonal worker in this division has been eliminated in the FY18 budget. Because of the department's snow removal responsibilities, the summer months experience heavier vacation use. During these months, the eliminated seasonal position may reduce the number of crews available from two to one on certain days. This reduction was seen as the least difficult for the entire department however.

|                               | FY14<br>ACTUALS     | FY15<br>ACTUALS     | FY16<br>ACTUALS     | FY17<br>ACTUALS   | FY17 REVISED<br>BUDGET | FY17<br>YTD | FY18 TOWN<br>MANAGER<br>BUDGET | PCT<br>CHANGE |
|-------------------------------|---------------------|---------------------|---------------------|-------------------|------------------------|-------------|--------------------------------|---------------|
| HIGHWAY GASOLINE              | \$ 229,241          | \$ 128,450          | \$ 106,761          | \$ 42,879         | \$ 255,000             | 17%         | \$ 205,000                     | -19.61%       |
| HIGHWAY EQUIP PARTS & MAINT   | \$ 190,947          | \$ 189,503          | \$ 196,398          | \$ 112,759        | \$ 200,000             | 56%         | \$ 210,000                     | 5.00%         |
| HIGHWAY OOURSOURCED REPAIRS   | \$ 92,697           | \$ 118,001          | \$ 127,992          | \$ 73,273         | \$ 115,000             | 64%         | \$ 125,000                     | 8.70%         |
| HIGHWAY LINE PAINTING         | \$ 31,494           | \$ 32,942           | \$ 60,663           | \$ 40,000         | \$ 40,000              | 100%        | \$ 50,000                      | 25.00%        |
| HIGHWAY HIGHWAY PATCH         | \$ 32,759           | \$ 27,990           | \$ 23,623           | \$ 16,590         | \$ 30,000              | 55%         | \$ 30,000                      | 0.00%         |
| HIGHWAY SIDEWALKS             | \$ 10,418           | \$ 7,611            | \$ 9,875            | \$ 5,016          | \$ 10,000              | 50%         | \$ -                           | -100.00%      |
| HIGHWAY STREET SIGNS          | \$ 10,186           | \$ 11,809           | \$ 10,627           | \$ 6,582          | \$ 11,000              | 60%         | \$ 15,000                      | 36.36%        |
| HIGHWAY GRAVEL CRUSHING       | \$ -                | \$ 5,299            | \$ -                | \$ 9,999          | \$ 10,000              | 100%        | \$ 10,000                      | 0.00%         |
| HIGHWAY SUPPLIES              | \$ 8,182            | \$ 14,068           | \$ 9,835            | \$ 1,910          | \$ 8,000               | 24%         | \$ 8,000                       | 0.00%         |
| HIGHWAY POLICE DETAILS        | \$ 20,717           | \$ 20,686           | \$ 7,069            | \$ 4,000          | \$ 14,000              | 29%         | \$ 14,000                      | 0.00%         |
| HIGHWAY PROF/TECH SV          | \$ 7,700            | \$ 6,818            | \$ 5,162            | \$ 16,631         | \$ 10,000              | 166%        | \$ 10,000                      | 0.00%         |
| HIGHWAY WATER /SEWER/SWM      | \$ 2,092            | \$ 2,196            | \$ 2,266            | \$ 1,162          | \$ 2,100               | 55%         | \$ 2,100                       | 0.00%         |
| HIGHWAY UNIFORMS AND CLOTHING | \$ 7,588            | \$ -                | \$ -                | \$ -              | \$ -                   | \$ -        | \$ -                           |               |
| HIGHWAY LICENSES              | \$ 630              | \$ 575              | \$ 2,031            | \$ 210            | \$ 750                 | 28%         | \$ 750                         | 0.00%         |
| HIGHWAY/EQUIP EXPENSES        | \$ 644,651          | \$ 565,947          | \$ 562,302          | \$ 331,012        | \$ 705,850             | 47%         | \$ 679,850                     | -3.68%        |
| <b>HIGHWAY/EQUIP TOTAL</b>    | <b>\$ 1,411,576</b> | <b>\$ 1,391,153</b> | <b>\$ 1,392,209</b> | <b>\$ 834,734</b> | <b>\$ 1,552,650</b>    | <b>54%</b>  | <b>\$ 1,532,050</b>            | <b>-1.33%</b> |

Capital funding for sidewalk repairs has been increased and the similar line item above has been removed from the operating budget. The expense budgets for line painting, street signs and both equipment repairs lines were increased due to increased demands, Note that the \$50,000 cut in the fuel budget was directed to increased capital funding, since this item is an accommodated cost and savings do not belong to the town's budget. Thus this change did not help the town balance it's FY18 operating budget.

|                            | FY14<br>ACTUALS | FY15<br>ACTUALS | FY16<br>ACTUALS | FY17<br>ACTUALS | FY17 REVISED<br>BUDGET | FY17<br>YTD | FY18 TOWN<br>MANAGER<br>BUDGET | PCT<br>CHANGE |
|----------------------------|-----------------|-----------------|-----------------|-----------------|------------------------|-------------|--------------------------------|---------------|
| STM WTR SUPERVISOR         | \$ 15,823       | \$ 17,759       | \$ 18,794       | \$ 9,741        | \$ 16,225              | 60%         | \$ 16,900                      | 4.16%         |
| STM WTR WORKING FOREMAN    | \$ 10,003       | \$ 12,318       | \$ 12,849       | \$ 8,184        | \$ 13,200              | 62%         | \$ 13,825                      | 4.73%         |
| STM WTR EQUIPMENT OPERATOR | \$ 53,474       | \$ 50,726       | \$ 58,688       | \$ 27,714       | \$ 59,050              | 47%         | \$ 60,675                      | 2.75%         |
| STM WTR SKILLED LABORER    | \$ 42,350       | \$ 8,626        | \$ 45,485       | \$ 28,221       | \$ 45,700              | 62%         | \$ 46,975                      | 2.79%         |
| STM WTR LABORER            | \$ 16,378       | \$ 14,368       | \$ 7,407        | \$ 9,138        | \$ 16,100              | 57%         | \$ 17,025                      | 5.75%         |
| STM WTR MECHANIC CLASS I   | \$ -            | \$ -            | \$ 2,613        | \$ 3,363        | \$ 5,500               | 61%         | \$ 5,800                       | 5.45%         |
| STM WTR MECHANIC CLASS II  | \$ 5,615        | \$ 280          | \$ -            | \$ -            | \$ -                   | \$ -        | \$ -                           |               |
| STM WTR WAGES OVERTIME     | \$ 6,870        | \$ 5,277        | \$ 4,405        | \$ 1,400        | \$ 9,000               | 16%         | \$ 6,000                       | -33.33%       |
| STM WTR OUT OF GRADE WORK  | \$ 2,049        | \$ 544          | \$ 391          | \$ 1,328        | \$ 2,000               | 66%         | \$ 2,000                       | 0.00%         |
| LONGEVITY                  | \$ 8,406        | \$ 5,741        | \$ -            | \$ -            | \$ -                   | \$ -        | \$ -                           |               |
| STM WTR WAGES TEMP         | \$ 2,634        | \$ -            | \$ -            | \$ -            | \$ -                   | \$ -        | \$ -                           |               |
| STM WTR SICK LEAVE BUYBACK | \$ -            | \$ -            | \$ 2,874        | \$ 9,601        | \$ -                   | \$ -        | \$ -                           |               |
| STORM WATER SALARIES (GF)  | \$ 163,603      | \$ 115,640      | \$ 153,506      | \$ 98,690       | \$ 166,775             | 59%         | \$ 169,200                     | 1.45%         |
| STM WTR SUPPLIES/EQUIPMENT | \$ 6,311        | \$ 4,560        | \$ 3,561        | \$ 2,144        | \$ 7,000               | 31%         | \$ 7,000                       | 0.00%         |
| STORM WATER EXPENSES (GF)  | \$ 6,311        | \$ 4,560        | \$ 3,561        | \$ 2,144        | \$ 7,000               | 31%         | \$ 7,000                       | 0.00%         |

**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 and sets up the holiday lighting on the common.

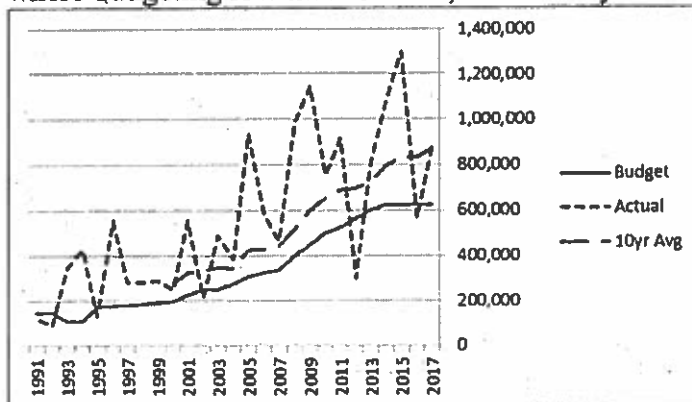
|                                      | FY14<br>ACTUALS   | FY15<br>ACTUALS   | FY16<br>ACTUALS   | FY17<br>ACTUALS   | FY17 REVISED<br>BUDGET | FY17<br>YTD | FY18 TOWN<br>MANAGER<br>BUDGET | PCT<br>CHANGE |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|------------------------|-------------|--------------------------------|---------------|
| PARKS SUPERVISOR                     | \$ 42,444         | \$ 43,957         | \$ 40,532         | \$ 28,573         | \$ 47,200              | 61%         | \$ 50,100                      | 6.14%         |
| PARKS FOREMAN                        | \$ 58,984         | \$ 60,996         | \$ 63,383         | \$ 40,134         | \$ 65,075              | 62%         | \$ 66,875                      | 2.77%         |
| PARKS WORKING FOREMAN                | \$ 112,303        | \$ 104,310        | \$ 121,266        | \$ 76,902         | \$ 125,780             | 61%         | \$ 129,250                     | 2.76%         |
| PARKS EQUIPMENT OPERATOR             | \$ 48,506         | \$ 50,158         | \$ 52,107         | \$ 32,999         | \$ 53,500              | 62%         | \$ 54,975                      | 2.76%         |
| PARKS SKILLED LABORER                | \$ 55,922         | \$ 57,093         | \$ 42,821         | \$ 27,100         | \$ 43,950              | 62%         | \$ 45,150                      | 2.73%         |
| PARKS LABORER                        | \$ 44,988         | \$ 63,453         | \$ 70,271         | \$ 45,209         | \$ 73,750              | 61%         | \$ 78,075                      | 5.86%         |
| PARKS TREE CLIMBER I                 | \$ 46,542         | \$ 33,709         | \$ 51,817         | \$ 32,342         | \$ 52,450              | 62%         | \$ 53,900                      | 2.76%         |
| PARKS OVERTIME                       | \$ 23,649         | \$ 23,935         | \$ 28,728         | \$ 17,895         | \$ 25,000              | 72%         | \$ 26,000                      | 4.00%         |
| PARKS OUT OF GRADE WORK              | \$ 4,592          | \$ 3,621          | \$ 7,087          | \$ 4,385          | \$ 4,500               | 97%         | \$ 6,500                       | 44.44%        |
| PARKS ON-CALL PREMIUM                | \$ 4,586          | \$ 4,653          | \$ 4,744          | \$ 4,797          | \$ 5,000               | 96%         | \$ 5,000                       | 0.00%         |
| PARKS LONGEVITY                      | \$ 12,309         | \$ 11,334         | \$ -              | \$ -              | \$ -                   |             | \$ -                           |               |
| PARKS WAGES TEMP                     | \$ 40,814         | \$ 32,751         | \$ 43,279         | \$ 20,169         | \$ 52,000              | 39%         | \$ 53,000                      | 1.92%         |
| <b>PARKS &amp; FORESTRY SALARIES</b> | <b>\$ 495,639</b> | <b>\$ 489,970</b> | <b>\$ 526,034</b> | <b>\$ 330,503</b> | <b>\$ 548,205</b>      | <b>60%</b>  | <b>\$ 568,825</b>              | <b>3.76%</b>  |
| PARKS STUMP/BRUSH DISPOSAL           | \$ 9,699          | \$ 17,090         | \$ 14,435         | \$ 5,780          | \$ 16,000              | 36%         | \$ 16,000                      | 0.00%         |
| PARKS TURF TREATMENT                 | \$ 3,200          | \$ -              | \$ 3,280          | \$ -              | \$ 3,500               | 0%          | \$ 3,500                       | 0.00%         |
| PARKS SUPPLIES/EQUIPMENT             | \$ 4,500          | \$ 11,654         | \$ 8,459          | \$ 4,532          | \$ 7,000               | 65%         | \$ 7,000                       | 0.00%         |
| PARKS SHADE TREES                    | \$ 4,221          | \$ 5,903          | \$ 5,026          | \$ 4,636          | \$ 5,000               | 93%         | \$ 5,000                       | 0.00%         |
| PARKS CHEM/SEED                      | \$ 3,099          | \$ 3,079          | \$ 1,759          | \$ 257            | \$ 4,000               | 6%          | \$ 4,000                       | 0.00%         |
| PARKS TOOLS RAKES SHOVS              | \$ 3,637          | \$ 1,606          | \$ 8,898          | \$ -              | \$ 4,000               | 0%          | \$ 4,000                       | 0.00%         |
| PARKS GRAVEL CLAY                    | \$ 996            | \$ 451            | \$ 2,060          | \$ 358            | \$ 2,250               | 16%         | \$ 2,250                       | 0.00%         |
| PARKS ATHLETIC FIELDS                | \$ 2,522          | \$ -              | \$ 3,305          | \$ 275            | \$ 5,000               | 6%          | \$ 5,000                       | 0.00%         |
| PARKS PLYGRND SFTY MULCH             | \$ -              | \$ -              | \$ 1,680          | \$ -              | \$ 2,000               | 0%          | \$ 2,000                       | 0.00%         |
| PARKS ELECTRICITY                    | \$ 734            | \$ 811            | \$ 890            | \$ 563            | \$ 1,000               | 56%         | \$ 1,000                       | 0.00%         |
| PARKS WATER /SEWER/SWM               | \$ 614            | \$ 614            | \$ 730            | \$ 334            | \$ 750                 | 45%         | \$ 750                         | 0.00%         |
| PARKS PROF/TECH SV                   | \$ 3,670          | \$ 3,600          | \$ 3,515          | \$ 9,982          | \$ 9,000               | 111%        | \$ 9,000                       | 0.00%         |
| PARKS POLICE DETAILS                 | \$ 5,496          | \$ 4,619          | \$ 4,508          | \$ 1,325          | \$ 8,000               | 17%         | \$ 8,000                       | 0.00%         |
| PARKS UNIFORMS AND BOOTS             | \$ 3,505          | \$ 75             | \$ -              | \$ -              | \$ -                   |             | \$ -                           |               |
| PARKS LICENSES                       | \$ 690            | \$ 1,135          | \$ 1,335          | \$ 319            | \$ 1,000               | 32%         | \$ 1,000                       | 0.00%         |
| PARKS REVOLVING FUND SUPPORT         | \$ (19,000)       | \$ (20,000)       | \$ (20,000)       | \$ -              | \$ (20,000)            | 0%          | \$ (20,000)                    | 0.00%         |
| <b>PARKS &amp; FORESTRY EXPENSES</b> | <b>\$ 27,583</b>  | <b>\$ 30,638</b>  | <b>\$ 39,880</b>  | <b>\$ 28,360</b>  | <b>\$ 48,500</b>       | <b>58%</b>  | <b>\$ 48,500</b>               | <b>0.00%</b>  |
| <b>PARKS &amp; FORESTRY TOTAL</b>    | <b>\$ 523,222</b> | <b>\$ 520,608</b> | <b>\$ 565,914</b> | <b>\$ 358,864</b> | <b>\$ 596,705</b>      | <b>60%</b>  | <b>\$ 617,325</b>              | <b>3.46%</b>  |

**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.

|                                | FY14              | FY15              | FY16              | FY17              | FY17 REVISED      | FY17       | FY18 TOWN         | PCT           |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                                | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | BUDGET            | YTD        | MANAGER           | CHANGE        |
|                                |                   |                   |                   |                   |                   |            | BUDGET            |               |
| CEMETERY SUPERVISOR            | \$ 42,444         | \$ 43,957         | \$ 53,411         | \$ 28,573         | \$ 47,200         | 61%        | \$ 62,100         | 31.57%        |
| CEMETERY FOREMAN               | \$ 63,557         | \$ 61,995         | \$ 68,602         | \$ 43,431         | \$ 70,400         | 62%        | \$ 72,375         | 2.81%         |
| CEMETERY EQUIPMENT OPERATOR    | \$ 50,383         | \$ 42,273         | \$ 55,313         | \$ 35,008         | \$ 56,750         | 62%        | \$ 58,350         | 2.82%         |
| CEMETERY SKILLED LABORER       | \$ -              | \$ -              | \$ 16,261         | \$ 25,668         | \$ 41,825         | 61%        | \$ 43,400         | 3.77%         |
| CEMETERY LABORER               | \$ 56,390         | \$ 70,951         | \$ 54,125         | \$ 21,181         | \$ 34,725         | 61%        | \$ 36,425         | 4.90%         |
| CEMETERY OVERTIME              | \$ 12,170         | \$ 12,539         | \$ 10,732         | \$ 4,018          | \$ 12,000         | 33%        | \$ 13,000         | 8.33%         |
| CEMETERY OUT OF GRADE WORK     | \$ 3,439          | \$ 4,476          | \$ 2,644          | \$ 1,948          | \$ 2,800          | 70%        | \$ 3,300          | 17.86%        |
| CEMETERY LONGEVITY             | \$ 16,920         | \$ 14,970         | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| CEMETERY WAGES TEMP            | \$ 35,435         | \$ 23,576         | \$ 28,760         | \$ 17,297         | \$ 35,000         | 49%        | \$ 36,000         | 2.86%         |
| CEMETERY TRUST FUND SUPPORT    | \$ (120,000)      | \$ (120,000)      | \$ (120,000)      | \$ (70,000)       | \$ (120,000)      | 58%        | \$ (120,000)      | 0.00%         |
| <b>CEMETERY SALARIES</b>       | <b>\$ 160,738</b> | <b>\$ 154,736</b> | <b>\$ 169,848</b> | <b>\$ 107,123</b> | <b>\$ 180,700</b> | <b>59%</b> | <b>\$ 204,950</b> | <b>13.42%</b> |
| CEMETERY BUILDING REPAIRS      | \$ 4,327          | \$ 1,305          | \$ 9              | \$ -              | \$ -              |            | \$ -              |               |
| CEMETERY MASONRY               | \$ 1,598          | \$ 1,803          | \$ 1,336          | \$ 1,043          | \$ 2,000          | 52%        | \$ 2,000          | 0.00%         |
| CEMETERY GRAVEL/LINERS         | \$ 6,370          | \$ 9,735          | \$ 7,920          | \$ 2,805          | \$ 9,000          | 31%        | \$ 9,000          | 0.00%         |
| CEMETERY FLAGS AND MARKERS     | \$ 545            | \$ -              | \$ -              | \$ -              | \$ 1,000          | 0%         | \$ 1,000          | 0.00%         |
| CEMETERY LOT REPURCHASE        | \$ 400            | \$ 9,400          | \$ -              | \$ 4,025          | \$ 2,000          | 201%       | \$ 2,000          | 0.00%         |
| CEMETERY PLANTS AND MULCH      | \$ 2,907          | \$ 1,224          | \$ 535            | \$ -              | \$ 1,000          | 0%         | \$ 1,000          | 0.00%         |
| CEMETERY CHEMICALS AND SEED    | \$ 335            | \$ 1,438          | \$ 1,164          | \$ 202            | \$ 1,200          | 17%        | \$ 1,200          | 0.00%         |
| CEMETERY TREES AND SHRUBS      | \$ 339            | \$ 1,090          | \$ -              | \$ -              | \$ 500            | 0%         | \$ 900            | 0.00%         |
| CEMETERY AUTO PARTS/REPAIRS    | \$ 2,403          | \$ 2,210          | \$ 4,191          | \$ 3,130          | \$ 3,500          | 89%        | \$ 3,500          | 0.00%         |
| CEMETERY ELECTRICITY           | \$ 623            | \$ 686            | \$ 809            | \$ 512            | \$ 1,000          | 51%        | \$ 1,000          | 0.00%         |
| CEMETERY FUEL OIL              | \$ 2,441          | \$ 1,647          | \$ 2,264          | \$ 1,725          | \$ 1,750          | 99%        | \$ 2,000          | 14.29%        |
| CEMETERY WATER /SEWER/SWM      | \$ 2,823          | \$ 2,809          | \$ 3,011          | \$ 1,371          | \$ 2,900          | 47%        | \$ 3,000          | 3.45%         |
| CEMETERY PROF/TECH SV          | \$ -              | \$ 1,800          | \$ 3,266          | \$ -              | \$ -              |            | \$ -              |               |
| CEMETERY SUPPLIES/EQUIPMENT    | \$ 7,224          | \$ 6,692          | \$ 4,962          | \$ 2,728          | \$ 6,000          | 45%        | \$ 6,000          | 0.00%         |
| CEMETERY GASOLINE              | \$ 12,804         | \$ 10,934         | \$ 8,355          | \$ 4,369          | \$ 12,000         | 36%        | \$ 12,000         | 0.00%         |
| CEMETERY UNIFORMS AND CLOTHING | \$ 2,245          | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| CEMETERY LICENSES              | \$ 420            | \$ 75             | \$ 500            | \$ -              | \$ 200            | 0%         | \$ 200            | 0.00%         |
| CEMETERY OFFICE SUPP           | \$ -              | \$ 289            | \$ 117            | \$ 108            | \$ 250            | 43%        | \$ 250            | 0.00%         |
| VETERAN'S FLOWERS              | \$ -              | \$ -              | \$ -              | \$ -              | \$ 4,700          | 0%         | \$ 4,700          | 0.00%         |
| CEMETERY TRUST FUND SUPPORT    | \$ -              | \$ -              | \$ -              | \$ -              | \$ (4,700)        | 0%         | \$ (4,700)        | 0.00%         |
| <b>CEMETERY EXPENSES</b>       | <b>\$ 47,803</b>  | <b>\$ 53,135</b>  | <b>\$ 38,439</b>  | <b>\$ 22,018</b>  | <b>\$ 44,700</b>  | <b>49%</b> | <b>\$ 45,050</b>  | <b>0.78%</b>  |
| <b>CEMETERY TOTAL</b>          | <b>\$ 208,541</b> | <b>\$ 207,872</b> | <b>\$ 208,287</b> | <b>\$ 129,141</b> | <b>\$ 225,400</b> | <b>57%</b> | <b>\$ 250,000</b> | <b>10.91%</b> |

Note that the Parks Supervisor and Cemetery Supervisor are actually a shared position. Each budget line has been increased for FY18 in anticipation of a retirement and the challenge in continuing this arrangement. This sharing is not seen in Peer Communities.

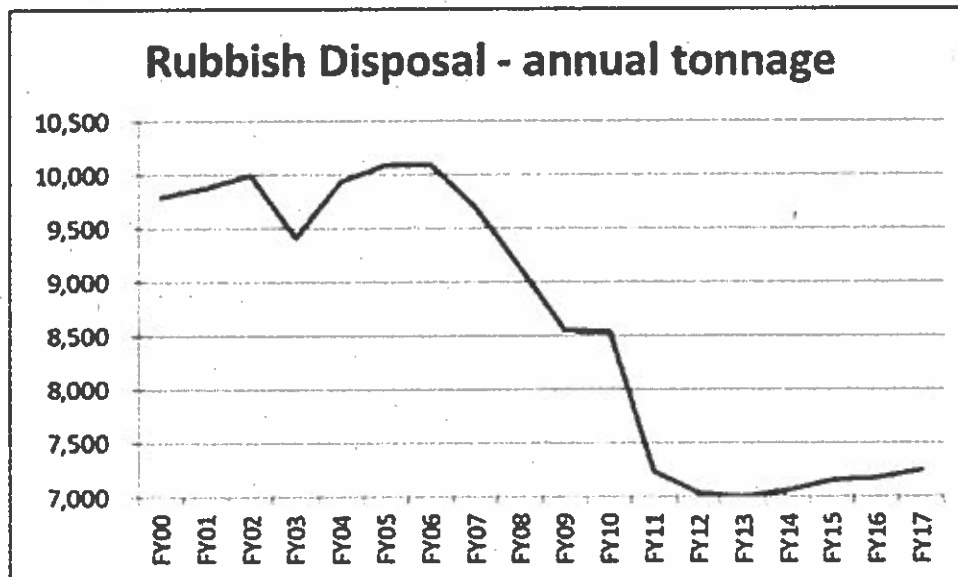
**Snow and Ice:** The Snow and Ice budget is level funded at \$625,000 for the fourth consecutive year. The winter of FY15 saw a record \$1.5 million spent (FEMA reimbursements will lower that figure), but FY16 resulted in a surplus. The following chart shows the annual budget, actual expenses and a ten year average of expenses. Actual expenses are running about \$200,000 over budgeted – but this is one line item where budgeting low makes sense, to avoid layoffs before the weather materializes.



**Rubbish and 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.

|                                      | FY14                | FY15                | FY16                | FY17                | FY17 REVISED        | FY17       | FY18 TOWN           | PCT          |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|--------------|
|                                      | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | BUDGET              | YTD        | MANAGER             | CHANGE       |
| SNOW/ICE WAGES                       | \$ 28,209           | \$ 33,818           | \$ 5,158            | \$ 3,016            | \$ 15,000           | 20%        | \$ 15,000           | 0.00%        |
| SNOW/ICE OVERTIME                    | \$ 215,856          | \$ 351,595          | \$ 140,179          | \$ 92,211           | \$ 100,000          | 92%        | \$ 100,000          | 0.00%        |
| SNOW/ICE SALARIES                    | \$ 244,065          | \$ 385,413          | \$ 145,337          | \$ 95,228           | \$ 115,000          | 83%        | \$ 115,000          | 0.00%        |
| SNOW / ICE PLOWING & HAULING         | \$ 396,108          | \$ 509,214          | \$ 143,492          | \$ 67,965           | \$ 225,000          | 30%        | \$ 225,000          | 0.00%        |
| SNOW / ICE POLICE DETAILS            | \$ 10,714           | \$ 17,694           | \$ 2,168            | \$ 534              | \$ 15,000           | 4%         | \$ 15,000           | 0.00%        |
| STREET SWEEPING                      | \$ 5,269            | \$ 14,280           | \$ 11,183           | \$ -                | \$ 15,000           | 0%         | \$ 15,000           | 0.00%        |
| SNOW / ICE SUPPLIES/EQUIPMENT        | \$ 55,280           | \$ 66,605           | \$ 53,141           | \$ 28,636           | \$ 50,000           | 57%        | \$ 50,000           | 0.00%        |
| SNOW / ICE SAND                      | \$ 15,684           | \$ 4,114            | \$ 885              | \$ -                | \$ 15,000           | 0%         | \$ 15,000           | 0.00%        |
| SNOW / ICE SALT                      | \$ 302,771          | \$ 356,338          | \$ 160,031          | \$ 136,826          | \$ 150,000          | 91%        | \$ 150,000          | 0.00%        |
| SNOW / ICE CACL                      | \$ -                | \$ 5,720            | \$ 6,240            | \$ 3,120            | \$ 5,000            | 62%        | \$ 5,000            | 0.00%        |
| SNOW / ICE GASOLINE                  | \$ 47,272           | \$ 75,542           | \$ 35,323           | \$ 26,812           | \$ 30,000           | 89%        | \$ 30,000           | 0.00%        |
| SNOW & ICE MEAL TICKETS              | \$ 10,248           | \$ 14,597           | \$ 6,602            | \$ 3,422            | \$ 5,000            | 68%        | \$ 5,000            | 0.00%        |
| SNOW/ICE EXPENSES                    | \$ 843,347          | \$ 1,064,102        | \$ 419,063          | \$ 267,315          | \$ 510,000          | 52%        | \$ 510,000          | 0.00%        |
| <b>SNOW/ICE TOTAL</b>                | <b>\$ 1,087,412</b> | <b>\$ 1,449,515</b> | <b>\$ 564,400</b>   | <b>\$ 362,543</b>   | <b>\$ 625,000</b>   | <b>58%</b> | <b>\$ 625,000</b>   | <b>0.00%</b> |
| TRAFFIC LIGHT ELECTRICITY            | \$ 7,762            | \$ 8,225            | \$ 8,748            | \$ 5,271            | \$ 12,000           | 44%        | \$ 15,000           | 25.00%       |
| STREETLIGHT ELECTRICITY              | \$ 123,949          | \$ 127,041          | \$ 118,506          | \$ 71,386           | \$ 150,000          | 48%        | \$ 145,000          | -3.33%       |
| STREET LIGHT MAINT & REPAIR          | \$ -                | \$ 504              | \$ 504              | \$ 408              | \$ 18,000           | 2%         | \$ 20,000           | 11.11%       |
| TRAFFIC/STREET LIGHTING EXPENSES     | \$ 131,711          | \$ 135,770          | \$ 127,758          | \$ 77,065           | \$ 180,000          | 43%        | \$ 180,000          | 0.00%        |
| <b>TRAFFIC/STREET LIGHTING TOTAL</b> | <b>\$ 131,711</b>   | <b>\$ 135,770</b>   | <b>\$ 127,758</b>   | <b>\$ 77,065</b>    | <b>\$ 180,000</b>   | <b>43%</b> | <b>\$ 180,000</b>   | <b>0.00%</b> |
| WASTEREMVL GARBAGE COLLECTION        | \$ 567,092          | \$ 571,636          | \$ 598,788          | \$ 703,400          | \$ 600,000          | 117%       | \$ 721,000          | 20.17%       |
| WASTEREMVL SOLID WASTE DISPOSAL      | \$ 449,493          | \$ 448,094          | \$ 450,809          | \$ 478,935          | \$ 600,000          | 80%        | \$ 515,000          | -14.17%      |
| WASTEREMVL CURBSIDE RECYCLING        | \$ 242,393          | \$ 247,431          | \$ 252,665          | \$ 302,750          | \$ 300,000          | 101%       | \$ 309,000          | 3.00%        |
| WASTEREMVL MISC RECYCLING            | \$ 30,474           | \$ 29,361           | \$ 17,633           | \$ 8,733            | \$ 50,000           | 17%        | \$ 51,500           | 3.00%        |
| RUBBISH & RECYCLING EXPENSES         | \$ 1,289,452        | \$ 1,296,522        | \$ 1,319,895        | \$ 1,493,818        | \$ 1,550,000        | 96%        | \$ 1,596,500        | 3.00%        |
| <b>RUBBISH &amp; RECYCLING TOTAL</b> | <b>\$ 1,289,452</b> | <b>\$ 1,296,522</b> | <b>\$ 1,319,895</b> | <b>\$ 1,493,818</b> | <b>\$ 1,550,000</b> | <b>96%</b> | <b>\$ 1,596,500</b> | <b>3.00%</b> |

As the next chart shows, solid waste disposal tonnage has declined sharply, driven in the recent five years to the town's pioneering mandatory weekly recycling program. For northshore communities with over 7,500 households, only Newburyport (33%) and Gloucester (32% with a pay-as-you-throw trash fee) have higher recycling rates than Reading.



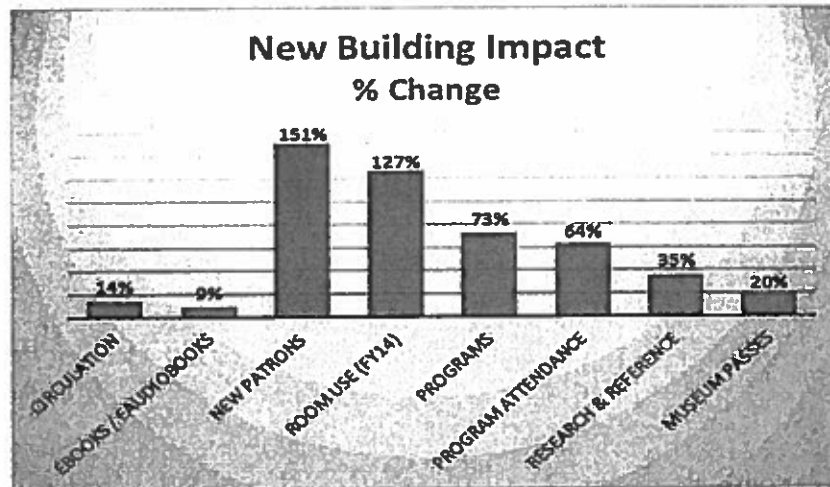
## Public Library FY18 Budget

In response to budget guidance given to the town operating budgets, the Board of Library Trustees is recommends an overall FY18 increase of 1.25% for the Public Library. Details are shown below:

|                   | FY14                | FY15                | FY16                | FY17              | FY17 REVISED        | FY17       | FY18 TOWN           | PCT          |
|-------------------|---------------------|---------------------|---------------------|-------------------|---------------------|------------|---------------------|--------------|
|                   | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS           | BUDGET              | YTD        | MANAGER             | CHANGE       |
|                   |                     |                     |                     |                   |                     |            | BUDGET              |              |
| Salaries          | \$ 1,045,931        | \$ 1,084,228        | \$ 1,136,376        | \$ 666,183        | \$ 1,190,675        | 56%        | \$ 1,212,683        | 1.85%        |
| Expenses          | \$ 284,000          | \$ 309,729          | \$ 300,600          | \$ 150,384        | \$ 317,325          | 47%        | \$ 314,200          | -0.98%       |
| <b>DEPARTMENT</b> | <b>\$ 1,329,931</b> | <b>\$ 1,393,957</b> | <b>\$ 1,436,976</b> | <b>\$ 816,567</b> | <b>\$ 1,508,000</b> | <b>54%</b> | <b>\$ 1,526,883</b> | <b>1.25%</b> |

### Overview

The move back to the newly renovated and expanded building at 64 Middlesex Avenue been an exciting and busy time for the Library. The addition of automated systems has accommodated most of the expected surge in circulation and materials processing. However, the Library has also seen major increases in programs, program attendance, reference/research interactions and community room use. While growth in programs and services may slow during FY18, projections indicate that the Library will continue to provide a minimum of 25-35% more programs and services over previous years.



All growth is in line with the 2016-2021 Strategic Plan and a direct response to expressed community needs. The increase in demand for programs and services has a direct impact on staffing. In order to accommodate the current fiscal guidelines, maintain all standards for certification, and remain eligible for State Aid, the Library will eliminate Sunday hours (2:00 pm – 5:00 pm, October through May). The Board of Trustees recommends restoring and potentially expanding these hours as soon as economically feasible.

|                    | FY14                | FY15                | FY16                | FY17              | FY17 REVISED        | FY17       | FY18 TOWN           |               |
|--------------------|---------------------|---------------------|---------------------|-------------------|---------------------|------------|---------------------|---------------|
|                    | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS           | BUDGET              | YTD        | MANAGER             | PCT CHANGE    |
| Administration     | \$ 495,803          | \$ 537,979          | \$ 552,268          | \$ 259,642        | \$ 556,375          | 47%        | \$ 538,956          | -3.13%        |
| Circulation        | \$ 211,087          | \$ 203,802          | \$ 218,573          | \$ 140,063        | \$ 240,150          | 58%        | \$ 240,002          | -0.06%        |
| Childrens          | \$ 243,217          | \$ 240,758          | \$ 242,086          | \$ 153,979        | \$ 254,950          | 60%        | \$ 279,170          | 9.50%         |
| Reference          | \$ 259,023          | \$ 275,556          | \$ 282,987          | \$ 175,772        | \$ 312,375          | 56%        | \$ 319,070          | 2.14%         |
| Technical Services | \$ 120,802          | \$ 135,862          | \$ 141,061          | \$ 87,110         | \$ 144,150          | 60%        | \$ 149,685          | 3.84%         |
| <b>DEPARTMENT</b>  | <b>\$ 1,329,931</b> | <b>\$ 1,393,957</b> | <b>\$ 1,436,975</b> | <b>\$ 816,567</b> | <b>\$ 1,508,000</b> | <b>54%</b> | <b>\$ 1,526,883</b> | <b>1.25%</b>  |
| <b>SALARIES</b>    |                     |                     |                     |                   |                     |            |                     |               |
| Administration     | \$ 211,803          | \$ 228,250          | \$ 251,668          | \$ 109,258        | \$ 239,050          | 46%        | \$ 224,756          | -5.98%        |
| Circulation        | \$ 211,087          | \$ 203,802          | \$ 218,573          | \$ 140,063        | \$ 240,150          | 58%        | \$ 240,002          | -0.06%        |
| Childrens          | \$ 243,217          | \$ 240,758          | \$ 242,086          | \$ 153,979        | \$ 254,950          | 60%        | \$ 279,170          | 9.50%         |
| Reference          | \$ 259,023          | \$ 275,556          | \$ 282,987          | \$ 175,772        | \$ 312,375          | 56%        | \$ 319,070          | 2.14%         |
| Technical Services | \$ 120,802          | \$ 135,862          | \$ 141,061          | \$ 87,110         | \$ 144,150          | 60%        | \$ 149,685          | 3.84%         |
| <b>DEPARTMENT</b>  | <b>\$ 1,045,931</b> | <b>\$ 1,084,228</b> | <b>\$ 1,136,375</b> | <b>\$ 666,182</b> | <b>\$ 1,190,675</b> | <b>56%</b> | <b>\$ 1,212,683</b> | <b>1.85%</b>  |
| <b>EXPENSES</b>    |                     |                     |                     |                   |                     |            |                     |               |
| Administration     | \$ 284,000          | \$ 309,729          | \$ 300,600          | \$ 150,384        | \$ 317,325          | 47%        | \$ 314,200          | -0.98%        |
| Circulation        |                     |                     |                     |                   |                     |            |                     |               |
| Childrens          |                     |                     |                     |                   |                     |            |                     |               |
| Reference          |                     |                     |                     |                   |                     |            |                     |               |
| Technical Services |                     |                     |                     |                   |                     |            |                     |               |
| <b>DEPARTMENT</b>  | <b>\$ 284,000</b>   | <b>\$ 309,729</b>   | <b>\$ 300,600</b>   | <b>\$ 150,384</b> | <b>\$ 317,325</b>   | <b>47%</b> | <b>\$ 314,200</b>   | <b>-0.98%</b> |

## Salaries

Salaries account for 79% of the Library budget. In FY16 the Library was open 3,063 hours which included 60 hours per week all year long, with an additional three hours on Sundays (October-May), excluding holidays.

In order to accommodate the tremendous growth in programs and services, and stay within the +1.25% budget guidance, the Library will eliminate Sunday hours. This cut does not affect any staff benefits or require any layoffs. The overall staffing levels remain the same. Below are the details for the FY18 salary budgets:

|  | FY14              | FY15              | FY16              | FY17              | FY17 REVISED      | FY17       | FY18 TOWN         |               |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|  | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | BUDGET            | YTD        | MANAGER           | PCT CHANGE    |
| LIBRARY DIRECTOR                       | \$ 93,011         | \$ 99,343         | \$ 103,957        | \$ 55,034         | \$ 106,575        | 52%        | \$ 99,201         | -6.92%        |
| LIBRARY ASSISTANT DIRECTOR             | \$ 70,801         | \$ 75,077         | \$ 76,375         | \$ -              | \$ 80,075         | 0%         | \$ 73,070         | -8.75%        |
| LIB ADMINISTRATIVE ASSISTANT           | \$ 43,026         | \$ 44,553         | \$ 44,587         | \$ 25,268         | \$ 47,800         | 53%        | \$ 47,760         | -0.08%        |
| LIBRARY SUBSTITUTES                    | \$ -              | \$ 6,012          | \$ 11,876         | \$ 25,557         | \$ 4,600          | 556%       | \$ 4,725          | 2.72%         |
| LIBRARY DIVISION HEADS                 | \$ -              | \$ (35)           | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| DIGITAL SERVICES LIBRARIAN             | \$ 7              | \$ -              | \$ -              | \$ 1,130          | \$ -              |            | \$ -              |               |
| LIBRARY LIBRARY ASSOCIATE              | \$ -              | \$ -              | \$ -              | \$ 109            | \$ -              |            | \$ -              |               |
| LIBRARY ASSOCIATE                      | \$ -              | \$ -              | \$ 6,104          | \$ 2,159          | \$ -              |            | \$ -              |               |
| LIBRARY OVERTIME                       | \$ 2,842          | \$ 3,299          | \$ 236            | \$ -              | \$ -              |            | \$ -              |               |
| PROJECT MGMT STIPEND                   | \$ 2,115          | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| LIBRARY LEAVE BUYBACK                  | \$ -              | \$ -              | \$ 8,533          | \$ -              | \$ -              |            | \$ -              |               |
| <b>LIBRARY ADMINISTRATION SALARIES</b> | <b>\$ 211,803</b> | <b>\$ 228,250</b> | <b>\$ 251,668</b> | <b>\$ 109,258</b> | <b>\$ 239,050</b> | <b>46%</b> | <b>\$ 224,756</b> | <b>-5.98%</b> |

The Circulation and Technical Services Divisions manage over 18,000 patron accounts; oversee seven program/meeting rooms; procure and process over 12,000 physical books, movies and audio materials each year; and handle circulation over 409,000 items annually which translates to approximately 134 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 FY16, staff performed 51,442 reference / research interactions and provided 468 programs. Notable programs included: Community Conversation: Racial Justice with author Debbie Irving; Facebook for Businesses; Foreign Affairs Discussion Group; Sensory Storytime; Community Story Walks and Summer Reading.

Additionally, the Library provided biweekly service to 25 homebound patrons in FY16 and also supplied reading collections to Sanborn Place, the Pleasant Street Center, and Sawtelle Hospice House.

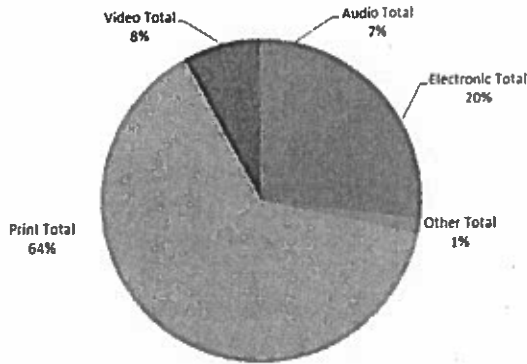
|                               | FY14              | FY15              | FY16              | FY17              | FY17 REVISED      | FY17       | FY18 TOWN         | PCT           |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                               | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | BUDGET            | YTD        | MANAGER           | CHANGE        |
|                               |                   |                   |                   |                   |                   |            | BUDGET            |               |
| LIB CIRC DIVISION HEAD        | \$ 57,257         | \$ 59,391         | \$ 61,604         | \$ 38,165         | \$ 63,600         | 60%        | \$ 65,366         | 2.78%         |
| LIB CIRC SR LIBRARY ASSOCIATE | \$ 28,996         | \$ 28,687         | \$ 26,557         | \$ 17,896         | \$ 34,800         | 51%        | \$ 32,176         | -7.54%        |
| LIB CIRC ASSOCIATE            | \$ 103,941        | \$ 97,754         | \$ 111,285        | \$ 72,035         | \$ 113,800        | 63%        | \$ 121,600        | 6.85%         |
| LIB CIRC PAGE                 | \$ 14,881         | \$ 12,277         | \$ 13,904         | \$ 7,653          | \$ 20,300         | 38%        | \$ 20,860         | 2.76%         |
| LIB CIRC THURSDAYS            | \$ -              | \$ 591            | \$ 117            | \$ -              | \$ -              |            | \$ -              |               |
| LIB CIRC SUNDAY HOURS         | \$ 6,012          | \$ 5,102          | \$ 5,106          | \$ 4,314          | \$ 7,650          | 56%        | \$ -              | -100.00%      |
| <b>CIRCULATION SALARIES</b>   | <b>\$ 211,087</b> | <b>\$ 203,802</b> | <b>\$ 218,573</b> | <b>\$ 140,063</b> | <b>\$ 240,150</b> | <b>58%</b> | <b>\$ 240,002</b> | <b>-0.06%</b> |
| CHILDRENS DIVISION HEAD       | \$ 64,533         | \$ 66,854         | \$ 69,402         | \$ 42,330         | \$ 70,250         | 60%        | \$ 72,170         | 2.73%         |
| CHILDRENS LIBRARIANS          | \$ 124,125        | \$ 126,786        | \$ 129,509        | \$ 83,010         | \$ 134,350        | 62%        | \$ 168,022        | 25.06%        |
| CHILDRENS SR LIBRARY ASSOC    | \$ 26,759         | \$ 27,787         | \$ 28,680         | \$ 17,988         | \$ 31,550         | 57%        | \$ 30,958         | -1.88%        |
| CHILDRENS ASSOCIATE           | \$ 5,861          | \$ 1,540          | \$ 705            | \$ -              | \$ -              |            | \$ -              |               |
| CHILDRENS PAGE                | \$ 14,358         | \$ 11,919         | \$ 7,197          | \$ 4,480          | \$ 7,800          | 57%        | \$ 8,020          | 2.82%         |
| CHILDRENS THURSDAYS           | \$ -              | \$ 1,488          | \$ 689            | \$ -              | \$ -              |            | \$ -              |               |
| CHILDRENS SUNDAY HOURS        | \$ 7,580          | \$ 4,384          | \$ 5,906          | \$ 6,172          | \$ 11,000         | 56%        | \$ -              | -100.00%      |
| <b>CHILDRENS SALARIES</b>     | <b>\$ 243,217</b> | <b>\$ 240,758</b> | <b>\$ 242,086</b> | <b>\$ 153,979</b> | <b>\$ 254,950</b> | <b>60%</b> | <b>\$ 279,170</b> | <b>9.50%</b>  |
| REFERENCE DIVISION HEAD       | \$ 63,227         | \$ 65,668         | \$ 68,028         | \$ 42,537         | \$ 70,250         | 61%        | \$ 72,170         | 2.73%         |
| REFERENCE LIBRARIANS          | \$ 186,982        | \$ 201,457        | \$ 206,836        | \$ 127,725        | \$ 230,125        | 56%        | \$ 246,900        | 7.29%         |
| REFERENCE THURSDAYS           | \$ -              | \$ 2,508          | \$ 52             | \$ -              | \$ -              |            | \$ -              |               |
| REFERENCE SUNDAY HOURS        | \$ 8,813          | \$ 5,923          | \$ 8,070          | \$ 5,510          | \$ 12,000         | 46%        | \$ -              | -100.00%      |
| <b>REFERENCE SALARIES</b>     | <b>\$ 259,023</b> | <b>\$ 275,556</b> | <b>\$ 282,987</b> | <b>\$ 175,772</b> | <b>\$ 312,375</b> | <b>56%</b> | <b>\$ 319,070</b> | <b>2.14%</b>  |
| TECH SVC DIVISION HEAD        | \$ 64,665         | \$ 67,296         | \$ 69,384         | \$ 42,132         | \$ 70,250         | 60%        | \$ 72,170         | 2.73%         |
| TECH SVC SR LIBRARY ASSOC     | \$ 39,919         | \$ 55,504         | \$ 58,475         | \$ 36,259         | \$ 60,550         | 60%        | \$ 62,515         | 3.25%         |
| TECH SVC SR LIBRARY TECH      | \$ 6,209          | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| LIBRARY TECH SVC ASSOCIATE    | \$ 6,442          | \$ 11,731         | \$ 12,804         | \$ 8,195          | \$ 13,350         | 61%        | \$ 15,000         | 12.36%        |
| TECH SVC PAGE                 | \$ 3,567          | \$ -              | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| TECH SVC THURSDAYS            | \$ -              | \$ 1,330          | \$ 132            | \$ -              | \$ -              |            | \$ -              |               |
| TECH SVC SUNDAY HOURS         | \$ -              | \$ -              | \$ 265            | \$ 525            | \$ -              |            | \$ -              |               |
| <b>TECH SERVICES SALARIES</b> | <b>\$ 120,802</b> | <b>\$ 135,862</b> | <b>\$ 141,061</b> | <b>\$ 87,110</b>  | <b>\$ 144,150</b> | <b>60%</b> | <b>\$ 149,685</b> | <b>3.84%</b>  |

## Expenses

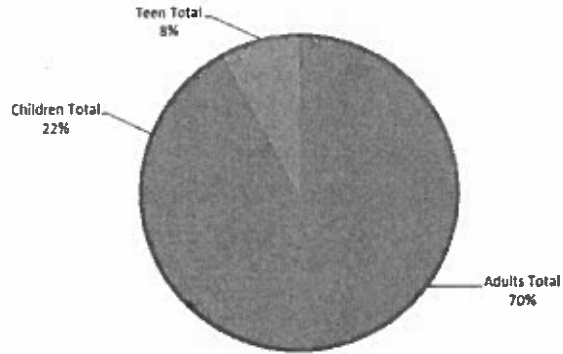
The materials budget is reduced -2.15% from the previous year to \$213,750. This amount is 14% of the total budget which meets the MBLC certification requirements. Professional staff are responsible for the curating both physical and digital collections. All collections are evaluated on an ongoing basis and new purchases are selected according to format and age group.

The electronic portion of the materials budget supports a virtual library that includes 30 digital magazines (including Consumer Reports), 3,000+ downloadable audiobooks, 45,000 eBooks, 7 millions downloadable music tracks, Ancestry.com, Tutor.com and Mango Language Learning.

**Purchases By Format**



**Purchases by Age Group**



|  | FY14              | FY15              | FY16              | FY17              | FY17 REVISED      | FY17       | FY18 TOWN         |               |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|  | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | BUDGET            | YTD        | MANAGER           | PCT           |
|  |                   |                   |                   |                   |                   |            | BUDGET            | CHANGE        |
| LIBRARY SOFTWARE LICEN & SUPP          | \$ 57,854         | \$ 54,361         | \$ 58,264         | \$ 38,977         | \$ 55,385         | 70%        | \$ 60,000         | 8.33%         |
| LIBRARY MAINT CONTRACT/REPAIR          | \$ 2,681          | \$ 1,417          | \$ 4,012          | \$ 2,415          | \$ 3,300          | 73%        | \$ -              | -100.00%      |
| OUTSOURCED PROFESSIONAL SVCS           | \$ -              | \$ 6,000          | \$ -              | \$ -              | \$ -              |            | \$ -              |               |
| LIBRARY PROF DEV - REGISTRATN          | \$ 9,294          | \$ 6,251          | \$ 9,549          | \$ 2,866          | \$ 12,500         | 23%        | \$ 12,500         | 0.00%         |
| LIBRARY PROF DEV - TRAVEL              | \$ 1,148          | \$ 6,764          | \$ 6,581          | \$ 703            | \$ 2,200          | 32%        | \$ 2,200          | 0.00%         |
| LIBRARY SUPPLIES/EQUIPMENT             | \$ 5,484          | \$ 4,221          | \$ 5,987          | \$ 2,597          | \$ 7,000          | 37%        | \$ 7,250          | 3.57%         |
| LIBRARY OFFICE SUPP                    | \$ 6,456          | \$ 4,684          | \$ 6,256          | \$ 2,657          | \$ 3,000          | 89%        | \$ 3,000          | 0.00%         |
| LIBRARY TECHNOLOGY SUPPLIES            | \$ 14,582         | \$ 14,955         | \$ 4,287          | \$ 4,979          | \$ 15,500         | 32%        | \$ 15,500         | 0.00%         |
| LIBRARY LIBRARY MATERIALS              | \$ -              | \$ 700            | \$ -              | \$ -              | \$ -              |            | \$ 213,750        | -2.15%        |
| LIBRARY ADULT BOOKS                    | \$ 69,035         | \$ 77,664         | \$ 78,719         | \$ 37,164         | \$ 88,000         | 42%        | \$ -              |               |
| LIBRARY CHILDRENS BOOKS                | \$ 26,926         | \$ 23,116         | \$ 25,811         | \$ 7,163          | \$ 24,990         | 29%        | \$ -              |               |
| LIBRARY TEEN BOOKS                     | \$ 5,270          | \$ 6,473          | \$ 9,149          | \$ 5,659          | \$ 8,000          | 71%        | \$ -              |               |
| LIBRARY ADULT AUDIO                    | \$ 12,715         | \$ 11,948         | \$ 12,292         | \$ 3,766          | \$ 12,000         | 31%        | \$ -              |               |
| LIBRARY CHILDRENS AUDIO                | \$ 1,499          | \$ 2,213          | \$ 2,080          | \$ 263            | \$ 2,450          | 11%        | \$ -              |               |
| LIBR MATERIALS TEEN AUDIO              | \$ 491            | \$ 408            | \$ 462            | \$ 203            | \$ 500            | 41%        | \$ -              |               |
| LIBRARY ADULT VIDEO                    | \$ 16,283         | \$ 13,937         | \$ 13,830         | \$ 6,643          | \$ 14,300         | 46%        | \$ -              |               |
| LIBRARY CHILDRENS VIDEO                | \$ 5,656          | \$ 3,168          | \$ 2,912          | \$ 527            | \$ 3,000          | 18%        | \$ -              |               |
| LIBRARY PERIODICALS                    | \$ 18,383         | \$ 18,196         | \$ 18,741         | \$ 1,170          | \$ 18,200         | 6%         | \$ -              |               |
| LIBRARY ELECTRONIC                     | \$ 780            | \$ 10,479         | \$ 27,206         | \$ 15,611         | \$ 9,200          | 170%       | \$ -              |               |
| LIBRARY ONLINE DATA BASE               | \$ 13,046         | \$ 30,220         | \$ 6,825          | \$ 12,194         | \$ 28,600         | 43%        | \$ -              |               |
| LIBR OTHER MATERIALS                   | \$ -              | \$ 2,170          | \$ 2,523          | \$ 912            | \$ 3,200          | 28%        | \$ -              |               |
| LIBR EBKS/DOWNLOAD/OVRDRV/ADLT         | \$ 3,835          | \$ 36             | \$ 970            | \$ -              | \$ 1,000          | 0%         | \$ -              |               |
| LIBR EBKS/DOWNLOAD/OVRDRV/CHLD         | \$ 7,112          | \$ 7,677          | \$ 2,379          | \$ 3,916          | \$ 4,000          | 98%        | \$ -              |               |
| LIBR EBKS/DOWNLOAD/OVRDRV/TEEN         | \$ 4,214          | \$ 1,097          | \$ 965            | \$ -              | \$ 1,000          | 0%         | \$ -              |               |
| TRANSPORTATION COSTS                   | \$ 1,256          | \$ 1,576          | \$ 801            | \$ -              | \$ -              |            | \$ -              |               |
| <b>LIBRARY ADMINISTRATION EXPENSES</b> | <b>\$ 284,000</b> | <b>\$ 309,729</b> | <b>\$ 300,600</b> | <b>\$ 150,384</b> | <b>\$ 317,325</b> | <b>47%</b> | <b>\$ 314,200</b> | <b>-0.98%</b> |

Other Library expenses see an increase of 1.58% from the previous year to \$100,450. The largest portion of this budget goes to support our integrated library system (ILS) that manages all patron accounts, serials subscriptions and the library catalog. The ILS is licensed and supported through our membership to North of Boston Library Exchange (NOBLE). The NOBLE membership has a significant increase of almost 6% in FY18 primarily due to state funding cuts. Other budget lines, such as professional development, technology equipment and office supplies remain level to accommodate this increase.

With regard to future planning for library expenses, all maintenance contracts for newly acquired automated technology is paid through FY18. FY19 will need to include funds for continued support and updates for this equipment.

## Facilities FY18 Budget

The Facilities Department FY18 budget is increased by 4.9% when compared to the previous year. Core Facilities are up +4.9% and the smaller Town Buildings up 4.6%. Details are shown in the tables below:

|                   | FY14                                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           | PCT          |
|-------------------|-------------------------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|--------------|
|                   | ACTUALS                             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | YTD        | MANAGER BUDGET      | CHANGE       |
| Core Facilities   | \$ 2,199,196                        | \$ 2,235,355        | \$ 2,406,742        | \$ 1,465,333        | \$ 2,856,211        | 51%        | \$ 2,997,180        | 4.94%        |
| Town Buildings    | \$ 233,987                          | \$ 244,002          | \$ 287,234          | \$ 183,726          | \$ 286,890          | 64%        | \$ 299,935          | 4.55%        |
| School Buildings  | <i>please see the School budget</i> |                     |                     |                     |                     |            |                     |              |
| <b>DEPARTMENT</b> | <b>\$ 2,433,183</b>                 | <b>\$ 2,479,357</b> | <b>\$ 2,693,976</b> | <b>\$ 1,649,060</b> | <b>\$ 3,143,101</b> | <b>52%</b> | <b>\$ 3,297,115</b> | <b>4.90%</b> |

|                   | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT           |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
| <b>SALARIES</b>   | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE        |
| Core Facilities   | \$ 261,225        | \$ 265,930        | \$ 398,519        | \$ 262,037        | \$ 493,085        | 53%        | \$ 555,750        | 12.71%        |
| Town Buildings    | \$ 170,072        | \$ 178,808        | \$ 191,141        | \$ 115,939        | \$ 206,805        | 56%        | \$ 219,850        | 6.31%         |
| School Buildings  |                   |                   |                   |                   |                   |            |                   |               |
| <b>DEPARTMENT</b> | <b>\$ 431,297</b> | <b>\$ 444,738</b> | <b>\$ 589,660</b> | <b>\$ 377,976</b> | <b>\$ 699,890</b> | <b>54%</b> | <b>\$ 775,600</b> | <b>10.82%</b> |

|                   | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           | PCT          |
|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|--------------|
| <b>EXPENSES</b>   | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | YTD        | MANAGER BUDGET      | CHANGE       |
| Core Facilities   | \$ 1,937,971        | \$ 1,969,425        | \$ 2,008,224        | \$ 1,203,296        | \$ 2,363,126        | 51%        | \$ 2,441,430        | 3.31%        |
| Town Buildings    | \$ 63,915           | \$ 65,194           | \$ 96,093           | \$ 67,788           | \$ 80,085           | 85%        | \$ 80,085           | 0.00%        |
| School Buildings  |                     |                     |                     |                     |                     |            |                     |              |
| <b>DEPARTMENT</b> | <b>\$ 2,001,886</b> | <b>\$ 2,034,619</b> | <b>\$ 2,104,317</b> | <b>\$ 1,271,083</b> | <b>\$ 2,443,211</b> | <b>52%</b> | <b>\$ 2,521,515</b> | <b>3.20%</b> |

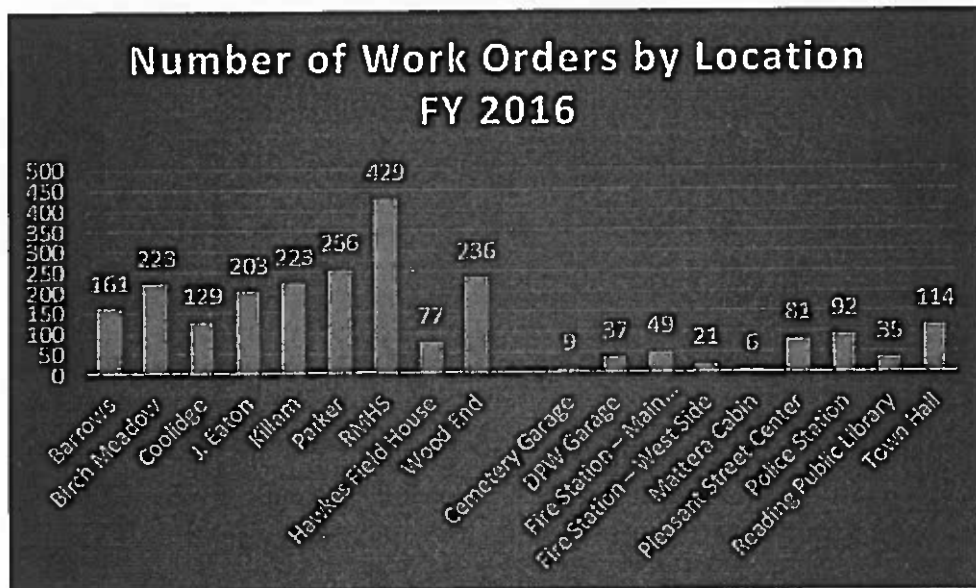
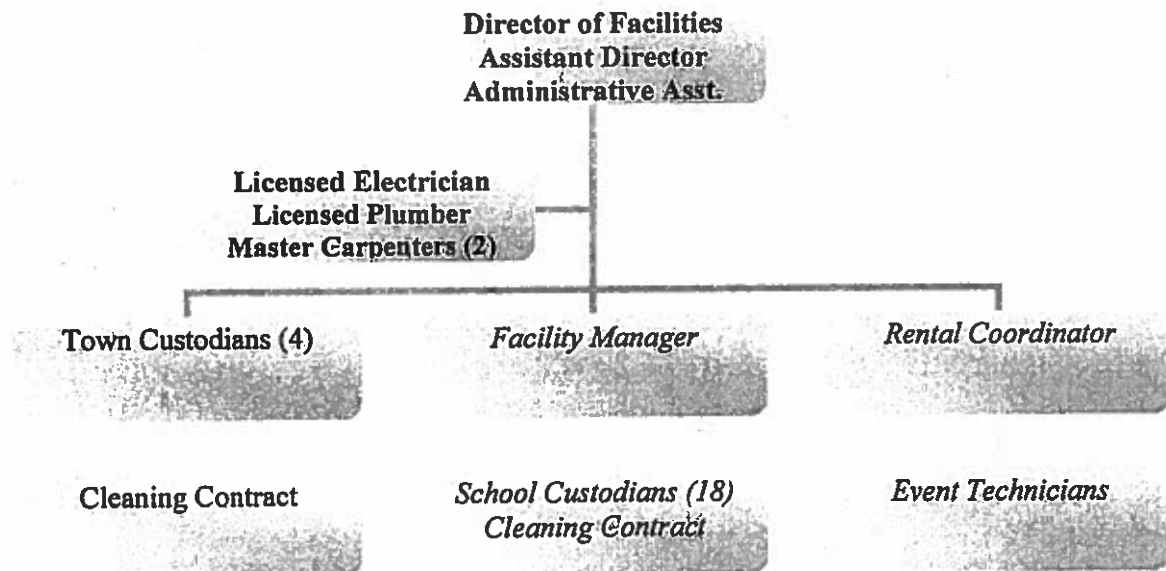
The Facilities Department is responsible for the repair, maintenance and capital improvements of eight School Buildings and nine Municipal Buildings totaling 1.1 million square feet of space. The Department manages a staff of tradesmen composed of an electrician, plumber and two carpenters, and some 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   |
| Kilham 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    |

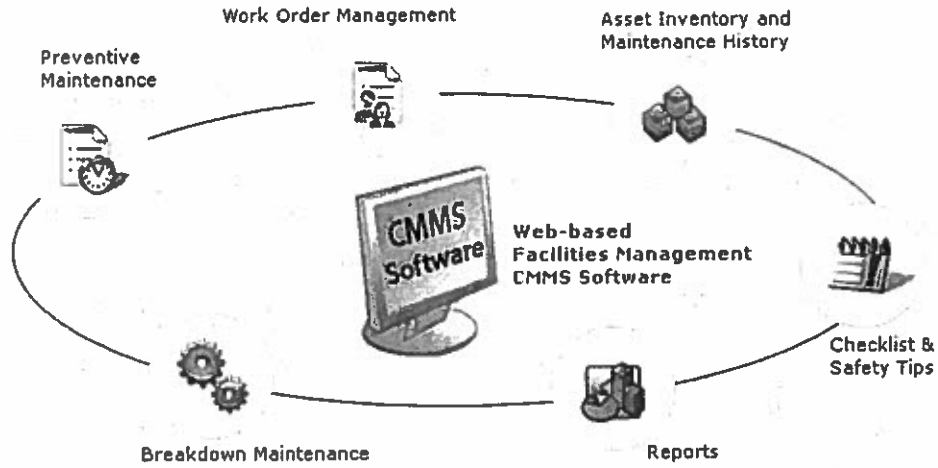
The Facilities Department Mission is to support the Town's Educational and Municipal Government functions. This mission is accomplished through the quality driven delivery of Facilities Services in a timely and cost effective manner along with exceptional customer service.

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.

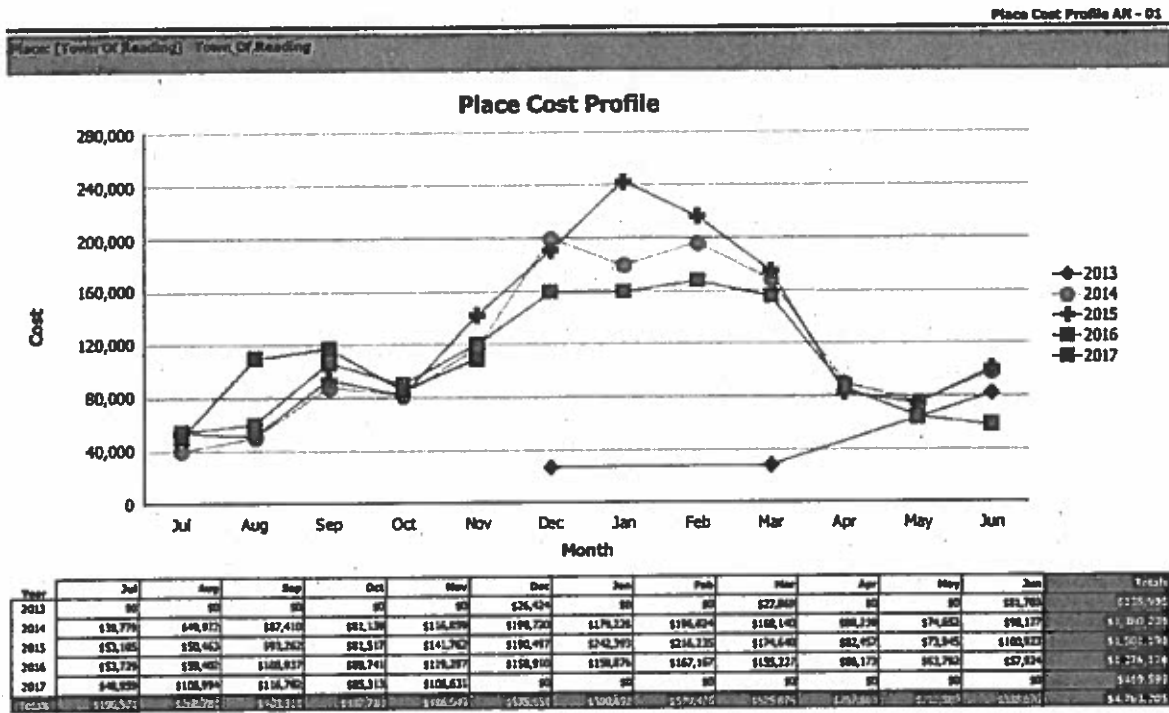
As shown by the department staffing chart below, the Town custodians and cleaning contract reside in the Town Buildings budget; the Director and Assistant Director, the Administrative Secretary and the Maintenance Technicians are in the Core Facilities budget; the remaining positions are in the School budget (with both the general fund and revolving funds providing the support).



The department utilizes technology at an increasing rate in order to minimize expenses and maximize the efficiency of buildings. The flow chart below gives a visual representation of the department's approach.



For example, Utility Trac provides the department with an overview of cost across all the town and school buildings as shown below:

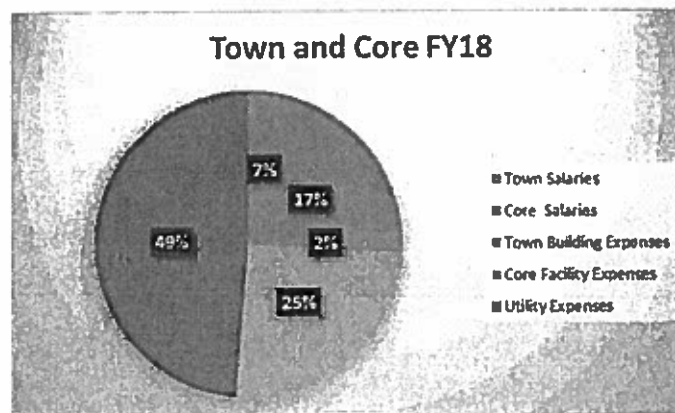


## FY18 Core Facilities Budget

Town Meeting will vote on the total for Core Facilities, as shown below as a +4.9% increase. During mid-FY17, a discussion between the Facilities Director, Superintendent of Schools and Town Manager resulted in the addition of a second Maintenance Technician, which will help reduce costly outsourcing for a variety of building repairs. A few years ago a similar change was made, and a full-time electrician has saved over \$50,000 annually. This new position is shown in FY18 but not reflected in FY17.

| CORE FACILITIES                 | FY14<br>ACTUALS     | FY15<br>ACTUALS     | FY16<br>ACTUALS     | FY17<br>ACTUALS     | FY17 REVISED<br>BUDGET | FY17<br>YTD | FY18 TOWN<br>MANAGER<br>BUDGET | PCT<br>CHANGE |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------|-------------|--------------------------------|---------------|
| FACILITIES DIRECTOR             | \$ 59,793           | \$ 47,683           | \$ 136,162          | \$ 70,295           | \$ 126,250             | 56%         | \$ 129,000                     | 2.18%         |
| FACILITIES ASSISTANT DIRECTOR   | \$ -                | \$ -                | \$ -                | \$ 50,068           | \$ 96,400              | 52%         | \$ 93,175                      | -3.35%        |
| FACILITIES ADMINISTRATIVE ASST  | \$ 19,219           | \$ 19,973           | \$ 45,772           | \$ 28,192           | \$ 50,915              | 55%         | \$ 51,125                      | 0.41%         |
| CLERICAL LONGEVITY              | \$ 325              | \$ 325              | \$ 650              | \$ -                | \$ -                   |             | \$ -                           |               |
| LICENSED MAINTENANCE STAFF      | \$ 77,416           | \$ 129,596          | \$ 135,365          | \$ 74,574           | \$ 135,593             | 55%         | \$ 138,835                     | 2.39%         |
| MAINTENANCE TECHNICIAN          | \$ 78,983           | \$ 37,187           | \$ 52,202           | \$ 30,307           | \$ 55,812              | 54%         | \$ 116,000                     | 107.84%       |
| MAINTENANCE LONGEVITY           | \$ 513              | \$ 513              | \$ 513              | \$ 615              | \$ 615                 | 100%        | \$ 615                         | 0.00%         |
| MAINTENANCE OVERTIME            | \$ 24,977           | \$ 30,654           | \$ 27,855           | \$ 7,986            | \$ 27,500              | 29%         | \$ 27,000                      | -1.82%        |
| <b>CORE FACILITIES SALARIES</b> | <b>\$ 261,225</b>   | <b>\$ 265,930</b>   | <b>\$ 398,519</b>   | <b>\$ 262,037</b>   | <b>\$ 493,085</b>      | <b>53%</b>  | <b>\$ 555,750</b>              | <b>12.71%</b> |
| Miscellaneous expenses          | \$ 53,683           | \$ 38,493           | \$ 83,118           | \$ 18,521           | \$ 25,800              | 72%         | \$ 28,300                      | 9.69%         |
| Electricity                     | \$ 672,483          | \$ 701,184          | \$ 711,072          | \$ 404,156          | \$ 805,625             | 50%         | \$ 845,325                     | 4.93%         |
| Natural Gas                     | \$ 548,694          | \$ 591,796          | \$ 479,552          | \$ 175,790          | \$ 596,846             | 29%         | \$ 626,775                     | 5.01%         |
| Water/Sewer                     | \$ 118,676          | \$ 121,410          | \$ 135,586          | \$ 103,726          | \$ 126,475             | 82%         | \$ 132,850                     | 5.04%         |
| Building Repairs                | \$ 204,316          | \$ 165,098          | \$ 250,993          | \$ 226,130          | \$ 255,000             | 89%         | \$ 245,200                     | -3.84%        |
| Other maintenance & repairs     | \$ 27,742           | \$ 16,885           | \$ 22,540           | \$ 7,704            | \$ 62,000              | 12%         | \$ 110,700                     | 78.55%        |
| Extraordinary repairs           | \$ 69,111           | \$ 110,840          | \$ 32,699           | \$ 14,711           | \$ 127,500             | 12%         | \$ 108,000                     | -15.29%       |
| Electrical                      | \$ 27,123           | \$ 28,528           | \$ 29,763           | \$ 28,324           | \$ 43,500              | 65%         | \$ 43,500                      | 0.00%         |
| Building alarms                 | \$ 25,509           | \$ 35,258           | \$ 14,591           | \$ 23,299           | \$ 31,750              | 73%         | \$ 31,750                      | 0.00%         |
| Building fire equipment         | \$ 18,900           | \$ -                | \$ 8,505            | \$ -                | \$ 35,500              | 0%          | \$ 35,500                      | 0.00%         |
| HVAC Services                   | \$ 112,060          | \$ 114,262          | \$ 180,306          | \$ 130,004          | \$ 169,600             | 77%         | \$ 150,000                     | -11.56%       |
| Elevator Services               | \$ 32,700           | \$ 32,142           | \$ 23,457           | \$ 34,745           | \$ 53,750              | 65%         | \$ 53,750                      | 0.00%         |
| Pest management Services        | \$ 4,274            | \$ -                | \$ 5,791            | \$ 6,059            | \$ 7,580               | 80%         | \$ 7,580                       | 0.00%         |
| Plumbing                        | \$ 22,699           | \$ 13,528           | \$ 30,250           | \$ 30,127           | \$ 22,200              | 136%        | \$ 22,200                      | 0.00%         |
| <b>CORE FACILITIES EXPENSES</b> | <b>\$ 1,937,971</b> | <b>\$ 1,969,425</b> | <b>\$ 2,008,224</b> | <b>\$ 1,203,296</b> | <b>\$ 2,363,126</b>    | <b>51%</b>  | <b>\$ 2,441,430</b>            | <b>3.31%</b>  |
| <b>CORE FACILITIES TOTAL</b>    | <b>\$ 2,199,196</b> | <b>\$ 2,235,355</b> | <b>\$ 2,406,742</b> | <b>\$ 1,465,333</b> | <b>\$ 2,856,211</b>    | <b>51%</b>  | <b>\$ 2,997,180</b>            | <b>4.94%</b>  |

Expenses are shown above and described in more detail in the following pages. Some FY18 expenses have been reduced because of the new Maintenance Technician position.



### Miscellaneous expenses

Note that technology costs were moved to the Administrative Services department and fuel costs were moved to the Public Works department budget when the Core Facilities department was moved from the School department budget. There is an increase in professional services for FY18, which helps when architectural services are required for minor carpentry projects.

|                               | FY14      | FY15      | FY16      | FY17      | FY17 REVISED | FY17 | FY18 TOWN      | PCT    |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|------|----------------|--------|
|                               | ACTUALS   | ACTUALS   | ACTUALS   | ACTUALS   | BUDGET       | YTD  | MANAGER BUDGET | CHANGE |
| PROFESSIONAL DEVELOPMENT      | \$ 1,970  | \$ 3,751  | \$ 1,942  | \$ 1,706  | \$ 2,000     | 85%  | \$ 2,000       | 0.00%  |
| TECHNOLOGY SUPPLIES           | \$ 7,049  | \$ 7,643  | \$ 10,798 | \$ 1,275  | \$ -         |      | \$ -           |        |
| OFFICE SUPPLIES & EQUIPMENT   | \$ 1,831  | \$ 3,702  | \$ 2,287  | \$ 1,637  | \$ 1,000     | 164% | \$ 1,000       | 0.00%  |
| BUILDING SUPPLIES & EQUIPMENT | \$ 16,485 | \$ 14,673 | \$ 35,072 | \$ 9,203  | \$ 16,000    | 58%  | \$ 16,000      | 0.00%  |
| PROFESSIONAL SERVICES         | \$ 13,365 | \$ -      | \$ 24,649 | \$ 4,500  | \$ 5,000     | 90%  | \$ 7,500       | 50.00% |
| CLOTHING                      | \$ 2,553  | \$ 501    | \$ 300    | \$ 200    | \$ 1,800     | 11%  | \$ 1,800       | 0.00%  |
| FUEL                          | \$ 10,430 | \$ 8,223  | \$ 8,070  | \$ -      | \$ -         |      | \$ -           |        |
| MISCELLANEOUS EXPENSES        | \$ 53,683 | \$ 38,493 | \$ 83,118 | \$ 18,521 | \$ 25,800    | 72%  | \$ 28,300      | 9.69%  |

### Utilities expenses

Costs are estimated to increase by 5% as shown below and on the next page. This includes estimated modest increases in consumption by the newly renovated but larger Public Library.

|                                | FY14              | FY15              | FY16              | FY17              | FY17 REVISED      | FY17       | FY18 TOWN         | PCT          |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                                | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | BUDGET            | YTD        | MANAGER BUDGET    | CHANGE       |
| BARROWS ELECTRICITY            | \$ 30,768         | \$ 30,725         | \$ 35,993         | \$ 20,060         | \$ 38,500         | 52%        | \$ 40,425         | 5.00%        |
| BIRCH ELECTRICITY              | \$ 20,578         | \$ 21,776         | \$ 23,584         | \$ 12,936         | \$ 24,150         | 54%        | \$ 25,350         | 4.97%        |
| EATON ELECTRICITY              | \$ 28,886         | \$ 27,769         | \$ 33,159         | \$ 10,309         | \$ 34,150         | 30%        | \$ 35,850         | 4.98%        |
| KILLAM ELECTRICITY             | \$ 27,824         | \$ 35,560         | \$ 42,742         | \$ 21,582         | \$ 41,025         | 53%        | \$ 43,075         | 5.00%        |
| WOOD END ELECTRICITY           | \$ 36,455         | \$ 38,990         | \$ 39,378         | \$ 23,418         | \$ 42,775         | 55%        | \$ 44,925         | 5.03%        |
| COOLIDGE ELECTRICITY           | \$ 55,325         | \$ 58,522         | \$ 59,544         | \$ 34,382         | \$ 64,100         | 54%        | \$ 67,300         | 4.99%        |
| PARKER ELECTRICITY             | \$ 66,695         | \$ 73,233         | \$ 73,297         | \$ 31,944         | \$ 77,300         | 41%        | \$ 81,175         | 5.01%        |
| RMHS ELECTRICITY               | \$ 248,820        | \$ 257,874        | \$ 249,197        | \$ 145,984        | \$ 278,700        | 52%        | \$ 292,650        | 5.01%        |
| TOWN HALL ELECTRICITY          | \$ 20,357         | \$ 21,461         | \$ 23,542         | \$ 15,488         | \$ 24,075         | 64%        | \$ 25,300         | 5.09%        |
| POLICE ELECTRICITY             | \$ 44,732         | \$ 47,639         | \$ 49,777         | \$ 31,829         | \$ 51,500         | 62%        | \$ 54,075         | 5.00%        |
| MAIN FIRE ELECTRICITY          | \$ 12,696         | \$ 14,320         | \$ 14,449         | \$ 9,622          | \$ 14,675         | 66%        | \$ 15,400         | 4.94%        |
| WEST FIRE ELECTRICITY          | \$ 4,426          | \$ 4,559          | \$ 4,681          | \$ 3,657          | \$ 5,525          | 66%        | \$ 5,800          | 4.98%        |
| LIBRARY ELECTRICITY            | \$ 32,323         | \$ 24,687         | \$ 16,184         | \$ 20,189         | \$ 52,000         | 39%        | \$ 54,600         | 5.00%        |
| SENIOR CTR ELECTRICITY         | \$ 7,541          | \$ 7,868          | \$ 9,016          | \$ 6,165          | \$ 9,700          | 64%        | \$ 10,200         | 5.15%        |
| DPW ELECTRICITY                | \$ 31,947         | \$ 33,255         | \$ 29,481         | \$ 16,588         | \$ 34,650         | 48%        | \$ 36,400         | 5.05%        |
| ENERGY CONSERVATION - ELECTRIC | \$ 3,109          | \$ 3,315          | \$ 7,048          | \$ -              | \$ 12,800         | 0%         | \$ 12,800         | 0.00%        |
| ENERGY MGMT SYS REPAIRS        | \$ -              | \$ (371)          | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| <b>ELECTRICITY</b>             | <b>\$ 672,483</b> | <b>\$ 701,184</b> | <b>\$ 711,072</b> | <b>\$ 404,156</b> | <b>\$ 805,625</b> | <b>50%</b> | <b>\$ 845,325</b> | <b>4.93%</b> |
| BARROWS NATURAL GAS            | \$ 32,701         | \$ 33,780         | \$ 27,914         | \$ 11,599         | \$ 31,250         | 37%        | \$ 32,800         | 4.96%        |
| BIRCH NATURAL GAS              | \$ 27,315         | \$ 29,515         | \$ 27,048         | \$ 9,041          | \$ 27,425         | 33%        | \$ 28,800         | 5.01%        |
| EATON NATURAL GAS              | \$ 43,093         | \$ 40,643         | \$ 33,669         | \$ 13,615         | \$ 40,000         | 34%        | \$ 42,000         | 5.00%        |
| KILLAM NATURAL GAS             | \$ 32,069         | \$ 47,276         | \$ 29,837         | \$ 11,507         | \$ 35,775         | 32%        | \$ 37,575         | 5.03%        |
| WOOD END NATURAL GAS           | \$ 27,439         | \$ 29,451         | \$ 27,750         | \$ 10,104         | \$ 27,400         | 37%        | \$ 28,775         | 5.02%        |
| COOLIDGE NATURAL GAS           | \$ 91,924         | \$ 88,837         | \$ 73,965         | \$ 32,580         | \$ 91,221         | 36%        | \$ 95,800         | 5.02%        |
| PARKER NATURAL GAS             | \$ 7,829          | \$ 61,207         | \$ 55,844         | \$ 23,168         | \$ 65,450         | 35%        | \$ 68,725         | 5.00%        |
| RMHS NATURAL GAS               | \$ 140,273        | \$ 130,321        | \$ 102,933        | \$ 22,921         | \$ 133,150        | 17%        | \$ 139,825        | 5.01%        |
| TOWN HALL NATURAL GAS          | \$ 10,625         | \$ 11,760         | \$ 10,166         | \$ 4,327          | \$ 10,700         | 40%        | \$ 11,250         | 5.14%        |
| POLICE NATURAL GAS             | \$ 20,284         | \$ 19,293         | \$ 17,263         | \$ 6,179          | \$ 18,800         | 33%        | \$ 19,750         | 5.05%        |
| MAIN FIRE NATURAL GAS          | \$ 12,879         | \$ 9,354          | \$ 8,148          | \$ 4,008          | \$ 11,200         | 36%        | \$ 11,775         | 5.13%        |
| WEST FIRE NATURAL GAS          | \$ 9,351          | \$ 8,306          | \$ 5,015          | \$ 2,620          | \$ 8,600          | 30%        | \$ 9,025          | 4.94%        |
| LIBRARY NATURAL GAS            | \$ 22,470         | \$ 8,660          | \$ 5,678          | \$ 1,186          | \$ 31,400         | 4%         | \$ 32,975         | 5.02%        |
| SENIOR CTR NATURAL GAS         | \$ 6,751          | \$ 6,648          | \$ 4,661          | \$ 2,311          | \$ 6,675          | 35%        | \$ 7,000          | 4.87%        |
| DPW NATURAL GAS                | \$ 63,689         | \$ 66,744         | \$ 49,660         | \$ 20,625         | \$ 57,800         | 36%        | \$ 60,700         | 5.02%        |
| <b>NATURAL GAS</b>             | <b>\$ 548,694</b> | <b>\$ 591,796</b> | <b>\$ 479,552</b> | <b>\$ 175,790</b> | <b>\$ 596,846</b> | <b>29%</b> | <b>\$ 626,775</b> | <b>5.01%</b> |

|                        | FY14              | FY15              | FY16              | FY17              | FY17 REVISED      | FY17       | FY18 TOWN         | PCT          |
|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                        | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | BUDGET            | YTD        | MANAGER BUDGET    | CHANGE       |
| BARROWS WATER/SEWER    | \$ 5,027          | \$ 5,380          | \$ 6,256          | \$ 2,745          | \$ 6,075          | 45%        | \$ 6,375          | 4.94%        |
| BIRCH WATER/SEWER      | \$ 7,374          | \$ 7,323          | \$ 7,811          | \$ 4,251          | \$ 6,950          | 61%        | \$ 7,300          | 5.04%        |
| EATON WATER/SEWER      | \$ 4,864          | \$ 5,106          | \$ 5,900          | \$ 3,141          | \$ 4,300          | 73%        | \$ 4,500          | 4.65%        |
| KILLAM WATER/SEWER     | \$ 11,336         | \$ 7,581          | \$ 8,537          | \$ 4,280          | \$ 8,600          | 50%        | \$ 9,025          | 4.94%        |
| WOOD END WATER/SEWER   | \$ 8,794          | \$ 10,711         | \$ 12,914         | \$ 13,435         | \$ 9,850          | 136%       | \$ 10,350         | 5.08%        |
| COOLIDGE WATER/SEWER   | \$ 14,238         | \$ 11,435         | \$ 18,235         | \$ 27,723         | \$ 20,225         | 137%       | \$ 21,250         | 5.07%        |
| PARKER WATER/SEWER     | \$ 10,804         | \$ 11,052         | \$ 10,336         | \$ 4,642          | \$ 10,900         | 43%        | \$ 11,450         | 5.05%        |
| RMHS WATER/SEWER       | \$ 38,133         | \$ 45,625         | \$ 49,359         | \$ 33,088         | \$ 38,000         | 87%        | \$ 39,900         | 5.00%        |
| TOWN HALL WATER/SEWER  | \$ 2,466          | \$ 2,808          | \$ 2,899          | \$ 2,421          | \$ 2,600          | 93%        | \$ 2,725          | 4.81%        |
| POLICE WATER/SEWER     | \$ 2,378          | \$ 2,415          | \$ 2,502          | \$ 1,096          | \$ 2,875          | 38%        | \$ 3,025          | 5.22%        |
| MAIN FIRE WATER/SEWER  | \$ 2,927          | \$ 2,973          | \$ 3,083          | \$ 1,684          | \$ 3,300          | 51%        | \$ 3,475          | 5.30%        |
| WEST FIRE WATER/SEWER  | \$ 841            | \$ 818            | \$ 848            | \$ 438            | \$ 925            | 47%        | \$ 975            | 5.41%        |
| LIBRARY WATER/SEWER    | \$ 2,504          | \$ 1,172          | \$ -              | \$ 1,487          | \$ 3,875          | 38%        | \$ 4,075          | 5.16%        |
| SENIOR CTR WATER/SEWER | \$ 1,418          | \$ 1,385          | \$ 1,548          | \$ 826            | \$ 1,650          | 50%        | \$ 1,750          | 6.06%        |
| DPW WATER/SEWER        | \$ 5,573          | \$ 5,627          | \$ 5,357          | \$ 2,471          | \$ 6,350          | 39%        | \$ 6,675          | 5.12%        |
| <b>WATER/SEWER</b>     | <b>\$ 118,676</b> | <b>\$ 121,410</b> | <b>\$ 135,586</b> | <b>\$ 103,726</b> | <b>\$ 126,475</b> | <b>82%</b> | <b>\$ 132,850</b> | <b>5.04%</b> |

### Building maintenance and repairs expenses

Reductions were made across the board in building repairs (-4%), other maintenance & repairs (-18%), and extraordinary expenses (-15%) because of the previously mentioned new position added mid-FY17.

|                                 | FY14              | FY15              | FY16              | FY17              | FY17 REVISED      | FY17       | FY18 TOWN         | PCT           |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|---------------|
|                                 | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | BUDGET            | YTD        | MANAGER BUDGET    | CHANGE        |
| BA BLDG REPAIR EXPENSE          | \$ 9,802          | \$ 10,046         | \$ 12,197         | \$ 7,123          | \$ 15,000         | 47%        | \$ 14,400         | -4.00%        |
| BIRCH BUILDING REPAIR EXPENSE   | \$ 13,438         | \$ 6,049          | \$ 8,870          | \$ 8,145          | \$ 15,000         | 54%        | \$ 14,400         | -4.00%        |
| EATON BUILDING REPAIR EXPENSE   | \$ 25,648         | \$ 11,228         | \$ 31,216         | \$ 14,616         | \$ 15,000         | 97%        | \$ 14,400         | -4.00%        |
| KILLAM BLDG REPAIR EXPENSE      | \$ 8,888          | \$ 10,331         | \$ 12,279         | \$ 13,753         | \$ 15,000         | 92%        | \$ 14,400         | -4.00%        |
| WOOD END BLDG REPAIR EXPENSE    | \$ 7,142          | \$ 9,048          | \$ 14,210         | \$ 11,325         | \$ 15,000         | 76%        | \$ 14,400         | -4.00%        |
| COOLIDGE BLDG REPAIR EXPENSE    | \$ 18,342         | \$ 10,621         | \$ 19,213         | \$ 16,242         | \$ 22,500         | 72%        | \$ 21,600         | -4.00%        |
| PARKER BLDG REPAIR EXPENSE      | \$ 18,283         | \$ 15,708         | \$ 24,458         | \$ 17,287         | \$ 22,500         | 77%        | \$ 21,600         | -4.00%        |
| RMHS BLDG REPAIR EXPENSES       | \$ 54,788         | \$ 39,944         | \$ 65,381         | \$ 47,353         | \$ 60,000         | 79%        | \$ 57,500         | -4.17%        |
| TOWN HALL OTH BLDG REPAIR EXP   | \$ 18,133         | \$ 6,961          | \$ 8,327          | \$ 12,267         | \$ 25,000         | 49%        | \$ 24,000         | -4.00%        |
| POLICE OTH BLDG REPAIR EXPENSE  | \$ 2,603          | \$ 6,895          | \$ 5,136          | \$ 10,509         | \$ 10,000         | 105%       | \$ 9,750          | -2.50%        |
| MAIN FIRE OTHER BLDG REPAIR EXP | \$ 10,722         | \$ 8,349          | \$ 14,869         | \$ 6,304          | \$ 10,000         | 63%        | \$ 9,750          | -2.50%        |
| WEST FIRE OTH BLDG REPAIR EXP   | \$ 3,732          | \$ 2,963          | \$ 5,293          | \$ 5,409          | \$ 5,000          | 108%       | \$ 4,750          | -5.00%        |
| LIBRARY OTH BLDG REPAIR EXPENS  | \$ 4,305          | \$ 830            | \$ 10,576         | \$ 37,764         | \$ 5,000          | 755%       | \$ 4,750          | -5.00%        |
| SENIOR CTR OTH BLDG REPAIR EXP  | \$ 2,535          | \$ 8,558          | \$ 3,397          | \$ 5,079          | \$ 10,000         | 51%        | \$ 9,750          | -2.50%        |
| DPW OTH BLDG REPAIR EXPENSES    | \$ 5,955          | \$ 17,567         | \$ 15,572         | \$ 12,953         | \$ 10,000         | 130%       | \$ 9,750          | -2.50%        |
| <b>BUILDING REPAIRS</b>         | <b>\$ 204,316</b> | <b>\$ 165,098</b> | <b>\$ 250,993</b> | <b>\$ 226,130</b> | <b>\$ 255,000</b> | <b>89%</b> | <b>\$ 245,200</b> | <b>-3.84%</b> |

As was mentioned in the Town Manager's Budget Message, one-time expenses were added to the town's budget in order to minimize FY19 position layoffs. This town funding accounts for three significant increases seen in a table on the next page: \$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 (PSC) for various improvements. Without these additions, the budget is 18% lower in FY18.

Note that both the Town Hall and PSC projects will be holdbacks for the school budget, as noted (\*) below and described previously. The Police project is too important from a safety perspective to delay beyond next year.

|                                  | FY14             | FY15              | FY16             | FY17             | FY17 REVISED      | FY17       | FY18 TOWN         | PCT            |
|----------------------------------|------------------|-------------------|------------------|------------------|-------------------|------------|-------------------|----------------|
|                                  | ACTUALS          | ACTUALS           | ACTUALS          | ACTUALS          | BUDGET            | YTD        | MANAGER           | CHANGE         |
|                                  |                  |                   |                  |                  |                   |            | BUDGET            |                |
| GENERAL OTHER MAINT & REPAIR     | \$ 1,846         | \$ 3,043          | \$ 6,597         | \$ 6,672         | \$ 5,000          | 133%       | \$ 5,000          | 0.00%          |
| BARROWS OTHER MAINT & REPAIR     | \$ 1,360         | \$ 834            | \$ 1,162         | \$ -             | \$ 2,500          | 0%         | \$ 2,000          | -20.00%        |
| BIRCH OTHER MAINT & REPAIR       | \$ 1,465         | \$ 1,259          | \$ 1,229         | \$ -             | \$ 2,500          | 0%         | \$ 2,000          | -20.00%        |
| EATON OTHER MAINT & REPAIR       | \$ 1,974         | \$ 1,112          | \$ 1,137         | \$ -             | \$ 2,500          | 0%         | \$ 2,000          | -20.00%        |
| KILLAM OTHER MAINT & REPAIR      | \$ 1,614         | \$ 563            | \$ 558           | \$ -             | \$ 2,500          | 0%         | \$ 2,000          | -20.00%        |
| WOOD END OTHER MAINT & REPAIR    | \$ 2,882         | \$ 1,554          | \$ 1,374         | \$ -             | \$ 2,500          | 0%         | \$ 2,000          | -20.00%        |
| COOLIDGE OTHER MAINT & REPAIR    | \$ 2,966         | \$ 2,227          | \$ 3,042         | \$ -             | \$ 5,000          | 0%         | \$ 4,000          | -20.00%        |
| PARKER OTHER MAINT & REPAIR      | \$ 3,058         | \$ 2,523          | \$ 2,536         | \$ -             | \$ 5,000          | 0%         | \$ 4,000          | -20.00%        |
| RMHS OTHER MAINT & REPAIR        | \$ 10,577        | \$ 3,770          | \$ 4,905         | \$ -             | \$ 7,500          | 0%         | \$ 6,000          | -20.00%        |
| TOWN HALL OTH MAINT&REPAIR       | \$ -             | \$ -              | \$ -             | \$ -             | \$ 2,500          | 0%         | \$ 2,000          | -20.00%        |
| POLICE OTH MAINT&REPAIR EXPENS   | \$ -             | \$ -              | \$ -             | \$ -             | \$ 2,000          | 0%         | \$ 1,600          | -20.00%        |
| MAIN FIRE OTH MAINT&REPAIR EXP   | \$ -             | \$ -              | \$ -             | \$ -             | \$ 3,500          | 0%         | \$ 2,800          | -20.00%        |
| WEST FIRE OTH MAINT&REPAIR EXP   | \$ -             | \$ -              | \$ -             | \$ -             | \$ 1,500          | 0%         | \$ 1,200          | -20.00%        |
| LIBRARY OTH MAINT&REPAIR EXPEN   | \$ -             | \$ -              | \$ -             | \$ -             | \$ 1,500          | 0%         | \$ 1,200          | -20.00%        |
| SENIOR CTR OTH MAINT&REPAIR EX   | \$ -             | \$ -              | \$ -             | \$ -             | \$ 1,500          | 0%         | \$ 1,200          | -20.00%        |
| DPW OTH MAINT&REPAIR EXPENSE     | \$ -             | \$ -              | \$ -             | \$ -             | \$ 1,500          | 0%         | \$ 1,200          | -20.00%        |
| CEMETERY GARAGE MAINT & REPAIR   | \$ -             | \$ -              | \$ -             | \$ 153           | \$ 5,500          | 3%         | \$ 4,500          | -18.18%        |
| MATTERA OTHER MAINT & REPAIR     | \$ -             | \$ -              | \$ -             | \$ 879           | \$ 7,500          | 12%        | \$ 6,000          | -20.00%        |
| *TOWN HALL PROJECTS              |                  |                   |                  |                  |                   |            | \$ 25,000         | 100.00%        |
| POLICE STATION PROJECTS          |                  |                   |                  |                  |                   |            | \$ 25,000         | 100.00%        |
| *SENIOR CTR PROJECTS             |                  |                   |                  |                  |                   |            | \$ 10,000         | 100.00%        |
| <b>OTHER MAINT &amp; REPAIRS</b> | <b>\$ 27,742</b> | <b>\$ 16,885</b>  | <b>\$ 22,540</b> | <b>\$ 7,704</b>  | <b>\$ 62,000</b>  | <b>12%</b> | <b>\$ 110,700</b> | <b>78.55%</b>  |
| BARROWS EXTRAORDINARY REP        | \$ 5,192         | \$ 1,091          | \$ -             | \$ 4,454         | \$ 5,000          | 89%        | \$ 4,250          | -15.00%        |
| BIRCH EXTRAORDINARY REP          | \$ 14,250        | \$ 650            | \$ (289)         | \$ -             | \$ 5,000          | 0%         | \$ 4,250          | -15.00%        |
| EATON EXTRAORDINARY REP          | \$ 1,575         | \$ 19,306         | \$ (24)          | \$ -             | \$ 5,000          | 0%         | \$ 4,250          | -15.00%        |
| KILLAM EXTRAORDINARY REP         | \$ -             | \$ 3,946          | \$ -             | \$ -             | \$ 5,000          | 0%         | \$ 4,250          | -15.00%        |
| WOOD END EXTRAORDINARY REP       | \$ -             | \$ 24,979         | \$ -             | \$ -             | \$ 5,000          | 0%         | \$ 4,250          | -15.00%        |
| COOLIDGE EXTRAORDINARY REP       | \$ 12,111        | \$ 19,350         | \$ 4,400         | \$ -             | \$ 10,000         | 0%         | \$ 8,500          | -15.00%        |
| PARKER EXTRAORDINARY REP         | \$ 294           | \$ 5,229          | \$ -             | \$ -             | \$ 10,000         | 0%         | \$ 8,500          | -15.00%        |
| RMHS EXTRAORDINARY REP           | \$ 22,292        | \$ 28,407         | \$ 7,170         | \$ -             | \$ 45,000         | 0%         | \$ 38,000         | -15.56%        |
| TOWN HALL EXTRAORD REPAIR        | \$ -             | \$ 3,377          | \$ (1,879)       | \$ 574           | \$ 10,000         | 6%         | \$ 8,500          | -15.00%        |
| POLICE EXTRAORD MAINTENANCE      | \$ 7,200         | \$ 3,884          | \$ -             | \$ 9,684         | \$ 7,000          | 138%       | \$ 6,000          | -14.29%        |
| MAIN FIRE EXTRAORD MAINTENANCE   | \$ -             | \$ -              | \$ 1,491         | \$ -             | \$ 7,000          | 0%         | \$ 6,000          | -14.29%        |
| WEST FIRE EXTRAORDINARY MAINT    | \$ 2,470         | \$ -              | \$ -             | \$ -             | \$ 2,500          | 0%         | \$ 2,000          | -20.00%        |
| LIBRARY EXTRAORDINARY REPAIR     | \$ 3,727         | \$ -              | \$ 22,161        | \$ -             | \$ 3,000          | 0%         | \$ 2,500          | -16.67%        |
| SENIOR CTR EXTRAORD MAINTENANC   | \$ -             | \$ -              | \$ (844)         | \$ -             | \$ 5,000          | 0%         | \$ 4,250          | -15.00%        |
| DPW EXTRAORDINARY REPAIR         | \$ -             | \$ 622            | \$ 513           | \$ -             | \$ 3,000          | 0%         | \$ 2,500          | -16.67%        |
| <b>EXTRAORDINARY REPAIRS</b>     | <b>\$ 69,111</b> | <b>\$ 110,840</b> | <b>\$ 32,699</b> | <b>\$ 14,711</b> | <b>\$ 127,500</b> | <b>12%</b> | <b>\$ 108,000</b> | <b>-15.29%</b> |

Remaining Core Facilities expenses are level funded, except for HVAC which is also expected to realize savings from more in-house staff time available for both proactive and repair work, instead of expensive outsourced service calls.

|                                | FY14             | FY15             | FY16             | FY17             | FY17 REVISED     | FY17       | FY18 TOWN        | PCT          |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------|------------------|--------------|
|                                | ACTUALS          | ACTUALS          | ACTUALS          | ACTUALS          | BUDGET           | YTD        | MANAGER          | CHANGE       |
|                                |                  |                  |                  |                  |                  |            | BUDGET           |              |
| BARROWS ELECTRICAL EXPENSES    | \$ 2,028         | \$ 1,474         | \$ 2,397         | \$ 889           | \$ 2,500         | 36%        | \$ 2,500         | 0.00%        |
| BIRCH ELECTRICAL EXPENSES      | \$ 2,561         | \$ 570           | \$ 1,144         | \$ 217           | \$ 2,500         | 9%         | \$ 2,500         | 0.00%        |
| EATON ELECTRICAL EXPENSES      | \$ 753           | \$ 922           | \$ 977           | \$ 2,678         | \$ 2,500         | 107%       | \$ 2,500         | 0.00%        |
| KILLAM ELECTRICAL EXPENSES     | \$ 861           | \$ 988           | \$ 431           | \$ 2,801         | \$ 2,500         | 112%       | \$ 2,500         | 0.00%        |
| WOOD END ELECTRICAL EXPENSES   | \$ 2,530         | \$ 2,233         | \$ 2,245         | \$ 1,790         | \$ 2,500         | 72%        | \$ 2,500         | 0.00%        |
| COOLIDGE ELECTRICAL EXPENSES   | \$ 715           | \$ 2,201         | \$ 826           | \$ 540           | \$ 4,000         | 14%        | \$ 4,000         | 0.00%        |
| PARKER ELECTRICAL EXPENSES     | \$ 2,536         | \$ 4,095         | \$ 2,726         | \$ 1,894         | \$ 4,000         | 47%        | \$ 4,000         | 0.00%        |
| RMHS ELECTRICAL EXPENSES       | \$ 8,033         | \$ 13,572        | \$ 11,630        | \$ 16,056        | \$ 10,000        | 161%       | \$ 10,000        | 0.00%        |
| TOWN HALL ELECTRICAL EXPENSES  | \$ 2,124         | \$ 325           | \$ 931           | \$ 919           | \$ 5,000         | 18%        | \$ 5,000         | 0.00%        |
| POLICE ELECTRICAL EXPENSES     | \$ 657           | \$ 249           | \$ 919           | \$ 128           | \$ 1,500         | 9%         | \$ 1,500         | 0.00%        |
| MAIN FIRE ELECTRICAL EXPENSES  | \$ 920           | \$ 440           | \$ 929           | \$ 129           | \$ 1,500         | 9%         | \$ 1,500         | 0.00%        |
| WEST FIRE ELECTRICAL EXPENSES  | \$ -             | \$ -             | \$ -             | \$ 43            | \$ 500           | 9%         | \$ 500           | 0.00%        |
| LIBRARY ELECTRICAL EXPENSES    | \$ 331           | \$ 414           | \$ 1,971         | \$ -             | \$ 500           | 0%         | \$ 500           | 0.00%        |
| SENIOR CTR ELECTRICAL EXPENSES | \$ 644           | \$ 122           | \$ 670           | \$ 161           | \$ 1,500         | 11%        | \$ 1,500         | 0.00%        |
| DPW ELECTRICAL EXPENSES        | \$ 2,429         | \$ 924           | \$ 1,966         | \$ 80            | \$ 2,500         | 3%         | \$ 2,500         | 0.00%        |
| <b>ELECTRICAL</b>              | <b>\$ 27,123</b> | <b>\$ 28,528</b> | <b>\$ 29,763</b> | <b>\$ 28,324</b> | <b>\$ 43,500</b> | <b>65%</b> | <b>\$ 43,500</b> | <b>0.00%</b> |

|                                | FY18 TOWN         |                   |                   |                   |                   |            |                   | PCT<br>CHANGE  |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|----------------|
|                                | FY14              | FY15              | FY16              | FY17              | FY17 REVISED      | FY17       | MANAGER           |                |
|                                | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | BUDGET            | YTD        | BUDGET            |                |
| BARROWS ALARM SERVICES         | \$ 348            | \$ 1,530          | \$ 493            | \$ 348            | \$ 500            | 70%        | \$ 500            | 0.00%          |
| BARROWS ALARM EXPENSES         | \$ 295            | \$ 400            | \$ 1,374          | \$ 789            | \$ 1,500          | 53%        | \$ 1,500          | 0.00%          |
| ALARM SERVICES                 | \$ 348            | \$ 1,094          | \$ 493            | \$ 348            | \$ 500            | 70%        | \$ 500            | 0.00%          |
| BIRCH ALARM EXPENSES           | \$ 395            | \$ 998            | \$ 429            | \$ 315            | \$ 1,500          | 21%        | \$ 1,500          | 0.00%          |
| ALARM SERVICES                 | \$ 348            | \$ 1,066          | \$ 493            | \$ 348            | \$ 500            | 70%        | \$ 500            | 0.00%          |
| EATON ALARM EXPENSES           | \$ 3,335          | \$ 2,206          | \$ 2,181          | \$ 2,285          | \$ 1,500          | 152%       | \$ 1,500          | 0.00%          |
| ALARM SERVICES                 | \$ 348            | \$ 593            | \$ 493            | \$ 348            | \$ 500            | 70%        | \$ 500            | 0.00%          |
| KILLAM ALARM EXPENSES          | \$ 1,110          | \$ -              | \$ (318)          | \$ 1,175          | \$ 1,500          | 78%        | \$ 1,500          | 0.00%          |
| ALARM SERVICES                 | \$ 348            | \$ 1,100          | \$ 493            | \$ 348            | \$ 500            | 70%        | \$ 500            | 0.00%          |
| WOOD END ALARM EXPENSES        | \$ -              | \$ -              | \$ -              | \$ 315            | \$ 1,500          | 21%        | \$ 1,500          | 0.00%          |
| ALARM SERVICES                 | \$ 348            | \$ 1,245          | \$ 493            | \$ 348            | \$ 500            | 70%        | \$ 500            | 0.00%          |
| COOLIDGE ALARM EXPENSES        | \$ 1,587          | \$ 200            | \$ 143            | \$ 2,650          | \$ 2,500          | 106%       | \$ 2,500          | 0.00%          |
| ALARM SERVICES                 | \$ 348            | \$ 1,236          | \$ 493            | \$ 348            | \$ 500            | 70%        | \$ 500            | 0.00%          |
| PARKER ALARM EXPENSES          | \$ 4,199          | \$ 1,024          | \$ 1,480          | \$ 1,313          | \$ 2,500          | 53%        | \$ 2,500          | 0.00%          |
| ALARM SERVICES                 | \$ 1,555          | \$ 2,613          | \$ 1,009          | \$ 864            | \$ 2,000          | 43%        | \$ 2,000          | 0.00%          |
| RMHS ALARM EXPENSES            | \$ 8,592          | \$ 13,278         | \$ 4,437          | \$ 7,624          | \$ 5,000          | 152%       | \$ 5,000          | 0.00%          |
| TOWN HALL ALARM EXPENSES       | \$ 1,013          | \$ 1,181          | \$ (560)          | \$ 1,245          | \$ 1,500          | 83%        | \$ 1,500          | 0.00%          |
| POLICE ALARM EXPENSES          | \$ -              | \$ 768            | \$ 382            | \$ 395            | \$ 1,500          | 26%        | \$ 1,500          | 0.00%          |
| MAIN FIRE ALARM EXPENSES       | \$ -              | \$ 1,578          | \$ -              | \$ 236            | \$ 1,500          | 16%        | \$ 1,500          | 0.00%          |
| WEST FIRE ALARM EXPENSES       | \$ -              | \$ 718            | \$ -              | \$ 236            | \$ 750            | 31%        | \$ 750            | 0.00%          |
| LIBRARY ALARM EXPENSES         | \$ 590            | \$ 991            | \$ 348            | \$ 500            | \$ 1,500          | 33%        | \$ 1,500          | 0.00%          |
| SENIOR CTR ALARM EXPENSES      | \$ 402            | \$ 718            | \$ -              | \$ 236            | \$ 1,000          | 24%        | \$ 1,000          | 0.00%          |
| DPW ALARM EXPENSES             | \$ -              | \$ 718            | \$ 238            | \$ 687            | \$ 1,000          | 69%        | \$ 1,000          | 0.00%          |
| <b>BUILDING ALARMS</b>         | <b>\$ 25,509</b>  | <b>\$ 35,258</b>  | <b>\$ 14,591</b>  | <b>\$ 23,299</b>  | <b>\$ 31,750</b>  | <b>73%</b> | <b>\$ 31,750</b>  | <b>0.00%</b>   |
| BARROWS FIRE EQUIPMENT SVC     | \$ 1,230          | \$ -              | \$ 660            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%          |
| BIRCH FIRE EQUIPMENT SVC       | \$ 1,230          | \$ -              | \$ 300            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%          |
| EATON FIRE EQUIPMENT SVC       | \$ 1,230          | \$ -              | \$ 225            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%          |
| KILLAM FIRE EQUIPMENT SVC      | \$ 1,230          | \$ -              | \$ 735            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%          |
| WOOD END FIRE EQUIPMENT SVC    | \$ 990            | \$ -              | \$ 300            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%          |
| COOLIDGE FIRE EQUIPMENT SVC    | \$ 1,230          | \$ -              | \$ 735            | \$ -              | \$ 2,500          | 0%         | \$ 2,500          | 0.00%          |
| PARKER FIRE EQUIPMENT SVC      | \$ 2,165          | \$ -              | \$ 1,335          | \$ -              | \$ 2,500          | 0%         | \$ 2,500          | 0.00%          |
| RMHS FIRE EQUIPMENT SVC        | \$ 1,305          | \$ -              | \$ 2,353          | \$ -              | \$ 5,000          | 0%         | \$ 5,000          | 0.00%          |
| TOWN HALL FIRE EQUIP EXPENSE   | \$ 965            | \$ -              | \$ 585            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%          |
| POLICE FIRE EQUIPMENT EXPENSES | \$ 1,230          | \$ -              | \$ 375            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%          |
| MAIN FIRE FIRE EQUIP MAINT     | \$ 1,230          | \$ -              | \$ 225            | \$ -              | \$ 3,000          | 0%         | \$ 3,000          | 0.00%          |
| WEST FIRE EQUIPMENT EXPENSES   | \$ 965            | \$ -              | \$ 225            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%          |
| LIBRARY FIRE EQUIPMENT EXPENSE | \$ 1,440          | \$ -              | \$ -              | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%          |
| SENIOR CTR FIRE EQUIP EXPENSE  | \$ 1,230          | \$ -              | \$ 225            | \$ -              | \$ 2,500          | 0%         | \$ 2,500          | 0.00%          |
| DPW FIRE EQUIPMENT EXPENSES    | \$ 1,230          | \$ -              | \$ 225            | \$ -              | \$ 2,000          | 0%         | \$ 2,000          | 0.00%          |
| <b>FIRE EQUIPMENT</b>          | <b>\$ 18,900</b>  | <b>\$ -</b>       | <b>\$ 8,505</b>   | <b>\$ -</b>       | <b>\$ 35,500</b>  | <b>0%</b>  | <b>\$ 35,500</b>  | <b>0.00%</b>   |
| BARROWS HVAC SERVICES          | \$ 3,541          | \$ 4,270          | \$ 4,120          | \$ -              | \$ 8,000          | 0%         | \$ 6,500          | -18.75%        |
| BARROWS HVAC EXPENSES          | \$ 3,560          | \$ 2,351          | \$ 6,685          | \$ 6,605          | \$ 2,300          | 287%       | \$ 3,500          | 52.17%         |
| HVAC SERVICES                  | \$ 2,240          | \$ 3,814          | \$ 4,120          | \$ -              | \$ 7,725          | 0%         | \$ 6,500          | -15.86%        |
| BIRCH HVAC EXPENSES            | \$ 4,301          | \$ 3,167          | \$ 8,646          | \$ 8,051          | \$ 6,630          | 121%       | \$ 3,500          | -47.21%        |
| HVAC SERVICES                  | \$ 3,212          | \$ 2,664          | \$ 2,920          | \$ -              | \$ 7,300          | 0%         | \$ 6,500          | -10.96%        |
| EATON HVAC EXPENSES            | \$ 5,179          | \$ 3,272          | \$ 9,302          | \$ 6,488          | \$ 6,200          | 105%       | \$ 3,500          | -43.55%        |
| HVAC SERVICES                  | \$ 3,036          | \$ 3,464          | \$ 3,720          | \$ -              | \$ 7,420          | 0%         | \$ 6,500          | -12.40%        |
| KILLAM HVAC EXPENSES           | \$ 246            | \$ 5,946          | \$ 11,947         | \$ 6,164          | \$ 3,250          | 190%       | \$ 3,500          | 7.69%          |
| HVAC SERVICES                  | \$ 3,100          | \$ 3,313          | \$ 3,945          | \$ -              | \$ 7,300          | 0%         | \$ 6,500          | -10.96%        |
| WOOD END HVAC EXPENSES         | \$ 1,766          | \$ 1,224          | \$ 5,509          | \$ 6,638          | \$ 4,450          | 149%       | \$ 3,500          | -21.35%        |
| HVAC SERVICES                  | \$ 3,754          | \$ 4,391          | \$ 8,004          | \$ -              | \$ 9,700          | 0%         | \$ 8,750          | -9.79%         |
| COOLIDGE HVAC EXPENSES         | \$ 9,607          | \$ 8,902          | \$ 6,449          | \$ 15,360         | \$ 7,500          | 205%       | \$ 8,750          | 16.67%         |
| HVAC SERVICES                  | \$ 2,915          | \$ 3,839          | \$ 5,155          | \$ -              | \$ 9,100          | 0%         | \$ 8,750          | -3.85%         |
| PARKER HVAC EXPENSES           | \$ 8,773          | \$ 3,473          | \$ 14,407         | \$ 13,771         | \$ 10,225         | 135%       | \$ 8,750          | -14.43%        |
| HVAC SERVICES                  | \$ 9,090          | \$ 10,200         | \$ 11,260         | \$ -              | \$ 23,500         | 0%         | \$ 21,000         | -10.64%        |
| RMHS HVAC EXPENSES             | \$ 18,486         | \$ 22,150         | \$ 35,924         | \$ 36,673         | \$ 15,250         | 240%       | \$ 14,000         | -8.20%         |
| TOWN HALL HVAC EXPENSES        | \$ 2,893          | \$ 3,989          | \$ 10,898         | \$ 4,090          | \$ 4,650          | 88%        | \$ 4,500          | -3.23%         |
| POLICE HVAC EXPENSES           | \$ 6,997          | \$ 7,819          | \$ 7,143          | \$ 6,910          | \$ 6,000          | 115%       | \$ 4,500          | -25.00%        |
| MAIN FIRE HVAC EXPENSES        | \$ 3,350          | \$ 2,987          | \$ 4,743          | \$ 4,233          | \$ 4,500          | 94%        | \$ 4,500          | 0.00%          |
| WEST FIRE HVAC EXPENSES        | \$ 3,552          | \$ 2,809          | \$ 3,713          | \$ 3,273          | \$ 3,000          | 109%       | \$ 3,000          | 0.00%          |
| LIBRARY HVAC EXPENSES          | \$ 2,451          | \$ 2,422          | \$ 233            | \$ 2,000          | \$ 5,400          | 37%        | \$ 4,500          | -16.67%        |
| SENIOR CTR HVAC EXPENSES       | \$ 444            | \$ 5,141          | \$ 3,107          | \$ 4,443          | \$ 4,000          | 111%       | \$ 4,500          | 12.50%         |
| DPW HVAC EXPENSES              | \$ 9,567          | \$ 2,655          | \$ 8,354          | \$ 5,304          | \$ 6,200          | 86%        | \$ 4,500          | -27.42%        |
| <b>HVAC SERVICES</b>           | <b>\$ 112,060</b> | <b>\$ 114,262</b> | <b>\$ 180,306</b> | <b>\$ 130,004</b> | <b>\$ 169,600</b> | <b>77%</b> | <b>\$ 150,000</b> | <b>-11.56%</b> |

|                                 | FY14                | FY15                | FY16                | FY17                | FY17 REVISED        | FY17        | FY18 TOWN           | PCT          |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------|---------------------|--------------|
|                                 | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | BUDGET              | YTD         | MANAGER BUDGET      | CHANGE       |
| ELEVATOR SERVICES               | \$ 1,235            | \$ 1,235            | \$ 1,459            | \$ -                | \$ 3,000            | 0%          | \$ 3,000            | 0.00%        |
| BARROWS ELEVATOR EXPENSES       | \$ 714              | \$ 3,014            | \$ 3,018            | \$ 2,921            | \$ 2,500            | 117%        | \$ 2,500            | 0.00%        |
| KILLAM ELEVATORY EXPENSES       | \$ -                | \$ -                | \$ 95               | \$ -                | \$ -                |             | \$ -                |              |
| ELEVATORY SERVICES              | \$ 1,635            | \$ 1,235            | \$ 1,499            | \$ -                | \$ 2,300            | 0%          | \$ 2,300            | 0.00%        |
| WOOD END ELEVATOR EXPENSES      | \$ 1,358            | \$ 806              | \$ 370              | \$ 2,921            | \$ 2,000            | 146%        | \$ 2,000            | 0.00%        |
| ELEVATOR SERVICES               | \$ 3,003            | \$ 3,270            | \$ 1,832            | \$ -                | \$ 5,500            | 0%          | \$ 5,500            | 0.00%        |
| COOLIDGE ELEVATOR EXPENSES      | \$ -                | \$ -                | \$ -                | \$ 3,320            | \$ 2,500            | 133%        | \$ 2,500            | 0.00%        |
| ELEVATOR SERVICES               | \$ 1,635            | \$ 1,235            | \$ 1,032            | \$ -                | \$ 2,300            | 0%          | \$ 2,300            | 0.00%        |
| PARKER ELEVATOR EXPENSES        | \$ 960              | \$ 326              | \$ -                | \$ 3,401            | \$ 2,500            | 136%        | \$ 2,500            | 0.00%        |
| ELEVATOR SERVICES               | \$ 6,975            | \$ 6,775            | \$ 5,832            | \$ -                | \$ 8,500            | 0%          | \$ 8,500            | 0.00%        |
| RMHS ELEVATOR EXPENSES          | \$ 4,569            | \$ 1,947            | \$ 2,768            | \$ 9,886            | \$ 6,500            | 152%        | \$ 6,500            | 0.00%        |
| TOWN HALL ELEVATOR EXPENSES     | \$ 3,743            | \$ 5,187            | \$ 1,974            | \$ 3,320            | \$ 3,750            | 89%         | \$ 3,750            | 0.00%        |
| POLICE ELEVATOR EXPENSES        | \$ 2,035            | \$ 1,900            | \$ 1,402            | \$ 1,000            | \$ 3,000            | 33%         | \$ 3,000            | 0.00%        |
| MAIN FIRE ELEVATOR EXPENSES     | \$ 1,768            | \$ 2,230            | \$ 1,249            | \$ 2,921            | \$ 3,400            | 86%         | \$ 3,400            | 0.00%        |
| WEST FIRE ELEVATOR EXPENSES     | \$ -                | \$ 231              | \$ -                | \$ -                | \$ -                |             | \$ -                |              |
| LIBRARY ELEVATOR EXPENSES       | \$ 1,235            | \$ 917              | \$ -                | \$ 1,000            | \$ 2,500            | 40%         | \$ 2,500            | 0.00%        |
| SENIOR CTR ELEVATOR EXPENSES    | \$ 1,835            | \$ 1,834            | \$ 929              | \$ 4,055            | \$ 3,500            | 116%        | \$ 3,500            | 0.00%        |
| <b>ELEVATOR SERVICES</b>        | <b>\$ 32,700</b>    | <b>\$ 32,142</b>    | <b>\$ 23,457</b>    | <b>\$ 34,745</b>    | <b>\$ 53,750</b>    | <b>65%</b>  | <b>\$ 53,750</b>    | <b>0.00%</b> |
| BARROWS PEST MGMT SERVICES      | \$ 258              | \$ -                | \$ 300              | \$ 312              | \$ 350              | 89%         | \$ 350              | 0.00%        |
| BIRCH PEST MGMT SERVICES        | \$ 341              | \$ -                | \$ 300              | \$ 312              | \$ 350              | 89%         | \$ 350              | 0.00%        |
| EATON PEST MGMT SERVICES        | \$ 234              | \$ -                | \$ 296              | \$ 312              | \$ 350              | 89%         | \$ 350              | 0.00%        |
| KILLAM PEST MGMT SERVICES       | \$ 220              | \$ -                | \$ 342              | \$ 354              | \$ 400              | 89%         | \$ 400              | 0.00%        |
| WOOD END PEST MGMT SERVICES     | \$ 558              | \$ -                | \$ 527              | \$ 845              | \$ 480              | 176%        | \$ 480              | 0.00%        |
| COOLIDGE PEST MGMT SERVICES     | \$ 269              | \$ -                | \$ 337              | \$ 354              | \$ 400              | 89%         | \$ 400              | 0.00%        |
| PARKER PEST MGMT SERVICES       | \$ 234              | \$ -                | \$ 267              | \$ 312              | \$ 350              | 89%         | \$ 350              | 0.00%        |
| RMHS PEST MGMT SERVICES         | \$ 416              | \$ -                | \$ 928              | \$ 546              | \$ 1,200            | 46%         | \$ 1,200            | 0.00%        |
| TOWN HALL PEST MANAGEMENT       | \$ 626              | \$ -                | \$ 366              | \$ 378              | \$ 600              | 63%         | \$ 600              | 0.00%        |
| POLICE PEST MANAGEMENT SERVICE  | \$ 289              | \$ -                | \$ 349              | \$ 486              | \$ 400              | 122%        | \$ 400              | 0.00%        |
| MAIN FIRE PEST MANAGEMENT       | \$ -                | \$ -                | \$ 609              | \$ 654              | \$ 700              | 93%         | \$ 700              | 0.00%        |
| WEST FIRE PEST MANAGEMENT       | \$ -                | \$ -                | \$ 803              | \$ 438              | \$ 700              | 63%         | \$ 700              | 0.00%        |
| LIBRARY PEST MANAGEMENT         | \$ 592              | \$ -                | \$ -                | \$ 378              | \$ 800              | 47%         | \$ 800              | 0.00%        |
| SENIOR CTR PEST MANAGEMENT      | \$ 237              | \$ -                | \$ 366              | \$ 378              | \$ 500              | 76%         | \$ 500              | 0.00%        |
| <b>PEST MANAGEMENT SERVICES</b> | <b>\$ 4,274</b>     | <b>\$ -</b>         | <b>\$ 5,791</b>     | <b>\$ 6,059</b>     | <b>\$ 7,580</b>     | <b>80%</b>  | <b>\$ 7,580</b>     | <b>0.00%</b> |
| BARROWS PLUMBING EXPENSES       | \$ 1,053            | \$ 1,331            | \$ 2,070            | \$ 290              | \$ 1,750            | 17%         | \$ 1,750            | 0.00%        |
| BIRCH PLUMBING EXPENSES         | \$ 1,905            | \$ 797              | \$ 4,336            | \$ 3,622            | \$ 1,750            | 207%        | \$ 1,750            | 0.00%        |
| EATON PLUMBING EXPENSES         | \$ 3,322            | \$ 1,068            | \$ 4,253            | \$ 635              | \$ 1,750            | 36%         | \$ 1,750            | 0.00%        |
| KILLAM PLUMBING EXPENSES        | \$ 1,437            | \$ 393              | \$ 6,264            | \$ 12,264           | \$ 1,750            | 701%        | \$ 1,750            | 0.00%        |
| WOOD END PLUMBING EXPENSES      | \$ 572              | \$ 77               | \$ 319              | \$ 2,180            | \$ 1,750            | 125%        | \$ 1,750            | 0.00%        |
| COOLIDGE PLUMBING EXPENSES      | \$ 2,462            | \$ 470              | \$ 2,208            | \$ 6,764            | \$ 2,500            | 271%        | \$ 2,500            | 0.00%        |
| PARKER PLUMBING EXPENSES        | \$ 3,313            | \$ 4,531            | \$ 1,377            | \$ 624              | \$ 2,500            | 25%         | \$ 2,500            | 0.00%        |
| RMHS PLUMBING EXPENSES          | \$ 6,166            | \$ 3,526            | \$ 6,730            | \$ 2,142            | \$ 4,000            | 54%         | \$ 4,000            | 0.00%        |
| TOWN HALL PLUMBING EXPENSES     | \$ 1,106            | \$ 407              | \$ 804              | \$ 123              | \$ 750              | 16%         | \$ 750              | 0.00%        |
| POLICE PLUMBING EXPENSES        | \$ 141              | \$ 240              | \$ 524              | \$ 85               | \$ 500              | 17%         | \$ 500              | 0.00%        |
| MAIN FIRE PLUMBING EXPENSES     | \$ 525              | \$ 298              | \$ 700              | \$ -                | \$ 500              | 0%          | \$ 500              | 0.00%        |
| WEST FIRE PLUMBING EXPENSES     | \$ -                | \$ 141              | \$ 285              | \$ 175              | \$ 500              | 35%         | \$ 500              | 0.00%        |
| LIBRARY PLUMBING EXPENSES       | \$ 318              | \$ 73               | \$ 14               | \$ -                | \$ 500              | 0%          | \$ 500              | 0.00%        |
| SENIOR CTR PLUMBING EXPENSE     | \$ 235              | \$ 110              | \$ -                | \$ 386              | \$ 500              | 77%         | \$ 500              | 0.00%        |
| DPW PLUMBING EXPENSES           | \$ 145              | \$ 65               | \$ 365              | \$ 837              | \$ 1,200            | 70%         | \$ 1,200            | 0.00%        |
| <b>PLUMBING</b>                 | <b>\$ 22,699</b>    | <b>\$ 13,528</b>    | <b>\$ 30,250</b>    | <b>\$ 30,127</b>    | <b>\$ 22,200</b>    | <b>136%</b> | <b>\$ 22,200</b>    | <b>0.00%</b> |
| <b>CORE EXPENSES</b>            | <b>\$ 1,937,971</b> | <b>\$ 1,969,425</b> | <b>\$ 2,008,224</b> | <b>\$ 1,203,296</b> | <b>\$ 2,363,126</b> | <b>51%</b>  | <b>\$ 2,441,430</b> | <b>3.31%</b> |
| <b>CORE FACILITIES TOTAL</b>    | <b>\$ 2,199,196</b> | <b>\$ 2,235,355</b> | <b>\$ 2,406,742</b> | <b>\$ 1,465,333</b> | <b>\$ 2,856,211</b> | <b>51%</b>  | <b>\$ 2,997,180</b> | <b>4.94%</b> |

## FY18 Town Building Budget

Town Meeting will vote on the total for the Town Facilities budget as shown below as a +4.6% increase. An extra \$5,000 has been added to the Overtime account in preparation for one-time projects in the Town Hall and the Pleasant Street Center, both of which are subject to holdbacks for the school budget. Generally this budget is relatively small with little margin for unexpected costs, but these extra OT funds may also be available for a holdback.

| TOWN BUILDINGS                | FY14<br>ACTUALS   | FY15<br>ACTUALS   | FY16<br>ACTUALS   | FY17<br>ACTUALS   | FY17 REVISED<br>BUDGET | FY17<br>YTD | FY18 TOWN<br>MANAGER<br>BUDGET | PCT<br>CHANGE |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|------------------------|-------------|--------------------------------|---------------|
| CUSTODIAN I                   | \$ 84,835         | \$ 87,846         | \$ 102,298        | \$ 76,470         | \$ 131,856             | 58%         | \$ 90,750                      | -31.17%       |
| CUSTODIAN II                  | \$ 43,222         | \$ 44,560         | \$ 46,510         | \$ 25,653         | \$ 47,302              | 54%         | \$ 96,400                      | 103.80%       |
| CUSTODIAL SUBSTITUTE          | \$ -              | \$ -              | \$ -              | \$ -              | \$ 700                 | 0%          | \$ 700                         | 0.00%         |
| CUSTODIAL LONGEVITY           | \$ 1,743          | \$ 1,845          | \$ 1,948          | \$ 1,948          | \$ 1,948               | 100%        | \$ 2,000                       | 2.70%         |
| TF CUSTODIAL OVERTIME         | \$ 40,273         | \$ 44,557         | \$ 40,385         | \$ 11,867         | \$ 25,000              | 47%         | \$ 30,000                      | 20.00%        |
| <b>TOWN BLDG SALARIES</b>     | <b>\$ 170,072</b> | <b>\$ 178,808</b> | <b>\$ 191,141</b> | <b>\$ 115,939</b> | <b>\$ 206,805</b>      | <b>56%</b>  | <b>\$ 219,850</b>              | <b>6.31%</b>  |
| TF CLEANING CHEMICALS         | \$ -              | \$ 611            | \$ 450            | \$ 198            | \$ 1,300               | 15%         | \$ 1,300                       | 0.00%         |
| TF CUSTODIAL PAPER PRODUCTS   | \$ 2,192          | \$ 3,252          | \$ 10,794         | \$ 1,337          | \$ 4,000               | 33%         | \$ 4,000                       | 0.00%         |
| TF UNIFORMS                   | \$ 821            | \$ -              | \$ 31             | \$ -              | \$ 1,500               | 0%          | \$ 1,500                       | 0.00%         |
| TF FLOOR CARE PRODUCTS        | \$ -              | \$ -              | \$ 1,135          | \$ 307            | \$ 225                 | 136%        | \$ 225                         | 0.00%         |
| TF HAND SOAP                  | \$ 425            | \$ 425            | \$ 1,962          | \$ 374            | \$ 2,000               | 19%         | \$ 2,000                       | 0.00%         |
| TF LINERS & PLASTIC BAGS      | \$ -              | \$ 1,852          | \$ 1,459          | \$ 578            | \$ 2,100               | 28%         | \$ 2,100                       | 0.00%         |
| TF OTHER TOILETRIES           | \$ 2,664          | \$ 2,076          | \$ 29,847         | \$ 1,306          | \$ 675                 | 193%        | \$ 675                         | 0.00%         |
| TF WASTE RECEPTACLES          | \$ -              | \$ 85             | \$ 202            | \$ -              | \$ 250                 | 0%          | \$ 250                         | 0.00%         |
| TOWN HALL CUSTODIAL SUPPLIES  | \$ 182            | \$ -              | \$ -              | \$ -              | \$ 500                 | 0%          | \$ 500                         | 0.00%         |
| POLICE CUSTODIAL SUPPLIES     | \$ 149            | \$ -              | \$ -              | \$ -              | \$ 700                 | 0%          | \$ 700                         | 0.00%         |
| MAIN FIRE CUSTODIAL SUPPLIES  | \$ 256            | \$ -              | \$ 244            | \$ -              | \$ 425                 | 0%          | \$ 425                         | 0.00%         |
| WEST FIRE CUSTODIAL SUPPLIES  | \$ 259            | \$ -              | \$ -              | \$ -              | \$ 400                 | 0%          | \$ 400                         | 0.00%         |
| LIBRARY CUSTODIAL SUPPLIES    | \$ 291            | \$ -              | \$ -              | \$ -              | \$ 450                 | 0%          | \$ 450                         | 0.00%         |
| SENIOR CTR CUSTODIAL SUPPLIES | \$ 143            | \$ -              | \$ -              | \$ -              | \$ 400                 | 0%          | \$ 400                         | 0.00%         |
| DPW CUSTODIAL SUPPLIES        | \$ 148            | \$ -              | \$ -              | \$ -              | \$ 560                 | 0%          | \$ 560                         | 0.00%         |
| MISC CUSTODIAL SUPPLIES       | \$ -              | \$ -              | \$ 817            | \$ -              | \$ -                   |             |                                |               |
| TOWN HALL CLEANING SERVICES   | \$ 6,718          | \$ 6,792          | \$ 5,966          | \$ 7,334          | \$ 6,700               | 109%        | \$ 7,000                       | 4.48%         |
| POLICE CLEANING SERVICES      | \$ 23,323         | \$ 23,778         | \$ 26,621         | \$ 31,060         | \$ 32,000              | 97%         | \$ 31,000                      | -3.13%        |
| LIBRARY CLEANING SERVICES     | \$ 17,753         | \$ 17,833         | \$ 8,486          | \$ 16,527         | \$ 17,500              | 94%         | \$ 18,000                      | 2.86%         |
| SENIOR CTR CLEANING SERVICES  | \$ 8,593          | \$ 8,491          | \$ 8,078          | \$ 8,767          | \$ 8,400               | 104%        | \$ 8,600                       | 2.38%         |
| <b>TOWN BLDG EXPENSES</b>     | <b>\$ 63,915</b>  | <b>\$ 65,194</b>  | <b>\$ 96,093</b>  | <b>\$ 67,788</b>  | <b>\$ 80,085</b>       | <b>85%</b>  | <b>\$ 80,085</b>               | <b>0.00%</b>  |
| <b>TOWN BLDG TOTAL</b>        | <b>\$ 233,987</b> | <b>\$ 244,002</b> | <b>\$ 287,234</b> | <b>\$ 183,726</b> | <b>\$ 286,890</b>      | <b>64%</b>  | <b>\$ 299,935</b>              | <b>4.55%</b>  |

Note that as anticipated, the addition of the fourth town custodian over one year ago in preparation for the new Library has significantly reduced the ongoing need for overtime.

# **READING PUBLIC SCHOOLS**

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**Fiscal Year 2018**

# **School Committee's Recommended Budget**

**July 1, 2017 – June 30, 2018**

## **School Committee Members**

Jeanne Borawski, Chairperson

Charles Robinson, Vice Chairperson

Nick Boivin

Dr. Linda Snow Dockser

Dr. Gary Nihan

Elaine Webb

Dr. John F. Doherty

**Superintendent of Schools**

Reading Public Schools

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Reading, Massachusetts

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**January 26, 2017**

## **District Administrators**

Craig Martin, Assistant Superintendent for Learning & Teaching

Gail Dowd, Director of Finance

Carolyn Wilson, Director of Student Services

Sara Burd, Director of Social and Emotional Learning

Deborah Butts, 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, Interim 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

Christian Huizenga, Interim 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**

Eric Sprung, Principal

### **J.W. Killam Elementary School**

Sarah Leveque, Principal

### **Wood End Elementary School**

Joanne King, Principal

# Introductory Section

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## School Committee's Message

The Reading School Committee respectfully presents the FY18 School Budget, totaling \$41,889,661, a 2.8% increase over the FY17 School Budget. Reading Finance Committee guidance indicated that the School Department should plan on a \$41,301,661 budget, which represents a 1.4% increase over FY17. Therefore, the FY18 School Budget is \$588,000 above Finance Committee guidance.

A level service budget would have required a 4.91% increase from FY17. As a result, the FY18 School Committee Budget represents \$907,000 in cuts from a level service budget. To achieve these savings, the FY18 School Budget includes the reduction of 10.9 FTE positions, for a total savings of \$650,000. 6.4 of these positions are teachers who provide direct service and instruction to students. The FY18 budget also includes \$338,405 in expense reductions and increased use of fees and offsets.

The School Committee is deeply respectful of the budget process in this community, and are appreciative of the time, energy, and creativity that goes into making every dollar stretch as far as possible. The decision to pass an unbalanced budget was not one we took lightly; however, given the severe impact of the cuts the Reading Public Schools would have endured under the 1.4% increase, we could not in good conscience recommend a budget within Finance Committee guidelines.

The \$588,000 over guidance that the School Committee recommends is to fund two priorities:

- The second year of a planned three-year implementation of new science curriculum (\$150,000)
- The restoration of 7 FTE Middle School teaching positions (\$438,000)

The School Committee is requesting an additional \$150,000 for the second year of a planned three-year implementation of science curriculum across the district. As described to Town Meeting in April, 2016, the Reading Public Schools are in the process of updating our science curriculum from Kindergarten through grade 12. This update is necessary because in 2016 the Massachusetts Department of Elementary and Secondary Education approved new curriculum frameworks in science, and will be updating the statewide MCAS assessment to reflect these new standards. Failure to update our curriculum would leave our students at a significant disadvantage in terms of adequate training in science, technology and engineering, and would have a detrimental impact on their test scores on the MCAS exam. This is a one-time expense of \$450,000, spread out over three years. We are in the process of implementing the first year of new science curriculum, and the feedback from teachers, students, and parents has been extremely positive.

The Superintendent's Recommend Budget achieved \$438,000 in savings by cutting one core subject from each of our Middle School grades: one daily block of English Language Arts instruction in 6<sup>th</sup> grade, eliminating foreign language instruction in 7<sup>th</sup> grade, and transforming 8<sup>th</sup> grade foreign language from a mandatory academic class to an elective only available to two thirds of 8<sup>th</sup> grade students. While this Middle School restructuring is the "least bad" option available to us to achieve this level of savings, it

would be extremely disruptive to student learning, and very difficult to reverse in the event that new revenue becomes available in the near future. We also heard from hundreds of parents, teachers, and students who felt strongly that every effort must be made to avoid these program cuts. Based on both the educational impact on our students and the feedback that we received from our community, we could not, recommend these middle school cuts.

Over the past several years, our expenses as a school system have outpaced our revenues. We have worked diligently over the past 5 years to address this gap by creatively streamlining, restructuring, and doing more with less. Since FY13, the Recommended School Committee budgets have closed this funding gap in the following way:

- Reducing 9.3 FTE teaching positions
- Reducing 11.5 FTE staff positions
- Reducing our expenses and increasing our offsets by \$1,553,370

In 2016, it became apparent that the budget outlook for FY18 was dim. The main drivers were:

- continued reductions in state aid
- increases in health insurance costs,
- our desire to continue to offer competitive salaries and benefits to attract and retain top educators,
- and the awareness that the Finance Committee could not continue to recommend large sums of "Free Cash" to balance operating budgets, as it is an unsustainable practice.

In the fall of 2016, the Board of Selectmen put a \$7.5 million proposition 2 1/2 override ballot question before the voters of Reading. The School Committee unanimously endorsed this ballot question. Despite the best efforts of the School Committee, School Department, and town staff to articulate the need for this additional revenue, the voters of Reading soundly defeated the measure.

As a result, our school system is in a precarious position. Employee morale is a significant concern during this difficult budget times. Throughout the development of the school budget, Reading teachers have come to late night meetings to plea for the importance of foreign language classes, English Language Arts instruction, adequate classroom support, updated science curriculum, and reasonable class sizes. Parents in the community have attended School Committee meetings and Financial Forums by the hundreds. The School Committee heard words like "despair" "dismal" "hopeless" and "afraid." These are not words any of us should want to hear when parents are describing the Reading Public School system.

Every avenue has been explored by both the School and Municipal side of our government and the result is that there is only one solution for a town like Reading. We cannot develop our way out of this problem, nor can we raise fees to a level that would fix our structural deficit. The fact is, we need to pass a proposition 2 ½ override to support our towns and schools if we want to continue to offer the level of education the students of Reading have historically benefitted from. Failure to pass an override means that our school system will continue to decline in the quantity and quality of our educational offerings

The School Committee supports placing another Proposition 2 ½ Override Ballot Question before voters in the near future. To that end, at the February 6<sup>th</sup> School Committee meeting, the School Committee voted unanimously to work collaboratively with the Board of Selectmen to develop and commit to a plan for a Proposition 2 1/2 override ballot question that will address the current and future needs of the Reading Public Schools as well as any other municipal needs as determined by the Selectmen.

Until that happens, the School Committee respectfully asks the consideration of the Town Finance Committee and Town Meeting to consider a one-time use of Free Cash in the amount of \$588,000 to help us avoid the most destabilizing cuts for one year.

While our financial situation is deeply concerning, the School Committee continues to be grateful to our administrators and teaching staff, who do an amazing job helping our children reach their best potential. We are inspired by our students, who make us proud every day. We appreciate the enormous amount of work our school administration completed during this most challenging budget process. 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 are optimistic that these groups will come together in the coming months to solve the serious financial problem we currently face.

Jeanne M. Borawski  
Chair, Reading School Committee

## Superintendent's Message

I respectfully present to the School Committee and the Greater Reading Community the FY2018 School Committee's Recommended Budget of \$41,889,661 representing an increase of \$1,151,995 or 2.8%. This recommended budget exceeds by \$588,000 the guidelines set forth by the Reading Finance Committee as a result of the decision by the voters at the October 18, 2016 Proposition 2 ½ Override Election. 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 4.91% 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 this fiscal year with the normal inflationary and contractual increases. The known increases in FY18 include regular education and athletic transportation, salary increases for collective bargaining units and non-union employees, increases in some materials and supplies, and decreases in the amount that we take from our revolving accounts for athletics, use of school properties, extra-curricular activities, full day kindergarten and a decrease in the offset that we take from the METCO grant due to an increase in METCO transportation.

Because funding is not available for a level service budget, the Superintendent's Recommended FY18 budget reflected a reduction of \$1,395,229 from a level service budget. In order to reach the 1.48% budget, a reduction of \$1,395,229 to both personnel and non-personnel areas were made, including proposed increases in the athletic and extra-curricular user fees and the RISE Preschool tuition. Based upon recommendations from the School Committee the recommended budget was increased by \$588,000 and full day kindergarten fees were increased resulting in a net reduction of \$907,229 from a level service budget. Unfortunately, because this is the fourth consecutive year that the level services budget has been reduced, the majority of the reductions are personnel, resulting in a reduction in force of 10.9 FTE positions. In the current and previous fiscal years (FY17 and FY16), \$1,494,820, has been reduced from level service budgets. In essence, the level service budget from the previous year has been reduced each of the last four years.

As part of my responsibility as Superintendent, I am obligated to develop and present a recommended budget to the School Committee. Over the last two months since the October override election, the administrative team has done an exhaustive review of the budget 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 what might be the “least bad” of all the bad choices when we look at providing the best opportunities for students in their overall PreK-12 experience. These recommendations then serve as the starting point for our public discussions with the School Committee and community over the next several weeks.

The Superintendent's Recommended FY18 budget, presented to the School Committee in early January, included funding to primarily address the following budget drivers:

- All salary and benefit obligations to employees per the collective bargaining agreement. All five collective bargaining agreements are ending this year and the School Committee is currently negotiating new agreements with each collective bargaining unit.
- Non-union salary and benefit increases in line with COLA adjustments for collective bargaining units
- Increases in regular day mandatory transportation (For students in Grades K-6 who live over 2 miles from their school).
- A decrease in the offsets for the athletics, extra-curricular use of school properties, and kindergarten revolving accounts due to fluctuating revenues and projected declining revolving account balances. These decreases in offsets contributed to an increased difference between the level service budget and the funding recommended by the Reading Finance Committee. (See Figure 1)
- An increase in athletic expenses, including an increase in rental fees for pool, as well as, an increase in athletic transportation.
- A decrease in the offset for the METCO grant due to an increase in transportation costs.

Not included in this budget are funds for 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. The School Committee's proposed budget includes \$150,000 for the second year of a multi-year implementation of the K-12 science curriculum.

Figure 1: FY18 Budget Reductions-Decreases in Offsets Resulting in Budget Reduction Increases

| Revolving Account        | Reduction Amount |
|--------------------------|------------------|
| Athletics                | \$96,000         |
| Full Day Kindergarten    | \$50,000         |
| Use of School Properties | \$60,000         |
| Extracurricular          | \$7,000          |
| METCO                    | \$40,000         |

In addition to the above budget drivers, the FY18 budget strives to help address the first year of a three-year District Improvement Plan which includes the following four 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 as they work towards improving their accountability rating, the middle school interdisciplinary model, and supporting our RMHS students in their Junior and Senior years access course work to be prepared for college and career. We will also continue to focus our resources on our technology infrastructure and the adequate cleaning of our school facilities.

Unfortunately, because of budget reductions, this recommended budget does not fully support all of the regular day programs from the previous school year and, as a result, a few programs 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 that is below level service, the following program reductions, offset increases, and/or personnel reductions were included in the Superintendent's FY18 Recommended Budget (See Figures 2, 3, and 4):

**Figure 2: FY18 Budget Reductions-Personnel**

| Cost Center       | FTE         | Reduction                       | Amount           |
|-------------------|-------------|---------------------------------|------------------|
| Administration    | 1.0         | School Business Assistant       | \$40,000         |
| Regular Day       | 2           | Elementary Classroom Teachers   | \$105,000        |
| Regular Day       | 3.8         | High School Teachers            | \$273,000        |
| Regular Day       | 1           | Supervisor of Students          | \$34,000         |
| District Wide     | 1           | Technician                      | \$50,000         |
| Special Education | 0.6         | RISE Preschool Teacher          | \$30,000         |
| Regular Day       | 1           | Instructional Coach             | \$78,000         |
| Special Education | 0.5         | Special Education Administrator | \$40,000         |
| <b>Total</b>      | <b>10.9</b> |                                 | <b>\$650,000</b> |

**Figure 3: FY18 Budget Reductions-Non-Personnel Reductions**

| Cost Center       | Reduction                             | Amount           |
|-------------------|---------------------------------------|------------------|
| Facilities        | Cleaning Services RMHS                | 80,000           |
| District Wide     | Technology Hardware/Computer Services | 35,000           |
| Regular Day       | RD Expenses                           | 20,000           |
| Special Education | PD Expenses                           | 20,000           |
| Regular Day       | Science Kit Coordination              | 8,405            |
| <b>Total</b>      |                                       | <b>\$163,405</b> |

Figure 4: FY18 Budget User Fee/Offset Increases

| Cost Center       | Reduction                     | Amount    |
|-------------------|-------------------------------|-----------|
| Athletics         | Increase User Fee             | \$66,900  |
| Special Education | Increase RISE Tuition         | \$50,000  |
| Regular Day       | Increase Kindergarten Tuition | \$50,000  |
| Total             |                               | \$166,900 |

The reduction of 2.0 FTE Elementary teachers may 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 3.8 FTE High School teachers will result in higher class sizes and less course availability in Business Fine Arts, and physical education and the elimination of college prep level classes. The elimination of the 1.0 FTE Supervisor of Students will result in the loss of supervision of the transition classroom for those students who are transitioning back from hospitalization or have difficulty attending school back to the regular classroom setting. The guidance department, high school social worker, or school psychologists will be assigned this role as part of their daily schedule, resulting in a decrease in services for other students. The loss of the 1.0 FTE Technician will result in a reduction in response time of building based support for schools in technology hardware and network support. The elimination of the .6 RISE Preschool Teacher will result in a reduction of music classes at RISE. These classes will be taught by other staff in the district, resulting in the reduction of music sections in other schools.

The reduction of two midlevel professional positions will have an effect on providing coaching and administrative support for staff. The 1.0 FTE Instructional Coach position reduction will result in less coaching support for elementary teachers in mathematics instruction, one of our areas of focus for the next three years. The .5 FTE Special Education Administrator will be the reduction of a team chair position, resulting in the coordination of higher special education caseloads at the buildings and out of district level.

In addition, to the 10.9 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 \$163,405. These include a reduction in the cleaning services contract at RMHS, the elimination of funding for backup infrastructure and hardware, a reduction in computer services when additional expertise is required, reduction in professional development in regular day and special education, and the elimination of science kit coordination at the district level.

We are also proposing that there be an increase in fees/tuitions for athletics, extra-curricular activities, full day kindergarten and the RISE preschool to help offset expenses in those programs. We are proposing a \$75 increase in athletic user fees per student per sport to help offset increases in athletic transportation, pool and ice facility rentals, and salary expenses. In addition, the athletic revolving account offset will need to be reduced in the FY18 recommended budget because it will result in a negative balance by the end of FY17 if it is not reduced. This proposed increase will raise the user fee from \$250 per student per sport to \$325 per student per sport. We are also proposing an increase in the extra-curricular user fee for High School band and drama by \$25 to help offset expenses in transportation and advisor stipends. We are proposing a \$250 increase in the full day kindergarten

tuition rate to \$4,450 per student to offset expenses associated with kindergarten paraprofessionals. In addition, we are proposing a 5% increase in tuition for all programs for regular education students in the RISE preschool program. There has not been an increase in RISE tuition since 2010.

An additional position in the Administration Cost Center, a 1.0 FTE School Business Assistant, was not filled after the employee left during FY16, and has been eliminated in this recommended budget. This position was responsible for grants management, special education budgeting, budget forecasting, and Medicaid reimbursement. Those responsibilities have been taken over by the Special Education Department and the Director of Finance.

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. This is a very difficult and challenging budget 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 not be able to address several of the challenges listed below.

**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 FY18 budget, but will 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 three fiscal years, the Reading Public Schools has had to make \$1,792,813 in personnel and non-personnel reductions/offset adjustments to level service budgets. In the FY17 budget alone, there is a reduction of 7.3 positions (6.3 teachers) as part of an overall \$650,000 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 29% of RMHS students are feeling sad or hopeless two weeks in a row (up 7% from 2005), 22% of RMHS students purposely injured themselves without the intention of killing themselves (up 5% from 2005) and 17% of RMHS students have seriously considered suicide (up 6% from 2005). 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. 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 3-8, and semester courses in Grades 9 and 11. 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 FY14, which is the latest figures that we have from the Department of Elementary and Secondary Education (DESE), Reading is ranked 26<sup>th</sup> 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 2016-17 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 2015-16 school year, 93% of all kindergarten students in Massachusetts public schools were enrolled in full day kindergarten. In addition, 78% 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 FY18 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 FY17, 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 and we have improved on 29 out of the 44 PARCC and MCAS state assessments from 2015 to 2016. 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 (FY15) shows that Reading ranks 291st 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 291 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 2.64%, 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 FY18 Recommended budget.

Equally important, we need to continue to attract and retain the best educators. This past school year alone four 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 FY18 School Committee 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 Superintendent's Recommended budget was reduced by \$849,620 from a level service budget. The current FY17 Recommended budget has been reduced from the FY16 level service budget by \$658,193 and the FY18 Recommended budget is reduced by \$907,229 from the FY17 level service budget.

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 Recommended FY18 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.

### **Overview of FY2018 School Committee Budget By Cost Center**

The FY2018 School Committee Budget is \$41,889,661 representing an increase of \$1,151,995 or 2.8%. 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'18 budget include:

- All salary and benefit obligations to employees per the collective bargaining agreement. All five collective bargaining agreements are ending this year and the School Committee is currently in the process of negotiating new agreements with each collective bargaining unit.
- Non-union salary and benefit increases in line with COLA adjustments for collective bargaining units
- Increases in regular day mandatory transportation (For students in Grades K-6 who live over 2 miles from their school).
- A decrease in the offsets for the athletics, extra-curricular, use of school properties, and kindergarten revolving accounts due to fluctuating revenues and projected declining revolving account balances. These decreases in offsets contributed to an increased difference between the level service budget and the funding recommended by the Reading Finance Committee.
- An increase in athletic expenses, including an increase in rental fees for pool and ice rink, as well as, an increase in athletic transportation.
- A decrease in the offset for the METCO grant due to an increase in transportation costs.

Not included in this budget are funds for 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.

**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 and Maintenance. As Figure 5 below shows, the overall increase to the FY'18 School Committee Budget is 2.8% or an increase of \$1,151,995.

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

**Figure 5: General Fund Expenditures by Cost Center**

|                       | Actual Expended FY'14 | Actual Expended FY'15 | Actual Expended FY'16 | Adopted Budget FY'17 | Requested Budget FY'18 | % Change    |
|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|-------------|
| Administration        | 932,578               | 891,123               | 924,880               | 963,694              | 926,857                | -3.8%       |
| Regular Day           | 22,509,776            | 23,185,387            | 23,784,253            | 24,692,271           | 25,396,278             | 2.8%        |
| Special Education     | 9,547,257             | 10,254,181            | 10,945,627            | 12,223,473           | 12,595,752             | 3.0%        |
| School Facilities     | 1,187,224             | 1,162,815             | 1,246,555             | 1,231,510            | 1,225,000              | -0.5%       |
| Districtwide Programs | 1,374,192             | 1,614,893             | 1,554,200             | 1,626,718            | 1,745,774              | 7.3%        |
| <b>Grand Total</b>    | <b>35,551,026</b>     | <b>37,108,399</b>     | <b>38,455,516</b>     | <b>40,737,666</b>    | <b>41,889,661</b>      | <b>2.8%</b> |

**Administration Cost Center**

FY'18 School Committee Budget: \$926,857

FY'17 Adopted Budget: \$963,694

\$ Decrease: \$36,837

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

There is a reduction of 1.0 FTE School Business Assistant position, and decreases in legal costs. There is a slight increase (\$5,000) in the offset to the budget from the Extended Day Revolving Account to help offset administrative costs associated with Extended Day Programs.

**Regular Day Cost Center**

FY'18 School Committee Budget: \$25,396,278

FY'17 Adopted Budget: \$24,692,271

\$ Increase: \$704,007

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. The School Committee is in the process of negotiating with all five collective bargaining units. There are also cost of living adjustments for non-union personnel including building level administrators.

In addition to the budget increases, there are several reductions in the regular day cost center, including 7.8 FTE Reduction in personnel, and \$20,000 in professional development expenses. Figure 6 describes the reductions below.

**Figure 6-FY18 Regular Day Budget Reductions**

| Cost Center | FTE | Reduction                     | Amount    |
|-------------|-----|-------------------------------|-----------|
| Regular Day | 2   | Elementary Classroom Teachers | \$105,000 |
| Regular Day | 3.8 | High School Teachers          | \$273,000 |
| Regular Day | 1   | Supervisor of Students        | \$4,000   |
| Regular Day | 1   | Instructional Coach           | \$78,000  |
| Regular Day | N/A | PD Expenses                   | 20,000    |

There was also a decrease of \$40,000 in the offset from the METCO grant due to an increase in bus transportation costs for METCO transportation and a decrease of \$50,000 in the offset to the budget from the Full Day Kindergarten Revolving Account. The decrease in the offset from the Full Day Kindergarten Revolving Account reflects a decrease in enrollment this current school year in the number of students enrolled in full day kindergarten.

The budget also reflects a recommended increase in Full Day Kindergarten Tuition to \$4,450, an increase of \$250. The increased tuition will allow us to increase the offset from the Full Day Kindergarten Revolving Account by \$50,000 resulting in a net no impact to the offset from the current budget.

**Special Education Cost Center**

FY'18 School Committee Budget: \$12,595,752

FY'17 Adopted Budget: \$12,223,473

\$ Increase: \$372,279

The increase in this category 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 2.0 FTE Special Education Teachers in this budget for additional student support at Wood End and Joshua Eaton. There are also cost of living adjustments for special education administrators and other non-represented special education employees.

There are reductions in this cost center, including an overall decrease in special education out of district tuitions and professional development. There is also a personnel reduction including a .5 FTE Special Education Administrator and a 0.6 RISE Preschool Teacher.

There is a proposed 5% increase in RISE Tuition resulting in a \$50,000 increase in the RISE offset to the budget.

### **School Facilities Cost Center**

FY'18 School Committee Budget: \$1,225,000

FY'17 Adopted Budget: \$1,231,510

\$ Decrease: \$6,510

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.

The decrease in this cost center is due to an \$80,000 reduction in the RMHS cleaning contract for the 2017-18 school year. Also included is a \$60,000 decrease in the offset to the budget from the Use of School Properties Revolving Account. This offset reduction is necessary to make the Use of School Properties Revolving Account more sustainable in upcoming years.

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

FY'18 School Committee Budget: \$1,745,774

FY'17 Adopted Budget: \$1,626,718

\$ Increase: \$119,056

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, and pool and ice rental.

There is a reduction of 1.0 FTE Technician in this cost center and a reduction of \$35,000 in technology hardware and services.

The offset from the athletic revolving account will have a net decrease of \$29,100 due to an overall decrease of \$96,000 to make the revolving account more sustainable in future years, combined with a proposed \$75 increase in the athletic user fee per student per sport resulting in an increase of \$66,900 to cover the cost of additional expenses. There is a proposed increase of \$25 per student per activity for High School Band and Drama user fees. The family cap for both Athletics and Extracurricular will remain at 2017 levels.

### **Budget Process and Timeline**

The process used to develop the FY2018 Superintendent's Recommended Budget and the School Committee 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 to the Community Forums two years ago, the Town and Schools held informational sessions during this past summer to inform the community about the October 18<sup>th</sup> override election process and budget information. In addition, the Superintendent has been holding weekly office hours at the various schools with staff and community members about district priorities. Using the above feedback, district and school administrators developed the FY18 Recommended budget using the financial guidance given by the Finance Committee in November. In addition, over 20 budget parents each representing different

schools in the district, 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 Recommended budget and take a final vote prior to February 1<sup>st</sup>.

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 early November, as part of the budget process, the town convenes its annual Financial Forum, a joint meeting of the elected and appointed Boards and Committees. The Financial Forum was later this year due to the October 18<sup>th</sup> Proposition 2 ½ Override Election. 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. At the November Financial Forum, the proposed increase in general fund revenue allocated to the school department was 1.48% or an increase of \$563,995.

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 and Director of Finance 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 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 March, 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 mid-March. 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.

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'18 General Fund Appropriation is set and is implemented for the fiscal year beginning on July 1, 2017.

Figure 7: FY'18 Budget Calendar

| Activity  | Date                          |
|---|-------------------------------|
| Budget preparation information sent to administrators                     | Mid to late October           |
| Budget input meetings with staff  | Ongoing                       |
| Budget parents identified   | Mid November                  |
| Financial Forum   | Early November                |
| Principals present goals and budgetary needs                              | Early November                |
| Building/department budget requests submitted to Central office           | Mid November                  |
| Town Meeting  | Early to Mid-November         |
| Superintendent reviews building/department requests and performance goals | Mid to late November          |
| Budget parent meetings  | Mid to late December          |
| Finalize FY18 Salary projections  | Mid December                  |
| Budget deliberations with Administrators and Directors                    | Mid November to Mid-December  |
| Superintendent's budget finalized   | Late December                 |
| Budget document distributed   | Early January                 |
| School Committee meetings to discuss FY18 budget                          | January 9, 12, 19, 23, 26, 30 |
| Financial Forum   | January 25                    |
| Public Hearing on FY18 Budget   | January 23                    |
| School Committee Vote on FY18 Budget                                      | January 26                    |
| School Committee budget submitted to Finance Committee and Town Manager   | February 1                    |
| School Committee presentation to Finance Committee                        | March 15                      |
| Town Meeting votes on Town Manager's Budget                               | Late April or Early May       |

## Financial Overview

### FY2018 Expenses by Cost Center

The School Committee 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 8 below, the FY2018 School Committee Budget reflects an increase of 2.8%. The largest dollar increase to the budget is in the Regular Education Cost Center (\$704,007) followed by Special Education (\$372,279). These increases account for 93.4% of the total increase of \$1,151,995.

The reasons for these increases are highlighted in Budget Drivers section of this Executive Summary and described in more detail in the Financial Section of this budget document.

Figure 8: Expenditures by Cost Center

|                       | Actual Expended FY'14 | Actual Expended FY'15 | Actual Expended FY'16 | Adopted Budget FY'17 | Requested Budget FY'18 | % Change |
|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|----------|
| Administration        | 932,578               | 891,123               | 924,880               | 963,694              | 926,857                | -3.8%    |
| Regular Day           | 22,509,776            | 23,185,387            | 23,784,253            | 24,692,271           | 25,396,278             | 2.8%     |
| Special Education     | 9,547,257             | 10,254,181            | 10,945,627            | 12,223,473           | 12,595,752             | 3.0%     |
| School Facilities     | 1,187,224             | 1,162,815             | 1,246,555             | 1,231,510            | 1,225,000              | -0.5%    |
| Districtwide Programs | 1,374,192             | 1,614,893             | 1,554,200             | 1,626,718            | 1,745,774              | 7.8%     |
| Grand Total           | 35,551,026            | 37,108,399            | 38,455,516            | 40,737,666           | 41,889,661             | 2.8%     |

**FY2018 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 9: Revenue and Expense Projections and Allocation

|                            | FY'15      | FY'16      | Projected FY'17 | % Change | Projected FY'18 | % Change |
|----------------------------|------------|------------|-----------------|----------|-----------------|----------|
| Revenue Sources            |            |            |                 |          |                 |          |
| Property Taxes             | 58,337,728 | 61,930,265 | 64,200,918      | 3.7%     | 66,200,547      | 3.1%     |
| Other Local Revenues       | 6,119,266  | 7,362,500  | 6,615,000       | 4.0%     | 7,030,000       | 6.3%     |
| Intergovernmental Revenues | 13,282,318 | 13,612,031 | 13,865,000      | 1.9%     | 16,993,931      | 0.9%     |
| Chapter 70                 | 10,126,574 | 10,326,699 | 10,465,569      | 2.3%     | 10,549,389      | 0.8%     |
| Transfers & Available      | 3,755,816  | 3,779,131  | 3,868,490       | 2.4%     | 3,954,947       | 2.2%     |
| Free Cash                  | 1,700,000  | 2,199,765  | 2,150,000       | -2.3%    | 1,360,000       | -36.7%   |
| Total Revenues             | 83,195,128 | 87,883,692 | 90,699,405      | 3.2%     | 92,539,425      | 2.03%    |

|   |                   |                   |                   |               |                   |              |
|---|-------------------|-------------------|-------------------|---------------|-------------------|--------------|
| Accommodated Costs                            |                   |                   |                   |               |                   |              |
| Benefits                                      | 14,916,590        | 14,965,743        | 15,988,500        | 6.8%          | 16,760,934        | 51%          |
| Capital                                       | 2,308,000         | 2,889,250         | 2,220,000         | -23.2%        | 2,259,400         | 1.8%         |
| Debt  | 3,222,730         | 4,511,541         | 4,900,000         | 8.6%          | 5,057,915         | 3.2%         |
| Energy  | 1,898,465         | 1,860,044         | 1,948,725         | 4.8%          | 1,974,411         | 1.3%         |
| Financial                                     | 775,000           | 960,000           | 831,000           | -13.4%        | 840,000           | 1.1%         |
| Special Education                             | 3,858,194         | 4,004,269         | 4,127,314         | 3.1%          | 4,033,670         | -2.3%        |
| Vocational Education                          | 467,000           | 490,350           | 384,350           | -21.6%        | 385,000           | 0.4%         |
| Miscellaneous/community priorities            | 2,933,913         | 2,951,184         | 3,043,150         | 3.1%          | 3,173,925         | 4.3%         |
| <b>Total Accommodated Costs</b>               | <b>29,579,892</b> | <b>32,632,881</b> | <b>33,443,039</b> | <b>2.5%</b>   | <b>34,486,256</b> | <b>3.4%</b>  |
| Revenue to Operating Budgets                  |                   |                   |                   |               |                   |              |
| Municipal Government (35.84%)                 | 16,240,552        | 19,654,979        | 20,473,984        | 26.1%         | 20,729,908        | 1.3%         |
| School Department (64.16%)                    | 35,421,173        | 35,365,184        | 36,610,352        | 3.4%          | 37,267,991        | 1.8%         |
| Town Facilities                               | 425,346           |                   |                   |               |                   |              |
| School Expenses (Non-Accommodated)            |                   |                   |                   |               |                   |              |
| Salary and Other Compensation                 | 38,981,900        | 35,006,135        | 35,013,724        | 6.0%          | 37,009,216        | 2.7%         |
| Contract Services                             | 1,298,485         | 1,144,861         | 1,195,406         | -7.9%         | 1,268,186         | 6.1%         |
| Materials, Supplies & Equipment               | 904,497           | 779,990           | 878,057           | -2.9%         | 1,052,657         | 21.0%        |
| Other Expenses                                | 1,365,796         | 790,798           | 809,831           | -40.7%        | 740,833           | -8.5%        |
| Revenue Offsets                               | (2,129,105)       | (2,356,600)       | (2,291,668)       | 7.6%          | (2,224,900)       | -2.9%        |
| <b>School Expenses (Non-Accommodated)</b>     | <b>35,421,173</b> | <b>35,365,184</b> | <b>36,610,352</b> | <b>3.4%</b>   | <b>37,855,992</b> | <b>3.4%</b>  |
| School Expenses (Accommodated)                |                   |                   |                   |               |                   |              |
| Special Education                             | 5,044,442         | 4,957,106         | 5,170,891         | 2.5%          | 5,053,176         | -2.3%        |
| Circuit Breaker                               | (1,186,247)       | (962,837)         | (1,048,577)       | -12.0%        | (1,019,505)       | -2.3%        |
| Energy & Utilities                            | 1,156,081         |                   |                   |               |                   |              |
| <b>School Expenses (Accommodated)</b>         | <b>5,014,276</b>  | <b>4,004,269</b>  | <b>4,127,314</b>  | <b>-17.7%</b> | <b>4,033,670</b>  | <b>-2.3%</b> |
| <b>School Committee's Budget</b>              | <b>40,317,973</b> | <b>39,473,353</b> | <b>40,737,666</b> | <b>1.0%</b>   | <b>41,889,662</b> | <b>2.8%</b>  |
| School Revenue Sources                        |                   |                   |                   |               |                   |              |
| General Fund Revenues                         | 40,435,449        | 39,369,453        | 40,737,666        | 0.7%          | 41,301,662        | 1.4%         |
| <b>Total Expense</b>                          | <b>40,435,449</b> | <b>39,369,453</b> | <b>40,737,666</b> | <b>0.7%</b>   | <b>41,889,662</b> | <b>2.8%</b>  |
| <i>Excess of Revenue Over (Under) Expense</i> | -                 | -                 | -                 |               | <b>588,000</b>    |              |

## Next Steps and Contact Information

The FY'18 Superintendent's Recommended Budget was presented on the following dates:

- Monday, January 9 (Overview, Administration, and Regular Day Cost Centers)
- Thursday, January 12 (Special Education and District Wide Services Cost Centers)
- Thursday, January 19 (Public Hearing, Town and School Facilities, Questions)
- Monday, January 23 (Questions and Discussion)
- Thursday, January 26 (School Committee Vote)

When the School Committee voted in late January on the budget, it became the School Committee budget, which is then presented 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 March 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 25, 2017          |
| FY'18 School Committee Budget Presentation to Finance Committee | March 15, 2017            |
| Annual Town Meeting   | April 24, April 27, May 1 |

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](http://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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# 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, I-93 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 10-Reading Public School Enrollment As of October 1, 2016

| As of October 1, 2016, the enrollment at our schools is: |              |
|--|--------------|
| RISE Pre-School (grades Pre-K)                           | 91           |
| Alice Barrows Elementary School (grades K - 5)           | 385          |
| Birch Meadow Elementary School (grades K - 5)            | 383          |
| Joshua Eaton Elementary School (grades K - 5)            | 428          |
| J. Warren Killam Elementary School (grades K - 5)        | 427          |
| Wood End Elementary School (grades K - 5)                | 319          |
| A.W. Coolidge Middle School (grades 6 - 8)               | 466          |
| Walter S. Parker Middle School (grades 6 - 8)            | 572          |
| Reading Memorial High School (grades 9 - 12)             | 1,270        |
| <b>Total Enrollment</b>                                  | <b>4,341</b> |

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:

Jeanne Borawski, Chairperson, Term Expires 2017

Charles Robinson, Vice Chairperson, Term Expires 2019

Nick Boivin, (Appointed by School Committee and Board of Selectmen until April, 2017)

Linda Snow Dockser, Term Expires 2017

Gary Nihan, Term Expires 2018

Elaine Webb, Term Expires 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.

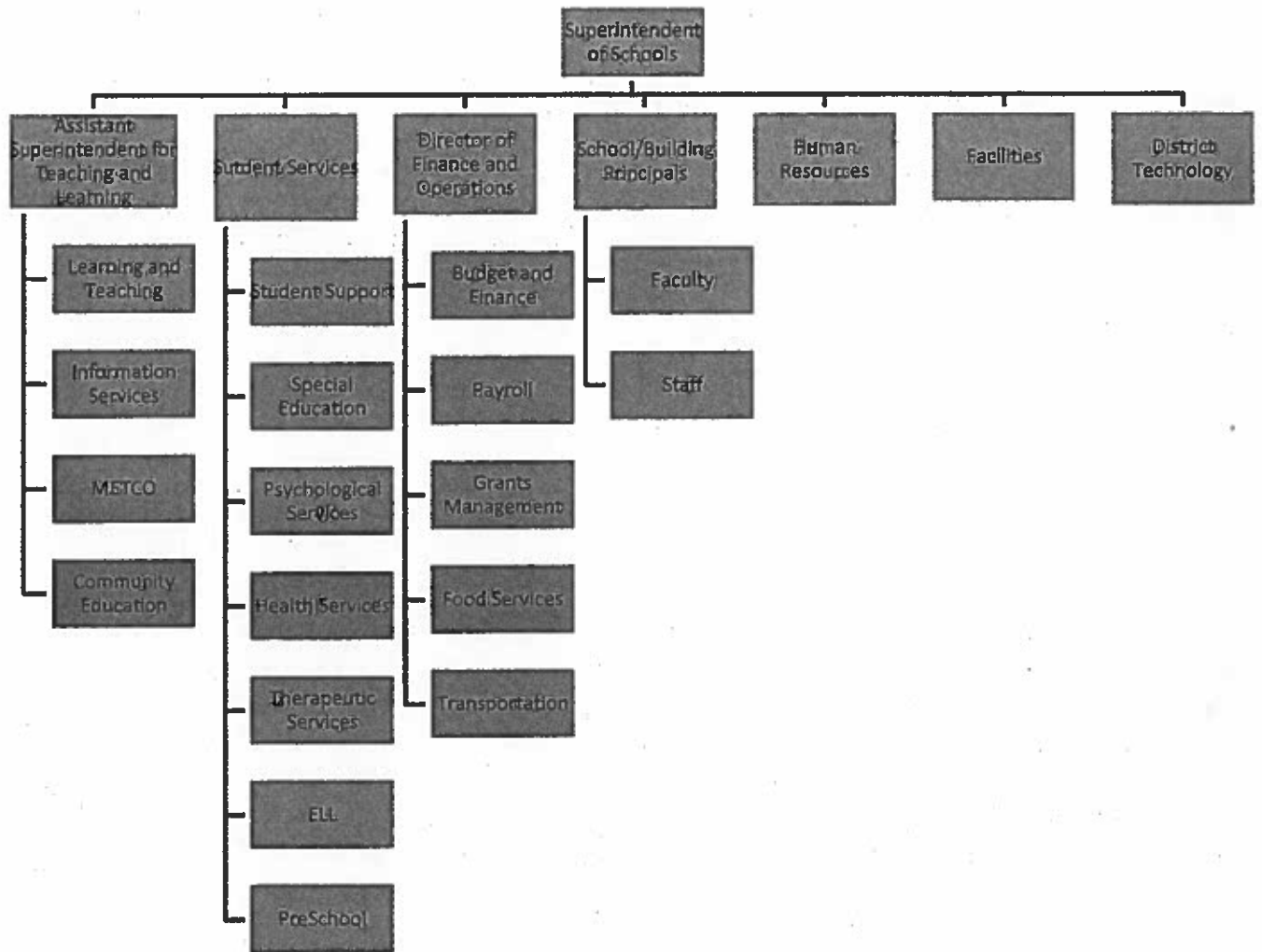
### **District Administration**

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 Operations 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 11 provides an overview of the organizational structure of the district.

Figure 11: 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 12-Reading Public Schools Strategy and Goals for Improvement of Student Outcomes (2016-19 School Years)

**Our Mission**

***Instilling a joy of learning and inspiring the innovative leaders of tomorrow***

**Our Vision**

*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.*

**Our Theory of Action**

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.

**Our Questions**

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**

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.

**Focus Areas for District Goal**

| <p><b>Focus Area A</b><br/> <b>Closing the Achievement Gap</b><br/> <i>To eliminate the achievement gap for our high needs student population</i></p>   | <p><b>Focus Area B</b><br/> <b>Literacy</b><br/> <i>To improve literacy skills for all students</i></p>  | <p><b>Focus Area C</b><br/> <b>Mathematics Practices</b><br/> <i>To improve mathematics achievement for all students</i></p>   | <p><b>Focus Area D</b><br/> <b>Social Emotional Learning</b><br/> <i>To improve social emotional learning for all students</i></p>   |
|---|--|--|--|
| <p>Identify and implement evidenced based Tier 1, 2, and 3 interventions for students</p> <p>Provide training and time in the areas of differentiated instruction and Universal Design</p> <p>Continue to implement the recommendations of the Walker Report to improve special education services and programs.</p> <p>Implement K-12 Science Curriculum</p> | <p>Develop K-8 Literacy Curriculum Documents</p> <p>Provide professional development for non-fiction literacy standards in science and social studies</p> <p>Revise supervisory practices to focus on literacy</p> <p>Develop and implement common grade level assessments to improve student learning and classroom practices</p> | <p>Develop K-8 Math Curriculum Documents</p> <p>Provide professional development and time to improve mathematics practices</p> <p>Revise supervisory practices to focus on mathematics instruction</p> <p>Develop and implement common grade level assessments to improve student learning and classroom practices</p> | <p>Create a PreK-12 SEL Curriculum Map</p> <p>Implement health and social emotional learning curriculum, K-8</p> <p>Pilot SBIRT Screening Process in Grade 9</p> <p>Review and update bullying prevention plan</p> |
| <p style="text-align: center;"><b>Focus Area E</b><br/> <b>Communication</b><br/> <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</p>                        |  |  |  |

## 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.*

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.

## Measures of Progress Towards our Goal During the Next Three Years

As we begin 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 the accountability rating by schools and district as defined by the Department of Elementary and Secondary Education.
  - c. An increase in the Accuracy of Student Support Team referrals for Special Education.
  - d. An alignment between report card grades, local and state assessment scores.
  - e. An increase in students having equitable access to higher level classes.
  - f. 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, Fountas and Pinnell Benchmarks for Guided Reading, DIBELS, math assessments, science assessments, semester exams, SAT scores, AP Scores and participation, and college acceptances.
- C. Mathematics Practices (Action Plan C)**
  - a. An improvement in state and local assessments including MCAS and Next Generation MCAS state assessments, Fountas and Pinnell Benchmarks for Guided Reading, DIBELS, math assessments, science assessments, semester exams, SAT scores, AP Scores and participation, and college acceptances.
  - b. An increase in the number of students ready to take Grade 8 Algebra 1.
- D. Social Emotional Learning (Action Plan D)**
  - a. A decrease in discipline referrals, including suspensions for all students, especial students in the high needs group and students of color.
  - 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. Increased Tiered Fidelity Instrument Scores for Tier 1, 2, and 3 at all schools.
  - f. A decrease in the number of students who have 10 more absences.
  - g. Increased District Capacity Assessment result.
- E. Communication (Action Plan E)**
  - a. Improved communication between parents, community, and schools as evidenced by surveys and other data.

## Information Section

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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 FY'18 School Committee 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 82.6% 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 Figure 13 below. The expectation would be, of course, that the highest level of per pupil spending would be in the "Classroom and Specialist Teacher" category. As one can see, however, the "Payments to Out-of-District Schools" category is actually the highest per pupil amount. The reason why this is the highest per pupil amount is because this category captures the expense for any student who is attending school outside the district. This includes not only special education out of district placements, but charter school or school choice placements as well. Since we have very few children in charter schools or school choice programs, our reported figure is essentially made up entirely of special education placements which are much higher in cost than the average charter school placement (\$10,000 - \$30,000) or the average school choice placement (\$5,000). As this is also a per pupil calculation, the amount reflected is the total out-of-district tuition divided by the number of students attending out of district schools. For us, for FY'15, the basis was 61 students. This is the reason that our figure is so much higher than the state average. In calculating the overall state average, however, it is important to note that this category does not receive a lot of weight in our per pupil calculation due to the number of students in this category.

Figure 13: FY'15 Per Pupil Spending By Category

| 2014-15 Per Pupil Expenditures                    | 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                                    | \$1,353,944                 | \$163,674                         | \$1,517,618                  | 2.7%                            | \$347                 | \$931                   | (\$184)                         |
| Instructional Leadership                          | 2,916,584                   | 131,081                           | 3,047,665                    | 5.5%                            | 696                   | 976                     | (\$279)                         |
| Classroom and Specialist Teachers                 | 19,012,931                  | 2,427,060                         | 21,439,991                   | 38.4%                           | 4,900                 | 5,619                   | (\$719)                         |
| Other Teaching Services                           | 4,372,765                   | 43,389                            | 4,416,154                    | 7.9%                            | 1,009                 | 1,176                   | (\$167)                         |
| Professional Development                          | 1,187,947                   | 190,190                           | 1,378,137                    | 2.5%                            | 315                   | 497                     | \$117                           |
| Instructional Materials, Equipment and Technology | 1,696,954                   | 190,737                           | 1,887,691                    | 3.4%                            | 431                   | 431                     | \$0                             |
| Guidance, Counseling and Testing                  | 1,556,234                   | 54,143                            | 1,610,377                    | 2.9%                            | 368                   | 442                     | (\$74)                          |
| Pupil Services                                    | 1,515,631                   | 1,947,769                         | 3,463,400                    | 6.2%                            | 792                   | 1,430                   | (\$638)                         |
| Operations and Maintenance                        | 4,269,663                   | 352,666                           | 4,622,329                    | 8.3%                            | 1,056                 | 1,440                   | (\$383)                         |
| Insurance, Retirement Programs and Other          | 7,940,358                   | 82,497                            | 8,022,855                    | 14.4%                           | 1,834                 | 2,489                   | (\$656)                         |
| Expenditures Within The District                  | 45,823,011                  | 5,588,206                         | 51,406,217                   | 92.1%                           | \$11,748              | \$14,431                | (\$2,683)                       |
| Expenditures Outside the District                 | 3,224,357                   | 1,186,227                         | 4,410,584                    | 7.9%                            | \$53,397              | \$21,606                | \$31,991                        |
| <b>TOTAL EXPENDITURES</b>                         | <b>49,047,368</b>           | <b>6,769,433</b>                  | <b>55,816,801</b>            | <b>100.0%</b>                   | <b>\$12,520</b>       | <b>\$14,936</b>         | <b>(\$2,416)</b>                |

The Classroom and Specialist Teachers category is the next highest per pupil amount. 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 (\$1,378,137, of which \$1,187,947 is from the FY15 operating budget) or \$117 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 FY15, there were five days in each bargaining unit that were above and beyond the number of student days for professional development. In FY15, this comprised \$701,885 of the total amount.
- District Wide Professional Development-This includes curriculum work, workshops and other professional development. This comprises \$193,485 of the total amount in FY15.
- Tuition Reimbursement (contractual for each bargaining unit)-This comprises \$93,120 of the total amount in FY15.
- Substitute coverage for PD days-This comprised \$81,950 of the total amount in FY15.
- Curriculum/PD/Teacher Mentor/Elementary Assistant Principal Stipends-This comprises \$107,664 of the total amount in FY15.
- Miscellaneous items--new teacher induction supplies, food if provided as part of PD, PD materials. This comprises \$9,843 of the total amount in FY15.

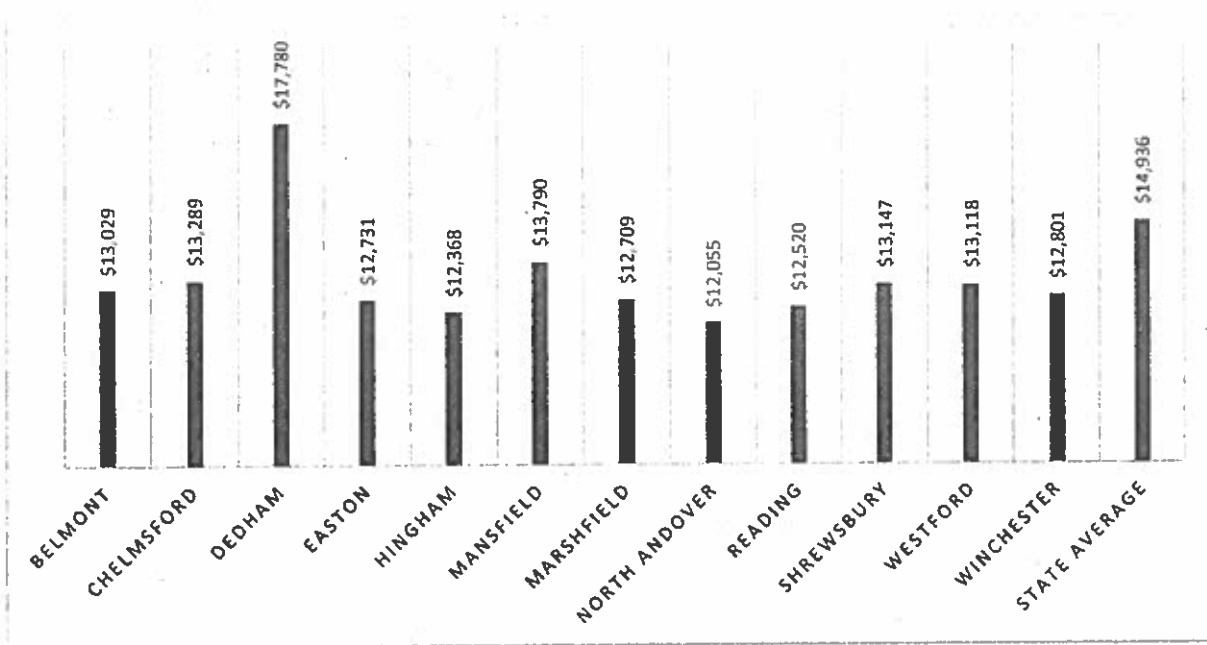
The main reason why we are ranked higher in this category than most districts is because we allocate 5 professional development days in the school calendar for teacher inservice days. Most school districts allocate less than five. FY'11 is the first year in many years that the district's per pupil amount 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.

Figure 14: FY'15 In-District Per Pupil Spending



In comparing per pupil spending for the various functional categories that DESE tracks (see Figure 15), one can see that in FY15 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 FY15, Reading ranks 10<sup>th</sup> out of 12 in per pupil spending for in-district students at \$11,748. The average per pupil spending for these thirteen comparable districts is \$12,420 or \$672 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 \$2,941,344 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.

Figure 15: FY'15 Per Pupil Expenditures by Category for Comparable Districts

| District Name             | Total In-District | Rank | Administration | Rank | Classroom & Specialist Teachers | Rank | Instructional Materials, Equip & Tech | Rank | Professional Development | Rank |
|---------------------------|-------------------|------|----------------|------|---------------------------------|------|---------------------------------------|------|--------------------------|------|
| BELMONT                   | \$ 11,689         | 11   | \$ 394         | 10   | \$4,990                         | 11   | \$388                                 | 7    | \$135                    | 9    |
| BELMSFORD                 | \$ 12,205         | 5    | \$ 610         | 2    | \$5,204                         | 7    | \$668                                 | 1    | \$118                    | 10   |
| BEDHAM                    | \$ 16,419         | 1    | \$ 834         | 1    | \$6,403                         | 1    | \$484                                 | 2    | \$219                    | 4    |
| EASTON                    | \$ 11,924         | 9    | \$ 398         | 6    | \$5,148                         | 9    | \$259                                 | 10   | \$169                    | 5    |
| BINGHAM                   | \$ 11,592         | 12   | \$ 346         | 9    | \$5,171                         | 8    | \$173                                 | 12   | \$54                     | 12   |
| MANSFIELD                 | \$ 13,243         | 2    | \$ 319         | 12   | \$5,548                         | 3    | \$231                                 | 11   | \$297                    | 2    |
| MARSHFIELD                | \$ 12,078         | 7    | \$ 457         | 5    | \$5,530                         | 4    | \$275                                 | 9    | \$89                     | 13   |
| MILTON                    | \$ 13,232         | 3    | \$ 527         | 4    | \$5,633                         | 2    | \$355                                 | 5    | \$150                    | 7    |
| NORTH ANDOVER             | \$ 10,811         | 13   | \$ 361         | 7    | \$4,764                         | 13   | \$187                                 | 13   | \$65                     | 11   |
| READING                   | \$ 11,748         | 10   | \$ 347         | 8    | \$ 4,900                        | 12   | \$431                                 | 3    | \$315                    | 1    |
| SHREWSBURY                | \$ 11,978         | 8    | \$ 295         | 13   | \$ 5,048                        | 10   | \$418                                 | 4    | \$155                    | 6    |
| WESTFORD                  | \$ 12,435         | 4    | \$ 324         | 11   | \$ 5,286                        | 6    | \$348                                 | 6    | \$220                    | 3    |
| WINCHESTER                | \$ 12,109         | 6    | \$ 584         | 3    | \$ 5,418                        | 5    | \$328                                 | 8    | \$146                    | 8    |
| AVERAGE                   | \$ 12,420         |      | \$ 441         |      | \$ 5,311                        |      | \$338                                 |      | \$160                    |      |
| READING VS. AVERAGE       | \$ (672)          |      | \$ (94)        |      | \$ (411)                        |      | \$94                                  |      | \$155                    |      |
| STATE AVERAGE             | \$ 14,431         |      | \$ 531         |      | \$ 5,619                        |      | \$431                                 |      | \$197                    |      |
| READING VS. STATE AVERAGE | \$ (2,683)        |      | \$ (184)       |      | \$ (719)                        |      | \$ 0                                  |      | \$118                    |      |

### 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 180 with the greatest number of students currently in the Connections program.

Figure 16: SY'15 In-District Special Education Program Enrollment

|                         | K  | Gr 1 | Gr 2 | Gr 3 | Gr 4 | Gr 5 | Gr 6 | Gr 7 | Gr 8 | Gr 9 | Gr 10 | Gr 11 | Gr 12 | Post Grad | Total |
|-------------------------|----|------|------|------|------|------|------|------|------|------|-------|-------|-------|-----------|-------|
| Bridge                  |    |      | 2    | 3    | 2    | 3    | 6    | 5    | 4    | 8    | 5     |       |       |           | 38    |
| Compass                 | 4  | 3    | 1    | 2    | 1    | 5    |      |      | 4    |      |       |       |       |           | 20    |
| Connections             | 5  | 3    | 4    | 2    | 5    | 5    | 6    | 6    | 4    | 7    | 3     | 2     | 1     |           | 53    |
| Crossroads              |    |      | 3    | 3    | 3    |      | 3    |      | 2    | 3    | 1     |       | 2     |           | 20    |
| Learning Center         | 10 | 19   | 31   | 42   | 38   | 40   | 41   | 52   | 60   | 41   | 49    | 43    | 35    |           | 496   |
| POST Program            |    |      |      |      |      |      |      |      |      |      |       |       |       | 3         | 3     |
| Student Support Program |    | 1    | 2    | 0    | 4    | 3    | 4    | 1    | 2    | 5    | 8     | 5     | 11    |           | 46    |
| Total                   | 19 | 26   | 43   | 52   | 48   | 56   | 60   | 64   | 76   | 64   | 66    | 50    | 49    | 3         | 676   |

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. Figure 17 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.

Figure 17: 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%          | 3,918,861                | -13.1%         | 22.2                         | 19.8                     |
| 2011        | 5,391,569               | 1.4%           | 3,552,879                | -9.2%          | 20.9                         | 19.9                     |
| 2012        | 5,573,866               | 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%           | 3,054,936                | -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.

Figure 18 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 10<sup>th</sup> 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.

Figure 18: Special Education Spending as a Percent of Total Budget for Reading and Comparable Districts

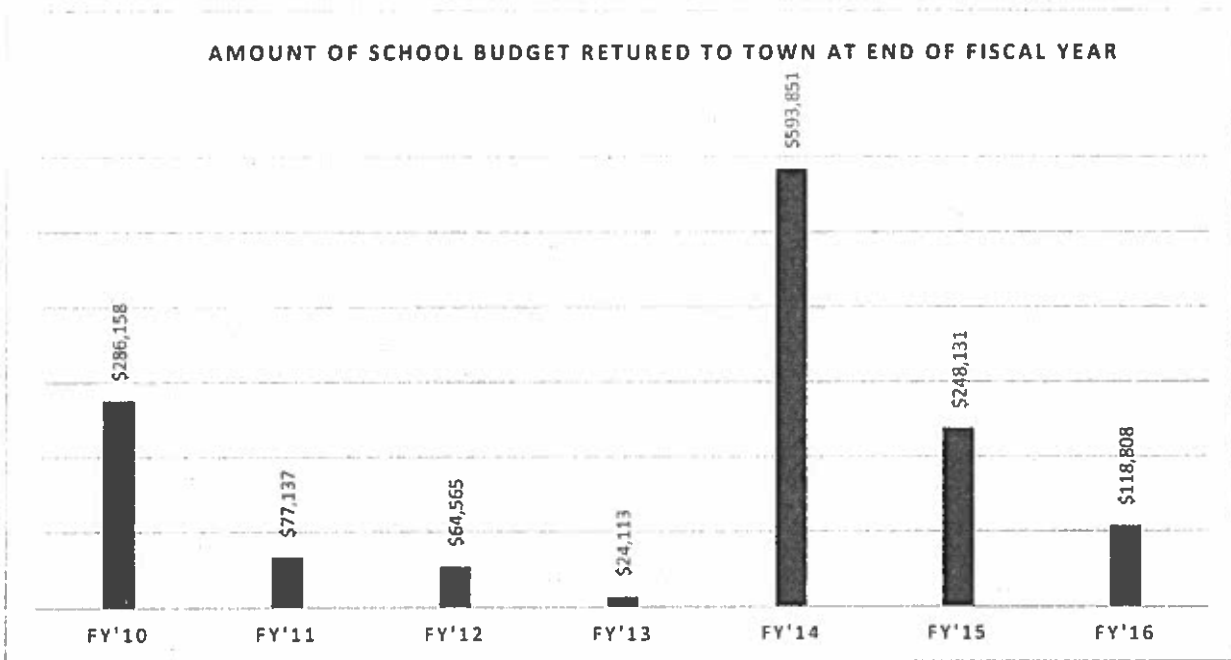
| District                   | FY11              |            | FY12              |            | FY13              |            | FY14              |            | FY15              |            |
|----------------------------|-------------------|------------|-------------------|------------|-------------------|------------|-------------------|------------|-------------------|------------|
|                            | % 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          |
| GHELFORD                   | 21.3              | 6          | 23.3              | 4          | 23.3              | 4          | 23.9              | 5          | 27.3              | 2          |
| DEBBAM                     | 25.6              | 1          | 26.2              | 1          | 27.4              | 1          | 26.1              | 1          | 25.3              | 4          |
| BASTON                     | 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              |            |

### 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 19 below. As indicated, the school department has returned funds each of the prior seven fiscal years and has not required or requested additional funds for school department operations.

As shown in Figure 19 below, in FY14, the School Department returned back \$593,851 to the Town of Reading general fund at the end of the fiscal year. This significant amount was due to savings in out of district tuition in special education during that school year.

Figure 19: 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, 80% 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, while custodians work 40 hours per week. In SY'2016-17, we have 568.4 FTE employees working for Reading Public Schools, with 551.6 FTE funded from the general fund budget and 16.8 FTE are funded from grants. In FY18 the School Committee Budget reflects 561.0 employees or a net reduction of 7.4 FTE. This figure is permanent employees only and does not include substitutes or other temporary employees or stipend positions.

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'17-18 (Budgeted FY18 Salary Column) by position type, and by cost center.

As Figure 20 below shows, the following staffing reductions are being proposed in the FY18 budget:

### Administration

Administrative Assistant 1.0 FTE

**Regular Education**

|                        |         |
|------------------------|---------|
| Elementary Teacher     | 2.0 FTE |
| High School Teacher    | 3.8 FTE |
| Supervisor of Students | 1.0 FTE |
| Instructional Coach    | 1.0 FTE |

**Special Education**

|                           |        |
|---------------------------|--------|
| Preschool Teacher         | .2 FTE |
| Team Chair/Administration | .5 FTE |

**Special Education Grant Funded**

|                   |        |
|-------------------|--------|
| Preschool Teacher | .4 FTE |
|-------------------|--------|

**District Technology**

|            |         |
|------------|---------|
| Technician | 1.0 FTE |
|------------|---------|

The following positions were added during FY17 due to changes in special education services requirements and are reflected in the Budgeted FY18 FTE and Salary Columns.

**Special Education**

|                    |         |
|--------------------|---------|
| Elementary Teacher | 2.0 FTE |
|--------------------|---------|

The following position was added by restructuring special education consultation services to provide more timely services for students. No additional funds were added to the FY18 budget for this position.

**Special Education**

|                         |        |
|-------------------------|--------|
| Behavior Analyst (BCBA) | .5 FTE |
|-------------------------|--------|

In addition, a social worker was reclassified in the chart below to a school psychologist resulting in a net gain of 1.0 FTE for the school psychologist line and a net loss of 1.0 FTE for the social worker line. Moreover, the increase in the High School Special Education Teacher line item by 1.0 FTE is due to a movement of a 1.0 FTE teacher from middle school to high school to reflect students moving to the high school who are in special education programs.

Figure 20: Staffing By Cost Center and Position

|                          | FY14<br>FTE | FY15<br>FTE | FY16<br>FTE | Budgeted<br>FY17<br>FTE | Budgeted<br>FY17<br>Salary | Actual<br>FY17<br>FTE | Actual<br>FY17<br>Salary | Budgeted<br>FY18<br>FTE | Budgeted<br>FY18<br>Salary |
|--------------------------|-------------|-------------|-------------|-------------------------|----------------------------|-----------------------|--------------------------|-------------------------|----------------------------|
| Administration           | 9.1         | 9.1         | 9.1         | 9.1                     | 793,030                    | 8.1                   | 739,310                  | 8.1                     | 754,675                    |
| Administrative Assistant | 4.8         | 4.8         | 4.8         | 4.8                     | 254,992                    | 3.8                   | 207,784                  | 3.8                     | 214,243                    |
| District Administrator   | 4.3         | 4.3         | 4.3         | 4.3                     | 536,038                    | 4.3                   | 531,527                  | 4.3                     | 540,432                    |
| Regular Education        | 347.1       | 349.1       | 347.8       | 341.4                   | 23,843,650                 | 341.8                 | 23,619,257               | 335.0                   | 24,207,709                 |
| Assistant Principal      | 4.3         | 4.3         | 4.3         | 4.3                     | 449,278                    | 4.5                   | 431,882                  | 4.5                     | 442,413                    |
| Elementary Teacher       | 107.1       | 107.0       | 107.1       | 105.6                   | 7,678,787                  | 103.6                 | 7,432,372                | 101.6                   | 7,741,432                  |
| Ed. Teacher              | 11.0        | 11.5        | 11.5        | 11.5                    | 179,918                    | 11.5                  | 179,918                  | 11.5                    | 188,245                    |
| Guidance Counselor       | 5.0         | 5.6         | 5.6         | 5.6                     | 399,735                    | 5.2                   | 371,112                  | 5.2                     | 391,078                    |
| High School Dept Chair   | 3.8         | 3.8         | 3.8         | 3.4                     | 328,090                    | 3.3                   | 321,814                  | 3.3                     | 339,201                    |
| High School Teacher      | 79.6        | 78.4        | 78.4        | 75.4                    | 5,723,274                  | 74.7                  | 5,711,585                | 70.9                    | 5,598,852                  |

|  |       |       |       |       |           |       |           |       |           |
|--|-------|-------|-------|-------|-----------|-------|-----------|-------|-----------|
| Instructional Coach                        |       |       | 2.0   | 2.0   | 159,900   | 2.0   | 161,675   | 4.0   | 87,689    |
| Library/Media Specialist                   | 7.0   | 7.0   | 7.0   | 7.0   | 508,539   | 7.9   | 570,191   | 7.9   | 594,356   |
| Middle School Teacher                      | 66.4  | 65.9  | 65.7  | 65.7  | 4,777,809 | 65.7  | 4,675,719 | 65.7  | 4,883,686 |
| Paraprofessional                           | 21.8  | 24.4  | 21.8  | 20.8  | 475,098   | 22.0  | 507,294   | 22.0  | 527,371   |
| Principal                                  | 8.0   | 8.0   | 8.0   | 8.0   | 967,707   | 8.0   | 934,238   | 8.0   | 959,969   |
| Reading Specialist                         | 7.0   | 7.5   | 7.5   | 7.0   | 577,498   | 7.3   | 596,977   | 7.3   | 612,335   |
| School Adjustment Counselor                | 1.0   | 1.0   | 1.0   | 1.0   | 57,679    | 1.0   | 57,679    | 1.0   | 61,405    |
| School Psychologist                        | 10.5  | 10.5  | 9.5   | 9.5   | 675,625   | 9.6   | 673,163   | 10.6  | 783,759   |
| Secretary                                  | 11.0  | 11.0  | 11.0  | 11.0  | 450,751   | 11.0  | 449,192   | 11.0  | 466,448   |
| Supervisor of Students                     | 1.0   | 1.0   | 1.0   | 1.0   | 33,000    | 1.0   | 34,000    |       |           |
| Technology Specialist                      | 2.0   | 2.0   | 2.0   | 2.0   | 169,415   | 3.6   | 297,171   | 3.6   | 307,469   |
| Tutor                                      | 10.7  | 10.3  | 9.7   | 9.7   | 231,549   | 8.9   | 213,275   | 8.9   | 222,001   |
| Special Education                          | 146.0 | 156.9 | 159.7 | 160.3 | 7,961,792 | 163.6 | 7,957,238 | 164.9 | 8,406,832 |
| Behavior Analyst (BOBA)                    |       |       | 1.0   | 1.0   | 70,000    | 1.0   | 70,000    | 1.5   | 109,750   |
| District Administrator                     | 11.0  | 1.0   | 1.0   | 1.0   | 125,106   | 1.0   | 126,500   | 1.0   | 129,663   |
| District Administrator of Support Services | 1.0   | 1.0   | 0.5   | 0.5   | 43,489    | 0.5   | 43,489    | 0.5   | 43,601    |
| District Evaluator                         | 11.0  | 1.0   | 1.0   | 1.0   | 88,108    | 1.0   | 88,108    | 1.0   | 90,311    |
| Elementary Teacher                         | 20.7  | 22.7  | 23.2  | 23.2  | 1,607,437 | 23.8  | 1,537,490 | 25.8  | 1,777,590 |
| High School Teacher                        | 81.2  | 8.2   | 91.6  | 91.6  | 635,980   | 10.0  | 679,589   | 11.0  | 769,429   |
| Middle School Teacher                      | 14.5  | 14.5  | 15.5  | 15.5  | 1,010,702 | 15.5  | 1,025,750 | 14.5  | 1,024,189 |
| Occupational Therapist                     | 2.9   | 2.9   | 2.9   | 2.9   | 225,608   | 3.1   | 232,188   | 3.1   | 250,076   |
| Occupational Therapy Assistant             | 0.5   | 0.6   | 0.6   | 0.6   | 28,768    | 0.6   | 29,486    | 0.6   | 30,223    |
| Paraprofessional                           | 71.3  | 72.8  | 76.2  | 76.2  | 1,962,206 | 76.8  | 1,920,966 | 76.8  | 1,991,568 |
| Physical Therapist                         | 1.5   | 1.5   | 1.5   | 1.5   | 124,823   | 1.5   | 124,822   | 1.5   | 128,813   |
| Pre-School Teacher                         | 41.2  | 4.9   | 4.6   | 4.6   | 322,421   | 5.9   | 403,810   | 5.7   | 442,666   |
| School Adjustment Counselor                | 1.0   | 1.0   | 1.0   | 1.0   | 69,712    | 1.0   | 69,712    | 1.0   | 74,215    |
| Secretary                                  | 2.0   | 2.0   | 2.0   | 2.0   | 77,499    | 2.0   | 86,529    | 2.0   | 91,322    |
| Social Worker                              | 2.0   | 3.0   | 2.6   | 3.6   | 260,041   | 4.0   | 260,501   | 3.0   | 198,247   |
| Speech/Language Pathologist                | 10.7  | 10.8  | 10.4  | 10.0  | 814,856   | 9.6   | 756,940   | 9.6   | 781,189   |
| Team Chair                                 | 3.4   | 4.0   | 6.0   | 6.0   | 495,247   | 6.2   | 501,408   | 5.7   | 473,960   |
| Athletics                                  | 1.5   | 1.5   | 1.5   | 1.5   | 102,777   | 1.5   | 101,819   | 1.5   | 104,905   |
| Assistant Principal                        | 0.5   | 0.5   | 0.5   | 0.5   | 56,097    | 0.5   | 56,367    | 0.5   | 57,757    |
| Secretary                                  | 1.0   | 1.0   | 1.0   | 1.0   | 46,680    | 1.0   | 45,452    | 1.0   | 47,148    |
| Extracurricular                            | 0.3   | 0.3   | 0.3   | 0.3   | 27,374    | 0.3   | 28,183    | 0.3   | 28,679    |
| Assistant Principal                        | 0.3   | 0.3   | 0.3   | 0.3   | 27,374    | 1.0   | 28,183    | 1.0   | 28,879    |
| Health Services                            | 9.3   | 9.3   | 9.3   | 9.3   | 596,209   | 9.3   | 592,360   | 9.3   | 623,134   |
| District Administrator                     | 0.2   | 0.2   | 0.2   | 0.2   | 46,377    | 0.2   | 46,786    | 0.2   | 47,206    |
| School Nurse                               | 8.8   | 8.8   | 8.8   | 8.8   | 567,556   | 8.8   | 562,991   | 8.8   | 593,030   |
| Secretary                                  | 0.3   | 0.3   | 0.3   | 0.3   | 12,276    | 0.3   | 12,583    | 0.3   | 12,898    |
| District Technology                        | 5.4   | 5.4   | 6.1   | 6.4   | 387,856   | 6.4   | 385,673   | 5.4   | 345,315   |
| Computer Technician                        | 4.5   | 4.5   | 5.3   | 5.5   | 299,390   | 5.5   | 296,110   | 4.5   | 259,513   |
| District Administrator                     | 0.7   | 0.7   | 0.7   | 0.7   | 72,386    | 0.7   | 73,482    | 0.7   | 75,319    |
| Info Systems Specialist                    | 0.2   | 0.2   | 0.2   | 0.2   | 16,081    | 0.2   | 16,081    | 0.2   | 16,483    |
| Facilities                                 | 19.6  | 20.0  | 20.0  | 20.0  | 925,209   | 19.9  | 917,719   | 19.9  | 943,942   |
| Gustodian                                  | 18.6  | 18.6  | 18.6  | 18.6  | 837,963   | 18.5  | 829,919   | 18.5  | 853,947   |
| District Administrator                     | 1.0   | 1.0   | 1.0   | 1.0   | 75,000    | 1     | 75,000    | 1.0   | 76,875    |

|  |              |              |              |              |                   |              |                   |              |                   |
|--|--------------|--------------|--------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|
| Secretary                                  |              | 0.4          | 0.4          | 0.4          | 12,246            | 0.4          | 12,800            | 0.4          | 13,120            |
| Grant Filled                               | 14.1         | 14.5         | 16.6         | 14.8         | 1,121,004         | 16.8         | 1,198,095         | 16.4         | 1,202,765         |
| Data Analyst                               |              |              | 1.3          | 1.0          | 70,000            | 1.0          | 65,050            | 1.0          | 66,638            |
| District Administrator of Support Services |              |              | 0.5          | 0.5          | 45,000            | 0.5          | 47,625            | 0.5          | 48,779            |
| Metoo Coordinator                          | 1.0          | 1.0          | 1.0          | 1.0          | 76,458            | 1.0          | 76,458            | 1.0          | 78,332            |
| Elementary Teacher                         | 3.8          | 3.8          | 3.8          | 3.8          | 272,172           | 3.6          | 242,997           | 3.6          | 255,215           |
| High School Teacher                        | 4.0          | 4.0          | 3.0          | 3.0          | 222,851           | 3.0          | 202,286           | 3.0          | 215,558           |
| Middle School Teacher                      | 2.5          | 2.5          | 2.5          | 2.5          | 201,008           | 2.5          | 201,008           | 2.5          | 206,032           |
| Pre-School Teacher                         | 1.8          | 1.6          | 2.0          | 2.0          | 143,224           | 2.0          | 143,224           | 1.6          | 107,279           |
| Team Chair                                 | 2.0          | 1.6          | 2.0          | 2.0          | 166,749           | 2.0          | 161,382           | 2.0          | 165,416           |
| Tutor                                      | -            | 1.0          | 1.6          |              |                   | 1.2          | 58,065            | 1.2          | 59,516            |
| <b>Grand Total</b>                         | <b>552.2</b> | <b>565.9</b> | <b>570.3</b> | <b>562.8</b> | <b>35,756,900</b> | <b>568.4</b> | <b>35,539,654</b> | <b>561.0</b> | <b>36,618,156</b> |

## Student Demographics

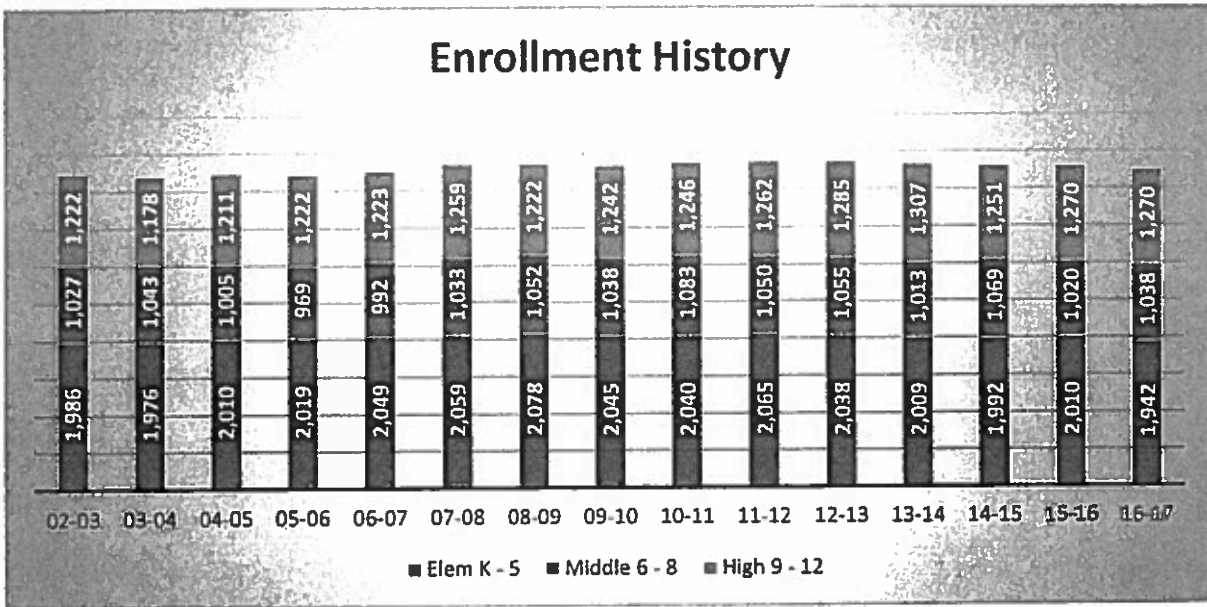
This section provides student demographic information such as enrollment by school, by grade, and by population and class size information.

### 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 slightly (1.99%) since our highest enrollment level in SY12-13. Over the last ten years we have increased our enrollment by 9 students. The three largest increases in enrollment came during SY'2007-08, SY'2010-11, and SY'2006-07.

Figure 21: Historical Enrollment by Grade Level



It has been more than five 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 4,250. This year, enrollment decreased at elementary by 68 students, primarily in Kindergarten. Middle school increased by 18 students and High School enrollment remained flat with no increase. Historically, anywhere from 4% to 13% of eighth grade students do not move on to Reading Memorial High School. Figures 22 and 23 show the historical enrollment by school and grade level.

Figure 22: Historical Enrollment by School

|                  | 02-03 | 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 |
|------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Alice Barrows    | 394   | 405   | 409   | 375   | 387   | 406   | 407   | 390   | 399   | 389   | 388   | 369   | 359   | 385   | 385   |
| Birch Meadow     | 539   | 527   | 532   | 350   | 363   | 418   | 422   | 412   | 419   | 412   | 393   | 384   | 387   | 387   | 383   |
| Joshua Eaton     | 519   | 490   | 525   | 496   | 482   | 465   | 450   | 442   | 425   | 446   | 453   | 455   | 471   | 462   | 428   |
| J. Warren Kilam  | 534   | 554   | 544   | 447   | 453   | 427   | 451   | 455   | 447   | 451   | 446   | 463   | 440   | 460   | 427   |
| Wood End         |       |       |       | 351   | 364   | 343   | 348   | 346   | 350   | 367   | 358   | 338   | 335   | 316   | 319   |
| A.W. Coolidge    | 496   | 509   | 473   | 442   | 426   | 436   | 466   | 476   | 490   | 466   | 462   | 449   | 476   | 471   | 466   |
| Walter S. Parker | 531   | 534   | 532   | 527   | 566   | 597   | 586   | 562   | 593   | 584   | 593   | 564   | 593   | 549   | 572   |
| Reading Memorial | 1,222 | 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 |
| RISE             | 58    | 65    | 67    | 72    | 68    | 65    | 76    | 67    | 90    | 100   | 105   | 103   | 95    | 94    | 91    |
| District         | 4,293 | 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 |
| % Change         | -0.2% | -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% |

Figure 23: 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 |

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). Figure 24 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 decreased by 1.4% or 64 students between last school year and this school year. In addition, we have seen a decrease in the number of students in out of district placements from last year to this year by 11 students. These decreases 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.

Figure 24: Special Education Enrollment Trends

| 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% | N/A  | 53 |

Figure 25 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. In SY 14-15 we saw an increase of 42% or 101 students that meet the federal income guidelines for Free Lunch and in FY16 and 17 we continue to see an increase in our Limited English Proficient population.

Figure 25: 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 |       |
|---------------|----------------------------|-----|----------------------------|-----|------------|-----|------------|-----|---------------|-----|-----------------|-------|
|               | #                          | %   | #                          | %   | #          | %   | #          | %   | #             | %   | #               | %     |
|               | 2006-07                    | 72  | 1.7                        | 11  | 0.3        | 129 | 3.0        | 82  | 1.9           | 47  | 1.1             | 707   |
| 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 | 88            | 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% |

**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 Figure 26 shows, the vast majority of the elementary schools are within these ranges. In FY18, one of the proposed reductions is for 2.0 Elementary Teachers in grades 3-5. This reduction will result in some classes in those grades to reach up to 27 students per classroom.

Figure 26: Average Class Size by Grade and School (2016-17 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      | 17.7    | 21.3    | 21.0    | 20.7    | 18.3    | 22.3    |         |         |         |         |          |          |          |
| Birch Meadow | 21.3    | 20.3    | 21.7    | 21.3    | 19.0    | 24.0    |         |         |         |         |          |          |          |
| Joshua Eaton | 19.0    | 18.8    | 20.5    | 20.3    | 20.8    | 22.3    |         |         |         |         |          |          |          |
| Killam       | 21.7    | 19.0    | 21.7    | 23.7    | 19.0    | 24.7    |         |         |         |         |          |          |          |
| Wood End     | 15.7    | 23.0    | 22.3    | 24.5    | 21.0    | 22.7    |         |         |         |         |          |          |          |
| Coolidge     |         |         |         |         |         |         | 25.3    | 25.3    | 27.0    |         |          |          |          |
| Parker       |         |         |         |         |         |         | 25.8    | 24.5    | 24.5    |         |          |          |          |
| High School  |         |         |         |         |         |         |         |         |         | 20.4    | 22.2     | 20.5     | 19.3     |
| Average      | 19.1    | 20.5    | 21.4    | 22.1    | 19.6    | 23.2    | 25.4    | 24.4    | 25.8    | 20.4    | 22.2     | 20.5     | 19.3     |

Middle school class size ideally should be between 20 and 26 students. As Figure 26 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 Figure 26 above are for required classes at each grade level. The 3.8 FTE High School Teachers will result in increased class sizes in art, physical education and business classes, the elimination of college prep classes, and create a change in requirements for some students in physical education. The elimination of college prep classes will increase the class sizes of strong college prep and honors classes because students will now be integrated into those sections. Figure 27 below shows the current class sizes at the High School by grade, core subject, and level.

Figure 27: SY'2016-17 High School Class Size

| Grade          | College Prep |    |    |    | Strong College Prep |    |    |    | Honors |    |    |    | AP |
|----------------|--------------|----|----|----|---------------------|----|----|----|--------|----|----|----|----|
|                | 9            | 10 | 11 | 12 | 9                   | 10 | 11 | 12 | 9      | 10 | 11 | 12 |    |
| Subject        |              |    |    |    |                     |    |    |    |        |    |    |    |    |
| English        | 18           | 14 | 16 | NA | 22                  | 22 | 22 | 26 | 24     | 27 | 23 | 17 | 13 |
| Math           | 15           | 17 | 21 | 24 | 20                  | 22 | 22 | 23 | 25     | 28 | 24 | 23 | 22 |
| Science        | 17           | 18 | 15 | NA | 20                  | 22 | 24 | 22 | 23     | 24 | 21 | 21 | 19 |
| Social Studies | NA           | 15 | 14 | NA | 20                  | 23 | 21 | 23 | 24     | 24 | 21 | 22 | 17 |
| French         | NA           |    |    |    | 27                  | 21 | 17 | NA | 17     | 27 | 14 | 11 | 14 |
| Spanish        | 22           |    |    |    | 22                  | 22 | 21 | 18 | 19     | 24 | 20 | 16 | 21 |
| Latin          | 17           | 18 |    |    | 26                  | 20 |    |    | 17     |    |    |    |    |
| Average        | 18           | 17 | 17 | 24 | 22                  | 22 | 22 | 22 | 21     | 22 | 18 | 16 | 15 |

# 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 and Maintenance. As Figure 28 below shows, the overall increase to the FY'18 School Committee Budget is 2.8% or an increase of \$1,151,995.

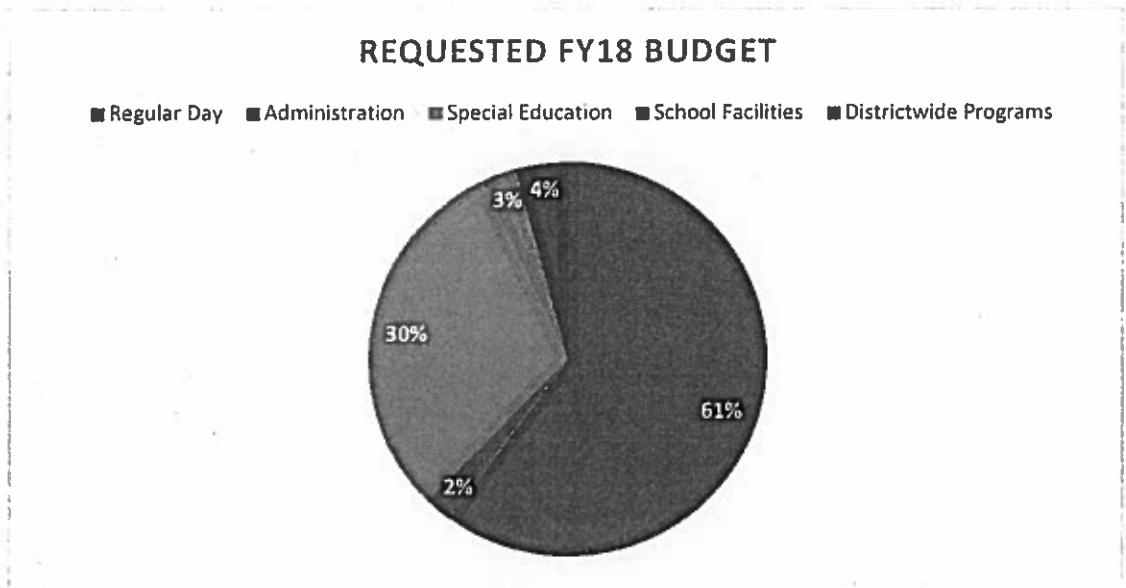
The largest dollar increase is in the area of Regular Day (\$704,007) followed by Special Education (\$372,279). Combined these two cost centers account for 93.4% or \$1,076,286 of the overall \$1,151,995 increase. There were decreases in the administration (-\$36,837) and school facilities (-\$6,510) cost centers.

Figure 28: General Fund Expenditures by Cost Center

|                       | Actual Expended FY 14 | Actual Expended FY 15 | Actual Expended FY 16 | Adopted Budget FY 17 | Requested Budget FY 18 | % Change |
|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|----------|
| Administration        | 932,578               | 891,123               | 924,880               | 963,694              | 926,857                | -3.8%    |
| Regular Day           | 22,509,776            | 23,185,387            | 23,784,253            | 24,692,271           | 25,396,278             | 2.9%     |
| Special Education     | 9,547,257             | 10,254,181            | 10,945,627            | 12,223,473           | 12,595,752             | 3.0%     |
| School Facilities     | 1,187,224             | 1,162,815             | 1,246,555             | 1,231,510            | 1,225,000              | -0.5%    |
| Districtwide Programs | 1,374,192             | 1,614,893             | 1,834,200             | 1,626,718            | 1,745,774              | 7.3%     |
| Grand Total           | 35,551,026            | 37,108,399            | 38,455,516            | 40,737,666           | 41,889,661             | 2.8%     |

As Figure 29 below shows largest cost center for the district budget is regular day at 60.6% of total expenditures. The next largest is special education which comprises 30.1% of the budget. School facilities make up 2.9% of the budget. This has decreased in recent years because of the creation of the Town Core Facilities Department in FY16. The smallest cost center is district administration which makes up 2.2% of the total FY'18 School Committee Budget. Districtwide programs makes up 4.2% of the FY18 budget.

Figure 29: Cost Centers as Percentage of Total FY'18 Budget



As Figure 30 below indicates, there have been relatively modest shifts between costs centers from the current budget year to next year. Administration, Regular day, and school facilities have declined, while special education and district wide services have increased. Because most of the teaching staff is in regular day, the recent history of budget reductions has affected the regular day cost center the most.

Figure 31 shows the increase in each cost center budget year over year for FY'12 through Recommended FY'18. The average annual increase to the school department budget between FY'12 and the Recommended FY'18 budget is 2.51%.

Figure 30: Cost Center Budget Proportions

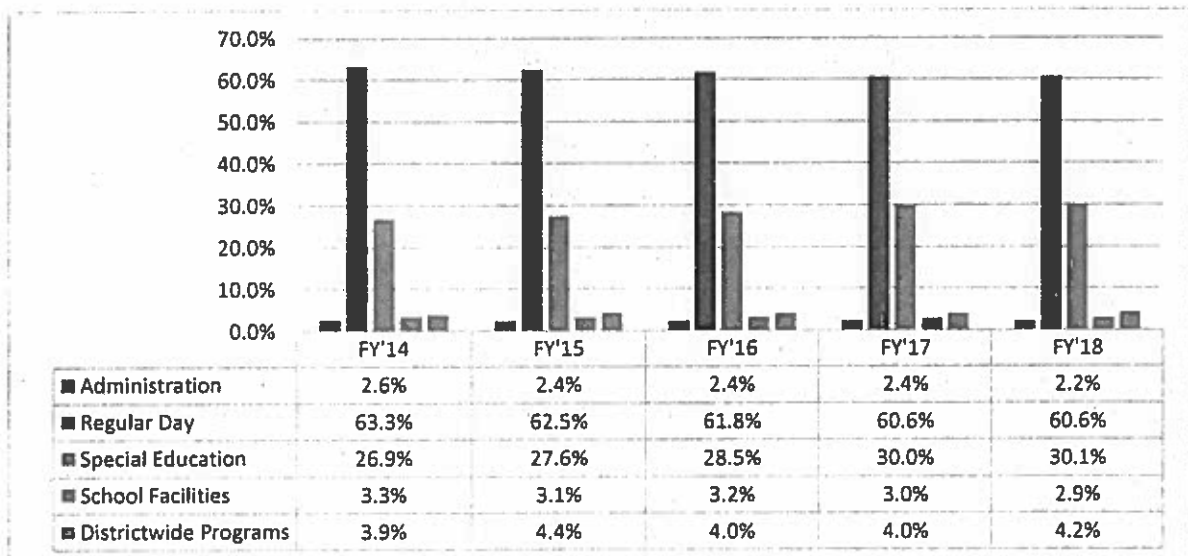


Figure 31: Change in Cost Center Budgets Year over Year

|                       | FY12   | FY13  | FY14  | FY15  | FY16  | FY17  | FY18<br>Reg. | Annual<br>Average |
|-----------------------|--------|-------|-------|-------|-------|-------|--------------|-------------------|
| Administration        | 2.0%   | 6.3%  | 1.9%  | 1.6%  | -1.3% | 4.1%  | -3.8%        | 1.5%              |
| Regular Day           | 0.3%   | 2.8%  | 2.7%  | 3.6%  | 3.4%  | 1.9%  | 2.8%         | 2.5%              |
| Special Education     | -0.6%  | 3.0%  | 10.2% | 6.5%  | 2.3%  | 7.7%  | 3.0%         | 4.6%              |
| School Facilities     | -1.7%  | 10.5% | 5.5%  | 9.7%  | 1.7%  | -1.9% | -0.5%        | 3.3%              |
| Districtwide Programs | -10.5% | -0.1% | -0.2% | -0.6% | 1.4%  | 1.6%  | 7.3%         | -0.2%             |
| Grand Total           | -1.06% | 2.91% | 4.45% | 4.18% | 2.75% | 3.50% | 2.8%         | 2.8%              |

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 an annual bus contract, or maintenance contracts.

Figure 32 below shows the General Fund expenses and budget by category.

Figure 32: General Fund Expenses and Budget by Category

|                       | Actual<br>Expended<br>FY14 | Actual<br>Expended<br>FY15 | Actual<br>Expended<br>FY16 | Adopted<br>Budget<br>FY17 | Proposed<br>Budget<br>FY18 | %<br>Change |
|-----------------------|----------------------------|----------------------------|----------------------------|---------------------------|----------------------------|-------------|
| Professional Salaries | 28,844,488                 | 26,419,488                 | 27,371,493                 | 28,807,078                | 29,676,098                 | 2.9%        |
| Clerical Salaries     | 761,347                    | 804,344                    | 835,466                    | 828,867                   | 811,646                    | -2.1%       |
| Other Salaries        | 3,587,483                  | 3,859,799                  | 3,913,969                  | 4,098,375                 | 4,288,476                  | 4.6%        |
| Contract Services     | 2,139,308                  | 2,217,864                  | 2,220,017                  | 2,239,725                 | 2,269,605                  | 1.5%        |
| Supplies & Materials  | 845,535                    | 801,756                    | 797,394                    | 890,059                   | 1,038,977                  | 18.9%       |
| Other Expenses        | 2,402,965                  | 3,005,177                  | 3,317,177                  | 3,863,470                 | 3,784,865                  | -3.8%       |
| Grand Total           | 35,551,026                 | 37,108,399                 | 38,455,546                 | 40,737,666                | 41,889,662                 | 2.8%        |

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 70.8% of our district budget while salaries as a whole comprise 83.1% of our district budget. The increase in salaries reflects step and cost of living increases and column changes for represented and non-represented staff. Currently, the School Committee is in contract negotiations with all five collective bargaining units. The 2.9% increase in professional salaries and the -2.1% in clerical salaries is partially reflected by the amount of personnel reductions recommended in those two areas for FY18.

The slight increase in Contract Services stems predominantly from a decrease in the cleaning services at the High School, the decrease in legal fees, and the increase in special education, athletic, and regular day transportation.

The increase in other salaries is due to anticipated contractual increases, the reduction of the technician position, and the decrease in the offset for athletics and full day kindergarten.

The increase in Supplies & Materials reflects the inclusion of \$150,000 for the second year of the multi-year Science Curriculum.

The decrease in other expenses is due to a reduction in professional development expenses in regular day and special education, and a decrease in technology hardware and services.

Figure 33 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 33: General Fund Expenses and Budget by Cost Center and Object

|                                | Actual<br>Expended<br>FY14 | Actual<br>Expended<br>FY 15 | Actual<br>Expended<br>FY16 | Adopted<br>Budget<br>FY 17 | Requested<br>Budget<br>FY18 | % Change     |
|--------------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|--------------|
| <b>Administration</b>          |                            |                             |                            |                            |                             |              |
| Professional Salaries          | 538,561                    | 507,333                     | 524,038                    | 536,038                    | 540,432                     | 0.8%         |
| Clerical Salaries              | 208,069                    | 199,572                     | 201,832                    | 219,989                    | 177,061                     | -18.5%       |
| Contract Services              | 83,201                     | 70,356                      | 73,479                     | 97,088                     | 89,912                      | -7.4%        |
| Supplies & Materials           | 5,939                      | 5,693                       | 6,818                      | 7,457                      | 8,595                       | 16.3%        |
| Other Expenses                 | 96,806                     | 108,168                     | 128,714                    | 103,122                    | 110,859                     | 7.5%         |
| <b>Administration Total</b>    | <b>932,578</b>             | <b>891,123</b>              | <b>924,880</b>             | <b>963,694</b>             | <b>926,857</b>              | <b>-3.8%</b> |
| <b>Regular Day</b>             |                            |                             |                            |                            |                             |              |
| Professional Salaries          | 18,939,625                 | 20,588,251                  | 21,268,356                 | 22,055,163                 | 22,488,575                  | 1.9%         |
| Clerical Salaries              | 404,170                    | 449,385                     | 471,223                    | 460,151                    | 467,038                     | 1.5%         |
| Other Salaries                 | 901,341                    | 1,028,947                   | 967,992                    | 978,865                    | 1,037,242                   | 6.5%         |
| Contract Services              | 83,980                     | 78,754                      | 93,912                     | 66,610                     | 77,200                      | 15.9%        |
| Supplies & Materials           | 650,752                    | 597,407                     | 874,511                    | 679,296                    | 850,072                     | 25.3%        |
| Other Expenses                 | 529,899                    | 442,643                     | 408,059                    | 457,186                    | 475,092                     | 3.9%         |
| <b>Regular Day Total</b>       | <b>22,509,776</b>          | <b>23,185,387</b>           | <b>23,784,253</b>          | <b>24,592,271</b>          | <b>25,396,278</b>           | <b>2.8%</b>  |
| <b>Special Education</b>       |                            |                             |                            |                            |                             |              |
| Professional Salaries          | 4,569,777                  | 4,484,816                   | 4,739,026                  | 5,411,149                  | 5,779,380                   | 6.8%         |
| Clerical Salaries              | 79,729                     | 71,991                      | 90,235                     | 77,199                     | 91,322                      | 18.3%        |
| Other Salaries                 | 1,699,604                  | 1,838,792                   | 1,901,588                  | 2,064,919                  | 2,126,630                   | 3.0%         |
| Contract Services              | 1,459,708                  | 1,554,759                   | 1,486,324                  | 1,437,247                  | 1,442,194                   | 0.3%         |
| Supplies & Materials           | 85,776                     | 77,401                      | 62,157                     | 62,675                     | 48,995                      | -21.8%       |
| Other Expenses                 | 1,682,663                  | 2,226,423                   | 2,672,296                  | 3,170,284                  | 3,107,230                   | -2.0%        |
| <b>Special Education Total</b> | <b>9,547,257</b>           | <b>10,254,181</b>           | <b>10,945,627</b>          | <b>12,223,473</b>          | <b>12,595,752</b>           | <b>3.0%</b>  |
| <b>Health Services</b>         |                            |                             |                            |                            |                             |              |
| Professional Salaries          | 500,238                    | 547,857                     | 550,207                    | 583,933                    | 610,216                     | 4.5%         |
| Clerical Salaries              | 11,673                     | 11,965                      | 12,373                     | 12,276                     | 12,898                      | 5.1%         |
| Other Salaries                 | 15,754                     | 27,701                      | 14,940                     | 15,625                     | 15,625                      | 0.0%         |
| Contract Services              | 8,180                      | 8,935                       | 8,838                      | 9,137                      | 9,000                       | -1.5%        |
| Supplies & Materials           | 6,072                      | 8,589                       | 7,454                      | 8,763                      | 8,980                       | 1.6%         |
| Other Expenses                 | 1,780                      | 1,780                       | 1,954                      | 1,825                      | 1,825                       | 0.0%         |
| <b>Health Services Total</b>   | <b>543,697</b>             | <b>606,827</b>              | <b>595,766</b>             | <b>631,559</b>             | <b>658,434</b>              | <b>4.9%</b>  |
| <b>Athletics</b>               |                            |                             |                            |                            |                             |              |

|                                |                   |                   |                   |                   |                   |              |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------|
| Professional Salaries          | 52,350            | 53,545            | 55,167            | 56,097            | 57,757            | 3.0%         |
| Clerical Salaries              | 38,163            | 41,267            | 43,076            | 46,680            | 50,148            | 7.4%         |
| Other Salaries                 | 45,235            | 38,295            | (12,413)          | 7,000             | 46,263            | 560.9%       |
| Contract Services              | 231,828           | 236,667           | 251,526           | 272,720           | 326,098           | 19.6%        |
| Supplies & Materials           | 22,599            | 31,476            | 27,023            | 29,870            | 35,925            | 20.3%        |
| Other Expenses                 | 26,563            | 27,448            | 41,392            | 35,542            | 46,500            | 30.8%        |
| <b>Athletics Total</b>         | <b>416,737</b>    | <b>428,798</b>    | <b>405,771</b>    | <b>447,909</b>    | <b>562,691</b>    | <b>25.6%</b> |
| <b>Extra Curricular</b>        |                   |                   |                   |                   |                   |              |
| Professional Salaries          | 33,436            | 38,155            | 27,831            | 19,333            | 31,035            | 173.9%       |
| Contract Services              | 10,249            | 10,235            | 11,546            | 11,500            | 12,100            | 5.2%         |
| Supplies & Materials           | 387               | 923               | 1,177             | 2,000             | 4,900             | -5.0%        |
| Other Expenses                 | 8,873             | 6,022             | 9,300             | 10,500            | 10,000            | -4.8%        |
| <b>Extra Curricular Total</b>  | <b>52,944</b>     | <b>55,335</b>     | <b>49,854</b>     | <b>35,333</b>     | <b>55,035</b>     | <b>55.8%</b> |
| <b>Technology</b>              |                   |                   |                   |                   |                   |              |
| Professional Salaries          | 96,606            | 86,185            | 109,996           | 88,466            | 91,802            | 3.8%         |
| Other Salaries                 | 194,375           | 224,485           | 265,095           | 299,390           | 253,513           | -15.3%       |
| Contract Services              | 30,941            | 27,025            | 67,861            | 50,610            | 98,850            | 95.3%        |
| Supplies & Materials           | 313               | 20                | 1,082             | 2,400             | 6,000             | 150.0%       |
| Other Expenses                 | 38,579            | 186,268           | 59,875            | 71,061            | 19,400            | -72.7%       |
| <b>Technology Total</b>        | <b>360,814</b>    | <b>523,933</b>    | <b>502,808</b>    | <b>511,917</b>    | <b>469,565</b>    | <b>-8.3%</b> |
| <b>School Facilities</b>       |                   |                   |                   |                   |                   |              |
| Professional Salaries          | 113,846           | 113,267           | 103,273           | 75,000            | 76,875            | 2.5%         |
| Clerical Salaries              | 19,543            | 30,163            | 86,727            | 12,571            | 13,120            | 4.4%         |
| Other Salaries                 | 731,124           | 701,580           | 776,767           | 737,576           | 809,203           | 9.7%         |
| Contract Services              | 231,222           | 231,184           | 226,531           | 294,813           | 214,252           | -27.3%       |
| Supplies & Materials           | 73,687            | 80,246            | 117,171           | 97,590            | 97,590            | 0.0%         |
| Other Expenses                 | 17,802            | 5,425             | 6,086             | 13,960            | 13,960            | 0.0%         |
| <b>School Facilities Total</b> | <b>1,187,224</b>  | <b>1,162,815</b>  | <b>1,246,555</b>  | <b>1,231,510</b>  | <b>1,225,000</b>  | <b>-0.5%</b> |
| <b>Grand Total</b>             | <b>35,551,026</b> | <b>37,408,399</b> | <b>38,455,516</b> | <b>40,737,566</b> | <b>41,889,661</b> | <b>2.8%</b>  |

## 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 2.2% of the total district budget, the lowest percentage in the last five years. This year, the district administration cost center has decreased by \$36,837 or -3.8%. The major changes in this cost center are as follows:

- Cost of living adjustments for the Central Office Administrators and Staff. Please note that salary increases have not been allocated for the Superintendent of Schools and the Assistant Superintendent for Learning and Teaching in the FY18 Recommended Budget.
- The elimination of the School Business Assistant Position.
- A decrease in labor counsel services due to a non-negotiation year for collective bargaining.

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 & Operations, Human Resources Administrator), and a portion (1/3<sup>rd</sup>) of the Network Administrator's salary representing his contribution to district data and information management, and the 3.8 FTE administrative assistants that support the district administration.

Figure 34: Administration Cost Center by Object Category

|                             | Actual Expended FY'14 | Actual Expended FY'15 | Actual Expended FY'16 | Adopted Budget FY'17 | Requested Budget FY'18 | % Change     |
|-----------------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|--------------|
| <b>Administration</b>       |                       |                       |                       |                      |                        |              |
| Professional Salaries       | 538,561               | 507,333               | 524,038               | 536,038              | 540,432                | 0.8%         |
| Clerical Salaries           | 208,069               | 199,572               | 201,882               | 219,989              | 177,061                | -19.5%       |
| Contract Services           | 83,201                | 70,356                | 73,479                | 97,088               | 89,912                 | -7.4%        |
| Supplies & Materials        | 5,939                 | 5,693                 | 6,818                 | 7,457                | 8,595                  | 13.3%        |
| Other Expenses              | 96,806                | 108,168               | 118,714               | 103,122              | 110,859                | 7.5%         |
| <b>Administration Total</b> | <b>932,578</b>        | <b>891,123</b>        | <b>924,880</b>        | <b>963,694</b>       | <b>926,857</b>         | <b>-3.8%</b> |

### District Administration by Object

As Figure 34 shows, the Administration Cost Center budget is projected to decrease 3.8% in the FY'18 School Committee Budget. The slight increase in professional salaries is a result of staffing turnover and no salary increase for the Superintendent of Schools and the Assistant Superintendent for Learning and Teaching. The decrease in clerical salaries is due to the elimination of the School Business Assistant position. The decrease in contract services is due to a decrease for legal services as we will not be in contract negotiations. The increases in supplies and materials (\$1,138) is due to a nominal increase in office supplies such as paper and copier supplies. The increase in other expenses (\$7,737) is due to increases in financial audit fees, dues and membership increases, software licenses and support, postage, and professional development for new administrators.

Figure 35: District Administration Staffing

|                          | FY14 FTE | FY15 ETE | FY16 ETE | Budgeted FY17 FTE | Budgeted FY17 Salary | Actual FY17 FTE | Actual FY17 Salary | Budgeted FY18 FTE | Budgeted FY18 Salary |
|--------------------------|----------|----------|----------|-------------------|----------------------|-----------------|--------------------|-------------------|----------------------|
| Administration           | 9.1      | 9.1      | 9.1      | 9.1               | 791,030              | 8.1             | 739,310            | 8.1               | 754,675              |
| Administrative Assistant | 4.8      | 4.8      | 4.8      | 4.8               | 254,992              | 3.8             | 207,784            | 3.8               | 214,243              |
| District Administrator   | 4.3      | 4.3      | 4.3      | 4.3               | 536,038              | 4.3             | 531,527            | 4.3               | 540,432              |

### 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'18, 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 above 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 FY18 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, the math and literacy instructional coaches, 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'18, the primary focus of this position will be the continued 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. There is not a salary increase for the Assistant Superintendent in the FY18 budget.

### **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, and purchasing. In addition, the Director of Finance supervises and evaluates the School Nutrition Director. In FY'18, 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 develop a quarterly process to report to the School Committee on 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 1.5 FTE administrative support staff who are responsible for the day to day tasks associated with payroll, accounts payable, accounts receivable, cash management, collections, reporting, and procurement. One administrative support position was cut in the FY18 budget; the School Business Assistant. 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. The majority of the decrease for this functional area are the result of savings the reduction of the 1.0 FTE School Business Assistant.

### **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'18, 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 decrease here is due to staff turnover and a decrease in employee recruiting expenses (advertising, employee physicals, and job search related activities). There is also a slight increase in TSA contributions for teachers, which is a contractual obligation.

### **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. The decrease in this area is based on current trending with regard to use of outside counsel for ongoing personnel matters and the completion of upcoming contractual negotiations for the five collective bargaining units. The School Committee is currently negotiating 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 FY'18 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'18 budget is based on this historical trend and an increase in the current collective bargaining agreement from \$150 to \$175.

Figure 36 below 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.

Figure 36: District Administration Budget by Detail

|                          | Actual Expended FY'14 | Actual Expended FY'15 | Actual Expended FY'16 | Adopted Budget FY'17 | Requested Budget FY'18 | % Change |
|--------------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|----------|
| Professional Salaries    | 538,561               | 507,333               | 524,038               | 536,038              | 540,432                | 0.8%     |
| Administrator            | 426,346               | 396,055               | 413,768               | 420,834              | 436,334                | 3.7%     |
| Director                 | 75,837                | 79,310                | 76,599                | 77,914               | 67,000                 | -14.0%   |
| Employee Benefits        | 9,500                 | -                     | -                     | -                    | -                      |          |
| Manager                  | 26,878                | 31,968                | 33,671                | 37,290               | 37,098                 | -0.5%    |
| Clerical Salaries        | 208,069               | 199,572               | 201,832               | 219,989              | 177,061                | -19.5%   |
| Administrative Assistant | 235,569               | 234,572               | 235,658               | 254,989              | 217,061                | -14.9%   |
| Employee Benefits        | -                     | -                     | 1,179                 | -                    | -                      |          |
| Revolving Fund Support   | (27,500)              | (35,000)              | (35,000)              | (35,000)             | (40,000)               | 14.3%    |
| Contract Services        | 83,201                | 70,356                | 73,479                | 97,088               | 89,912                 | -7.4%    |
| Consulting Services      | 8,000                 | 10,817                | 10,297                | 9,740                | 10,300                 | 5.7%     |
| Labor Counsel            | 27,025                | 15,159                | 16,194                | 36,400               | 27,720                 | -23.8%   |
| Telecommunications       | 48,176                | 44,380                | 46,987                | 50,948               | 51,892                 | 1.9%     |
| Supplies & Materials     | 5,939                 | 5,693                 | 6,818                 | 7,457                | 8,595                  | 15.3%    |

|                              |         |         |         |         |         |       |
|------------------------------|---------|---------|---------|---------|---------|-------|
| Equipment                    | 791     | -       | -       | -       | -       |       |
| Office                       | 5,148   | 5,693   | 6,818   | 7,457   | 8,595   | 15.3% |
| Other Expenses               | 96,806  | 108,168 | 118,714 | 103,122 | 110,859 | 7.5%  |
| Advertising                  | 6,944   | 4,065   | 13,028  | 3,550   | 3,550   | 0.0%  |
| Awards                       | 1,178   | 292     | 71      | 600     | 600     | 0.0%  |
| Dues & Memberships           | 12,831  | 14,600  | 12,241  | 12,589  | 13,495  | 7.2%  |
| Employee Benefits            | 9,750   | 12,050  | 12,600  | 13,125  | 15,750  | 20.0% |
| Equipment                    | 9,123   | 14,961  | 15,015  | 12,889  | 12,750  | -1.1% |
| Hiring and Recruiting        | 23,442  | 25,880  | 31,570  | 25,700  | 25,101  | -2.3% |
| Postage                      | 6,177   | 10,289  | 5,889   | 6,603   | 7,102   | 7.6%  |
| Professional Development     | 13,587  | 11,478  | 13,407  | 11,900  | 15,585  | 31.0% |
| Software Licensing & Support | 13,689  | 14,313  | 12,855  | 16,166  | 16,925  | 4.7%  |
| Travel                       | 85      | 241     | 2,039   | -       | -       |       |
| Grand Total                  | 932,578 | 891,123 | 924,880 | 963,694 | 926,857 | -3.8% |

## 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 60.6% of the total budget in FY'18.

As Figure 37 indicates, the FY'18 School Committee Budget includes a 2.8% increase or \$704,007 for the Regular Day Cost Center. The major changes in this cost center are as follows:

- A reduction of 2.0 FTE Elementary Classroom teachers (\$105,000)
- A reduction of 3.8 FTE High School Classroom teachers (\$273,000)
- A reduction of 1.0 FTE Instructional Coach (\$78,000)
- A reduction of \$20,000 in professional development expenses
- A decrease of \$40,000 in the METCO offset from the METCO grant
- The addition of \$150,000 for year 2 funding of a multi-year implementation of the K-12 science curriculum
- An increase in Full Day Kindergarten tuition of \$250 per student to \$4,450.

Increases in this cost center include salary and benefit obligations to employees per collective bargaining agreements and non-union COLA adjustments. The School Committee is in the process of negotiations with all five collective bargaining units. The FY'18 budget level funds per pupil funding from FY17 and allows elementary schools to sustain materials and supplies for the new Know Atom Science Curriculum and Grade 6 Science Curriculum.

Figure 37: Regular Day Budget by Object

|                       | Actual Expended FY'14 | Actual Expended FY'15 | Actual Expended FY'16 | Adopted Budget FY'17 | Requested Budget FY'18 | % Change |
|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|----------|
| Regular Day           |                       |                       |                       |                      |                        |          |
| Professional Salaries | 19,939,312            | 20,588,071            | 21,266,993            | 22,055,163           | 22,488,575             | 1.9%     |
| Clerical Salaries     | 404,170               | 449,385               | 471,223               | 460,151              | 467,098                | 1.5%     |
| Other Salaries        | 901,653               | 1,029,127             | 969,555               | 973,865              | 1,037,242              | 6.5%     |
| Contract Services     | 83,980                | 78,754                | 93,912                | 66,610               | 77,200                 | 15.9%    |
| Supplies & Materials  | 650,762               | 597,407               | 574,511               | 679,296              | 851,072                | 25.3%    |
| Other Expenses        | 529,899               | 442,643               | 408,059               | 457,186              | 475,092                | 3.9%     |
| Regular Day Total     | 22,509,776            | 23,185,387            | 23,784,253            | 24,692,271           | 25,396,278             | 2.8%     |

**Regular Day by Object**

Professional salaries in the regular day budget reflects a 1.9% increase in the FY'18 School Committee Budget. This is again due to the number of 7.8 FTE reductions in the Regular Day cost center. The FY'18 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 and the state's METCO grant. The METCO grant offset decreased by \$40,000 to \$60,000. This is due to an increase in transportation costs for METCO students which required more of the grant funding to be used to offset the transportation costs.

The increase in clerical and other salaries are a result of salary and benefit obligations to employees per the collective bargaining agreements and an increase in the daily substitute teacher line item. This increase is to align with historical expenditures in this line item.

The 15.9% increase in contract services is the result for budgeted increases for transportation.

Figure 38: Regular Day Staffing

|                          | FY14 FTE | FY15 FTE | FY16 FTE | Budgeted FY17 FTE | Budgeted FY17 Salary | Actual FY17 FTE | Actual FY17 Salary | Budgeted FY18 FTE | Budgeted FY18 Salary |
|--------------------------|----------|----------|----------|-------------------|----------------------|-----------------|--------------------|-------------------|----------------------|
| Regular Education        | 347.1    | 349.1    | 347.8    | 341.4             | 23,843,650           | 341.8           | 23,619,237         | 335.0             | 24,207,709           |
| Assistant Principal      | 4.3      | 4.3      | 4.3      | 4.3               | 449,278              | 4.5             | 431,882            | 4.5               | 442,413              |
| Elementary Teacher       | 107.1    | 107.0    | 107.1    | 105.6             | 7,678,787            | 105.6           | 7,432,372          | 101.6             | 7,741,492            |
| ELL Teacher              | 1.0      | 1.5      | 2.5      | 2.5               | 179,918              | 2.5             | 179,918            | 2.5               | 188,245              |
| Guidance Counselor       | 5.0      | 5.6      | 5.6      | 5.6               | 399,739              | 5.2             | 371,112            | 5.2               | 391,078              |
| High School Dept Chair   | 3.8      | 3.8      | 3.8      | 3.4               | 328,090              | 3.3             | 321,814            | 3.3               | 339,201              |
| High School Teacher      | 79.6     | 78.4     | 78.4     | 75.4              | 5,723,274            | 74.7            | 5,710,585          | 70.9              | 5,598,852            |
| Instructional Coach      |          |          | 2.0      | 2.0               | 159,900              | 2.0             | 161,675            | 1.0               | 87,689               |
| Library/Media Specialist | 7.0      | 7.0      | 7.0      | 7.0               | 508,539              | 7.9             | 570,191            | 7.9               | 594,356              |

|                             |      |      |      |      |           |      |           |      |           |
|-----------------------------|------|------|------|------|-----------|------|-----------|------|-----------|
| Middle School Teacher       | 66.4 | 65.9 | 65.7 | 65.7 | 4,777,809 | 65.7 | 4,675,719 | 65.7 | 4,883,686 |
| Paraprofessional            | 21.8 | 24.4 | 21.8 | 20.8 | 475,098   | 22.0 | 507,294   | 22.0 | 527,371   |
| Principal                   | 8.0  | 8.0  | 8.0  | 8.0  | 967,707   | 8.0  | 934,238   | 8.0  | 959,969   |
| Reading Specialist          | 7.0  | 7.5  | 7.5  | 7.0  | 577,498   | 7.3  | 596,977   | 7.3  | 612,335   |
| School Adjustment Counselor | 1.0  | 1.0  | 1.0  | 1.0  | 57,679    | 1.0  | 57,679    | 1.0  | 61,405    |
| School Psychologist         | 10.5 | 10.5 | 9.5  | 9.5  | 675,625   | 9.6  | 673,163   | 10.6 | 783,759   |
| Secretary                   | 11.0 | 11.0 | 11.0 | 11.0 | 450,751   | 11.0 | 449,192   | 11.0 | 466,448   |
| Supervisor of Students      | 1.0  | 1.0  | 1.0  | 1.0  | 33,000    | 1.0  | 34,000    | -    | -         |
| Technology Specialist       | 2.0  | 2.0  | 2.0  | 2.0  | 169,415   | 3.6  | 297,171   | 3.6  | 307,469   |
| Tutor                       | 10.7 | 10.3 | 9.7  | 9.7  | 231,549   | 8.9  | 213,275   | 8.9  | 222,001   |

Figure 39: Building Budgets

| School       | Fiscal 2017 Per Pupil Analysis |                 |                 | Fiscal 2018 Per Pupil Analysis |                 |                 |
|--------------|--------------------------------|-----------------|-----------------|--------------------------------|-----------------|-----------------|
|              | 10/1/2015                      | FY17            | FY17            | 10/1/2016                      | FY18            | FY18            |
|              | Enrollment                     | Per Pupil Value | Total Per Pupil | Enrollment                     | Per Pupil Value | Total Per Pupil |
| Barrows      | 385                            | \$152           | \$58,520        | 385                            | \$161           | \$61,985        |
| Birch Meadow | 387                            | \$152           | \$58,824        | 383                            | \$161           | \$61,663        |
| Eaton        | 462                            | \$152           | \$70,224        | 428                            | \$161           | \$68,908        |
| Killam       | 460                            | \$152           | \$69,920        | 427                            | \$161           | \$68,747        |
| Wood End     | 316                            | \$152           | \$48,032        | 319                            | \$161           | \$51,359        |
| Coollidge    | 471                            | \$152           | \$71,592        | 466                            | \$157           | \$73,162        |
| Parker       | 549                            | \$152           | \$83,448        | 572                            | \$157           | \$89,804        |
| RMHS         | 1,270                          | \$175           | \$222,250       | 1,270                          | \$163           | \$207,328       |
|              | 4,300                          |                 | \$682,810       | 4,250                          |                 | \$682,956       |

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 39, this funding is based on the October 1<sup>st</sup> student enrollment multiplied by a per pupil amount. In FY18, 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 40 below. 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 40 below shows the FY'18 School Committee Budget for regular day by detailed expenditure category. This information is intended to provide more specific information on regular day expenditures.

Figure 40: Regular Day Budget by Detail

|                           | Actual Expended FY'14 | Actual Expended FY'15 | Actual Expended FY'16 | Adopted Budget FY'17 | Requested Budget FY'18 | % Change |
|---------------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|----------|
| Professional Salaries     | 19,939,625            | 20,588,251            | 21,268,556            | 22,055,163           | 22,438,575             | 4.7%     |
| Assistant Principal       | 431,180               | 437,180               | 467,963               | 449,278              | 442,413                | -1.5%    |
| Department Head/Stipend   | 311,088               | 310,963               | 314,791               | 314,251              | 333,406                | 6.0%     |
| Employee Benefits         | 136,492               | 184,193               | 85,814                | 151,789              | 144,783                | -4.6%    |
| Guidance                  | 298,686               | 361,037               | 387,576               | 399,735              | 391,078                | -2.2%    |
| Instructional Specialist  | -                     | -                     | 159,378               | 159,900              | 87,689                 | -45.2%   |
| Library                   | 922,116               | 535,421               | 561,053               | 584,867              | 594,366                | 1.6%     |
| Principal                 | 876,783               | 899,715               | 915,415               | 967,707              | 959,969                | -0.8%    |
| Psychologist              | 784,582               | 733,280               | 673,922               | 733,305              | 845,164                | 15.3%    |
| Reading                   | 567,148               | 594,842               | 605,503               | 577,498              | 612,335                | 6.0%     |
| Revolving Fund Support    | (665,000)             | (820,000)             | (870,000)             | (900,000)            | (850,000)              | -5.6%    |
| State Grant Support       | (124,173)             | (93,490)              | (109,332)             | (100,000)            | (60,000)               | -40.0%   |
| Stipends                  | 150,092               | 198,042               | 206,462               | 188,943              | 203,675                | 7.8%     |
| Substitutes               | 313                   | 180                   | 174,458               | 102,360              | 102,400                | 0.0%     |
| Teacher                   | 15,481,534            | 16,977,919            | 17,405,746            | 18,125,035           | 18,412,205             | 1.6%     |
| Technology/Integration    | 258,816               | 273,978               | 288,813               | 300,497              | 269,092                | -10.5%   |
| Clinical Salaries         | 404,470               | 449,385               | 471,223               | 460,151              | 467,098                | 1.5%     |
| Employee Benefits         | 4,808                 | 1,200                 | 8,318                 | 1,200                | 650                    | -45.8%   |
| Secretary                 | 399,363               | 448,185               | 462,906               | 458,951              | 466,448                | 1.6%     |
| Other Salaries            | 901,341               | 1,028,947             | 967,992               | 973,865              | 1,037,242              | 6.5%     |
| Employee Benefits         | 1,500                 | 2,347                 | 933                   | 750                  | 790                    | 0.0%     |
| Paraprofessional          | 680,968               | 730,948               | 688,017               | 742,773              | 751,372                | 1.2%     |
| Substitutes               | 218,873               | 295,659               | 279,044               | 230,942              | 285,120                | 23.8%    |
| Contract Services         | 83,980                | 78,754                | 93,912                | 66,610               | 77,200                 | 15.9%    |
| Instructional Services    | 750                   | 1,125                 | 7,600                 | -                    | -                      | -        |
| Transportation            | 83,230                | 77,629                | 86,312                | 66,610               | 77,200                 | 15.9%    |
| Supplies & Materials      | 650,762               | 997,407               | 574,511               | 679,296              | 851,072                | 25.3%    |
| Art                       | 39,627                | 31,733                | 26,561                | 36,335               | 33,050                 | -9.0%    |
| Business                  | 7,017                 | 9,575                 | 3,277                 | 4,116                | 4,000                  | -2.8%    |
| Curriculum, Elementary    | 62,036                | 35,981                | 49,078                | 40,200               | 189,450                | 371.0%   |
| Curriculum, High School   | 13,530                | 4,740                 | 30,037                | 27,100               | 37,285                 | 37.6%    |
| Curriculum, Middle School | 9,522                 | 7,885                 | 3,346                 | 16,800               | 16,600                 | -1.2%    |
| English Language Arts     | 42,534                | 23,145                | 26,638                | 34,875               | 37,660                 | 8.0%     |
| Equipment                 | 2,137                 | 3,466                 | 695                   | 1,500                | -                      | -100.0%  |
| Foreign Language          | 15,639                | 11,743                | 9,881                 | 14,978               | 9,750                  | -33.1%   |

|                              |            |            |            |            |            |        |
|------------------------------|------------|------------|------------|------------|------------|--------|
| Furnishings                  | 16,708     | 8,165      | 6,191      | 16,687     | 7,432      | -55.5% |
| Guidance                     | 1,323      | 2,040      | 424        | 2,975      | 2,000      | -32.8% |
| Kindergarten                 | 1,793      | 1,937      | 1,191      | 3,700      | 1,600      | -56.8% |
| Library                      | 23,680     | 23,416     | 17,752     | 19,638     | 17,254     | -12.1% |
| Library/Technology           | 1,361      | 671        | -          | 1,915      | 3,300      | 72.3%  |
| Math                         | 48,432     | 45,278     | 49,315     | 56,390     | 59,927     | 6.3%   |
| Office                       | 20,027     | 19,704     | 14,119     | 24,587     | 18,462     | -24.9% |
| Other                        | 53,615     | 80,232     | 52,731     | 56,139     | 53,821     | -4.8%  |
| Paper                        | 41,647     | 38,015     | 40,096     | 47,118     | 45,200     | -4.1%  |
| Performing Arts              | 17,659     | 10,364     | 12,901     | 12,731     | 13,800     | 8.4%   |
| Peripherals                  | 800        | 1,053      | 900        | 1,200      | 1,700      | 41.7%  |
| Physical Education           | 15,811     | 12,107     | 10,945     | 17,497     | 15,650     | -10.3% |
| Printer                      | 21,933     | 30,735     | 23,852     | 36,824     | 18,900     | -48.7% |
| Professional Development     | 5,314      | 6,943      | 7,096      | 10,523     | 4,400      | -58.2% |
| Psychology                   | 117        | 459        | 112        | 899        | 358        | -60.2% |
| Reading                      | 10,592     | 17,607     | 15,295     | 13,433     | 11,406     | -15.1% |
| Science                      | 41,077     | 38,153     | 26,700     | 46,946     | 96,043     | 104.6% |
| Social Studies               | 10,589     | 7,632      | 9,660      | 11,960     | 13,000     | 8.7%   |
| Software                     | 24,466     | 33,808     | 38,973     | 50,386     | 42,435     | -15.8% |
| Teacher Resources            | 5,155      | 2,078      | 2,268      | 4,900      | 2,400      | -51.0% |
| Teacher Supplies             | 28,232     | 27,487     | 19,27      | 24,980     | 17,750     | -28.9% |
| Technology                   | 40,518     | 48,311     | 67,477     | 29,458     | 46,600     | 58.1%  |
| Testing                      | 6,812      | 7,191      | 5,407      | 5,452      | 3,600      | -34.0% |
| Workbooks & Consumables      | 21,078     | 11,764     | 2,525      | 7,495      | 26,248     | 250.2% |
| Other Expenses               | 529,899    | 442,643    | 408,059    | 457,186    | 475,092    | 3.9%   |
| Dues & Memberships           | 8,048      | 14,141     | 6,090      | 18,564     | 15,635     | -10.4% |
| Equipment                    | 67,527     | 75,498     | 24,028     | 72,631     | 66,669     | -8.2%  |
| Field Trip Travel            | 225        | 620        | 750        | 500        | 1,162      | 93.7%  |
| Graduation                   | 7,276      | 7,772      | 7,391      | 7,481      | 5,000      | -33.2% |
| Instructional Services       | 590        | 141        | -          | 1,075      | 800        | -25.6% |
| Library Technology           | -          | 1,645      | -          | -          | -          | -      |
| Other                        | 1,650      | 520        | 523        | 1,310      | 1,600      | -11.6% |
| Peripherals                  | 374        | -          | -          | -          | -          | -      |
| Professional Development     | 260,070    | 224,420    | 164,125    | 163,940    | 167,150    | 2.0%   |
| Software Licensing & Support | 93,428     | 77,164     | 105,412    | 85,800     | 83,075     | -3.2%  |
| Technology                   | 90,716     | 40,671     | 49,701     | 105,285    | 133,000    | 26.3%  |
| Grand Total                  | 22,509,776 | 23,185,387 | 23,784,253 | 24,692,271 | 25,396,278 | 2.8%   |

## 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 68% of the special education budget while out-of-district expenditures comprise the other 32%

of the budget. This is a shift of 8% from FY17 where indistrict expenditures was 60% and out of district was 40%.

The major 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.
- A reduction of .5 FTE for a Special Education Administrator
- Reduction of .6 FTE for RISE Music Teacher
- An increase of \$50,000 in the RISE offset from the RISE Tuition Revolving Account due to a requested tuition increase of 5%.
- An increase of 2.0 FTE Elementary Special Education Teachers for increased special education enrollments at Wood End and Joshua Eaton. These positions were added during the current school year.

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 42 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. In FY18, there will be students in this program who will be continuing on to the High School.
- **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 41 below, we have seen a decrease in students both on IEPs and in out of district placements.

Figure 41: 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% | N/A  | 53 |

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 42 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 indistrict special education programs is 180 with the greatest number of students currently in the Connections program.

Figure 42: SY'2016-17 Special Education Program and Learning Center Enrollment

|                             | K  | Gr 1 | Gr 2 | Gr 3 | Gr 4 | Gr 5 | Gr 6 | Gr 7 | Gr 8 | Gr 9 | Gr 10 | Gr 11 | Gr 12 | Post Grad | Total |
|-----------------------------|----|------|------|------|------|------|------|------|------|------|-------|-------|-------|-----------|-------|
| Bridge                      |    |      | 2    | 3    | 2    | 3    | 6    | 5    | 4    | 8    | 5     |       |       |           | 38    |
| Compass                     | 4  | 3    | 1    | 2    | 1    | 5    |      |      | 4    |      |       |       |       |           | 20    |
| Connections                 | 5  | 3    | 4    | 2    | 5    | 5    | 6    | 6    | 4    | 7    | 3     | 2     | 1     |           | 53    |
| Crossroads                  |    |      | 3    | 3    | 3    |      | 3    |      | 2    | 3    | 1     |       | 2     |           | 20    |
| Learning Center             | 10 | 19   | 30   | 42   | 33   | 40   | 41   | 52   | 60   | 41   | 49    | 43    | 35    |           | 496   |
| POST Program                |    |      |      |      |      |      |      |      |      |      |       |       |       | 3         | 3     |
| Therapeutic Support Program |    | 1    | 2    | 0    | 4    | 8    | 4    | 1    | 2    | 5    | 8     | 8     | 11    |           | 46    |
| Total                       | 19 | 26   | 43   | 52   | 48   | 56   | 60   | 64   | 76   | 64   | 66    | 50    | 49    | 3         | 676   |

The special education budget comprises 30.1% of the total FY'17 School Committee Budget, consistent with last year's 30.0%. The Special Education Cost Center budget is projected to increase 3.0% over FY'17 budgeted levels or \$372,279 which represents 66.0% of the total increase for FY'18.

Figure 43: Special Education Budget by Object

|                          | Actual Expended FY'14 | Actual Expended FY'15 | Actual Expended FY'16 | Adopted Budget FY'17 | Requested Budget FY'18 | % Change    |
|--------------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|-------------|
| <b>Special Education</b> |                       |                       |                       |                      |                        |             |
| Professional Salaries    | 4,569,777             | 4,484,815             | 4,733,026             | 5,411,149            | 5,779,380              | 6.8%        |
| Clerical Salaries        | 79,729                | 71,991                | 90,285                | 77,199               | 91,322                 | 18.3%       |
| Other Salaries           | 1,699,604             | 1,838,792             | 1,901,588             | 2,064,919            | 2,126,630              | 3.0%        |
| Contract Services        | 1,459,708             | 1,554,759             | 1,486,324             | 1,437,247            | 1,442,194              | 0.3%        |
| Supplies & Materials     | 55,776                | 77,401                | 62,157                | 62,675               | 48,995                 | -21.8%      |
| Other Expenses           | 1,682,663             | 2,226,423             | 2,672,296             | 3,170,284            | 3,107,230              | -2.0%       |
| <b>Grand Total</b>       | <b>9,547,257</b>      | <b>10,254,181</b>     | <b>10,945,627</b>     | <b>12,223,473</b>    | <b>12,595,752</b>      | <b>3.0%</b> |

### Special Education by Object

As described in Figure 43 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 6.8% increase in professional salaries is driven by several factors, including, step, column change and cost of living increases, an additional 2.0 FTE Special Education teachers at Joshua Eaton and Wood End during the 2016-17 school year, and the addition of a .5 Board Certified Behavior Analyst (BCBA) which is being restructured from funds in contracted services. By restructuring this position from existing contracted services funds, we will be able to provide more effective services for our students.

Contract services are projected to decrease by .3% in the FY'18 budget. This decrease is due to a shift in funds from contracted services to professional salaries to fund the .5 BCBA. In addition, we are not anticipating an increase in special education transportation this year and we are anticipating a nominal increase in legal services.

Supplies and materials, while not a large dollar amount, is projected to decrease 21.8%. The decrease is a result in an overall reduction in testing materials and supplies.

Other expenses are projected to decrease 2% in the FY'18 budget. This is due to a net overall decrease in special education private day, residential, and collaborative out-of-district tuitions. The State Circuit breaker for next year is also slightly lower than FY17.

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 following changes with fiscal implications were implemented for the 2016-2017 school year:

- To start this school year we added a Social Worker at Killam. Her role is to support the Therapeutic Support Program at Killam, which allows the school psychologist in that building to focus on evaluations and supporting the needs of the other students in the building. The program social worker is able to conduct individual and group therapy, she provides family outreach and case management for the students in the program.
- During the 2015-2016 and 2016-2017 school year we have utilized grant funds and some funds from the operating budget to provide on-going clinical consultation for school-based teams that serve students with social/emotional/behavioral needs. We provided monthly group clinical supervision for school psychologists and school counselors. Additionally, Sara Burd coordinates provides clinical supervision for the TSP teachers and counselors more frequently.

There are many other changes that were made during the 15-16 school year that were recommendations of the Walker Report that have had little or no fiscal impact. The following items were addressed last year and this year:

- The District Curriculum Accommodation Plan (DCAP) was made available to all staff and the community at large during the 2015-2016 school year. This document continues to be a resource for teachers, staff and parents during the 2016-2017 school year.
- Both Parker and Coolidge have been working on the small groups that are developed for students to receive special education or counseling services. These groups are driven more by student need than the schedule. The High School has started this work, but continues to evaluate the grouping of students with special education needs.
- The vertical program PLC's have developed program descriptions, entrance and exit criteria and continue to work on vertical alignment of all in-district programs. This information will be posted on the new website this school year.
- A process has been developed to determine when there is a need for additional paraprofessional time. This is implemented through the IEP team process at all levels.
- The High School guidance department has begun to shift away from a 1:1 model to a developmental guidance model; providing instruction to students in a group setting.

Some areas that continue to need work and will have a fiscal impact are the following:

- Appropriate space for all special education in-district programs. Some spaces are shared or smaller than is necessary to meet the needs of the students. In order to ensure that we have high quality programs we need to have appropriate spaces.
- Once there is more stability in the team chair role an evaluation of that role and the administrative structure of the student services office needs to be conducted to determine the most appropriate structure to support the needs of all constituents.
- The administrative team is continuing to work on defining the co-teaching model and how to utilize this appropriately to meet the needs of students identified with disabilities.

In the FY 18 budget what we are proposing includes an additional special education teacher at Joshua Eaton and Wood End, along with the addition of a .5 BCBA. The additional teacher at Joshua Eaton is a result of the needs of the students in the learning center and the Bridge program. After a review of student IEPs, special education teacher and classroom schedules and student data it is clear that there needs to be more inclusion opportunities for students with disabilities at Joshua Eaton. With only 2 learning center special education teacher and 2 Bridge special education teachers there are limited

opportunities for these teachers to be in the general education setting. With the addition of 1.0 FTE of a special education teacher it is hoped that there will be more inclusion opportunities. At Wood End the additional 1.0 special education teacher is for the Crossroads program. This is a partial inclusion program for grades K to 5. This program provides specialized instruction outside of the general education setting and supported inclusion opportunities. The program started the school year with 8 students in grades K-5. Thus far this school year there have been 5 referrals, with 2 students from other school transitioning to Wood End so far this school year. Having strong in-district programs that are well supported result in less students going out of district. The Crossroads program is projecting that they will have 14 students next year ranging from Kindergarten to Grade 5. Given the number of students and the variety of grades there is a need this school year and next for an additional special education teacher. It should be noted that there is 1 student tuitioned into this program from another district. Having strong in-district programs does allow us to receive tuition funds to offset the operating budget.

In this cost center we are also proposing an additional .5 BCBA. 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. In addition we spent roughly \$20,000 dollars on contracted services for BCBA support. The addition of the .5 BCBA will be used to support only special education students at this time and will continue to focus on our in-district programs. 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 \$35,000 in the consultation line in order to support the salary of a .5 FTE BCBA.

Figure 44: Special Education Staffing

|  | FY14<br>FTE | FY15<br>FTE | FY16<br>FTE | Budgeted<br>FY17<br>FTE | Budgeted<br>FY17<br>Salary | Actual<br>FY17<br>FTE | Actual<br>FY17<br>Salary | Budgeted<br>FY18<br>FTE | Budgeted<br>FY18<br>Salary |
|--|-------------|-------------|-------------|-------------------------|----------------------------|-----------------------|--------------------------|-------------------------|----------------------------|
| Special Education                          | 146.0       | 156.9       | 159.7       | 160.3                   | 7,961,792                  | 163.6                 | 7,957,238                | 164.4                   | 8,406,832                  |
| Behavior Analyst (BCBA)                    |             |             | 1.0         | 1.0                     | 70,000                     | 1.0                   | 70,000                   | 1.5                     | 109,750                    |
| District Administrator                     | 1.0         | 1.0         | 1.0         | 1.0                     | 125,106                    | 1.0                   | 126,500                  | 1.0                     | 129,663                    |
| District Administrator of Support Services | 1.0         | 1.0         | 0.5         | 0.5                     | 43,489                     | 0.5                   | 43,489                   | 0.5                     | 43,601                     |
| District Evaluator                         | 1.0         | 1.0         | 1.0         | 1.0                     | 88,108                     | 1.0                   | 88,108                   | 1.0                     | 90,311                     |
| Elementary Teacher                         | 20.7        | 22.7        | 23.2        | 23.2                    | 1,607,437                  | 23.8                  | 1,537,490                | 25.8                    | 1,777,590                  |
| High School Teacher                        | 8.2         | 8.2         | 9.6         | 9.6                     | 635,980                    | 10.0                  | 679,589                  | 11.0                    | 769,429                    |
| Middle School Teacher                      | 14.5        | 14.5        | 15.5        | 15.5                    | 1,010,702                  | 15.5                  | 1,025,750                | 14.5                    | 1,024,189                  |
| Occupational Therapist                     | 2.9         | 2.9         | 2.9         | 2.9                     | 225,608                    | 3.1                   | 232,138                  | 3.1                     | 250,076                    |
| Occupational Therapy Assistant             | 0.5         | 0.6         | 0.6         | 0.6                     | 28,768                     | 0.6                   | 29,486                   | 0.6                     | 30,223                     |
| Paraprofessional                           | 71.4        | 77.8        | 76.2        | 76.2                    | 1,962,296                  | 76.8                  | 1,920,966                | 76.8                    | 1,991,568                  |
| Physical Therapist                         | 1.5         | 1.5         | 1.5         | 1.5                     | 124,823                    | 1.5                   | 124,822                  | 1.5                     | 128,813                    |
| Pre-School Teacher                         | 4.2         | 4.9         | 4.6         | 4.6                     | 322,421                    | 5.9                   | 403,810                  | 5.7                     | 442,666                    |
| School Adjustment Counselor                | 1.0         | 1.0         | 1.0         | 1.0                     | 69,712                     | 1.0                   | 69,712                   | 1.0                     | 74,215                     |
| Secretary                                  | 2.0         | 2.0         | 2.0         | 2.0                     | 77,199                     | 2.0                   | 86,529                   | 2.0                     | 91,322                     |
| Social Worker                              | 2.0         | 3.0         | 2.6         | 3.6                     | 260,041                    | 4.0                   | 260,501                  | 3.0                     | 198,247                    |
| Speech/Language Pathologist                | 10.7        | 10.8        | 10.4        | 10.0                    | 814,856                    | 9.6                   | 756,940                  | 9.6                     | 781,189                    |
| Team Chair                                 | 3.4         | 4.0         | 6.0         | 6.0                     | 495,247                    | 6.2                   | 501,408                  | 5.7                     | 473,980                    |

Figure 45 below shows the FY'18 School Committee Budget by detailed expenditure category. This information is intended to provide more specific information on special education expenditures.

Figure 45: Special Education Budget by Detailed Expense Category

|                        | Actual<br>Expended<br>FY14 | Actual<br>Expended<br>FY15 | Actual<br>Expended<br>FY16 | Adopted<br>Budget<br>FY17 | Requested<br>Budget<br>FY18 | %<br>Change |
|------------------------|----------------------------|----------------------------|----------------------------|---------------------------|-----------------------------|-------------|
| Special Education      | 9,547,257                  | 10,254,181                 | 10,945,627                 | 12,223,473                | 12,595,752                  | 3.0%        |
| Professional Salaries  | 4,569,777                  | 4,484,815                  | 4,733,026                  | 5,211,149                 | 5,779,380                   | 6.8%        |
| Director               | 206,954                    | 204,976                    | 216,852                    | 220,306                   | 231,618                     | 5.1%        |
| Employee Benefits      | 11,589                     | 16,372                     | 3,450                      | 3,500                     | 4,250                       | 21.4%       |
| Extended Year Services | 73,698                     | 58,688                     | 79,454                     | 87,610                    | 92,060                      | 5.0%        |
| Manager                | 38,120                     | 41,508                     | 23,069                     | 23,702                    | 24,974                      | 5.4%        |
| Nurse                  | 77                         | 97                         | 3,860                      | -                         | -                           | -           |
| Occupational Therapist | 186,713                    | 190,413                    | 226,302                    | 231,174                   | 255,326                     | 10.4%       |
| Physical Therapist     | 107,508                    | 113,192                    | 113,967                    | 124,823                   | 122,740                     | -1.7%       |
| Psychologist           | 306,903                    | 347,401                    | 345,739                    | 461,349                   | 406,374                     | -11.9%      |
| Physical Therapist     | -                          | -                          | 5,167                      | -                         | 6,072                       | 100.0%      |
| Reading                | -                          | 9,763                      | -                          | -                         | -                           | -           |
| Revolving Fund Support | (282,190)                  | (636,270)                  | (913,485)                  | (978,000)                 | (628,000)                   | 8.7%        |

|                               |           |           |           |           |           |        |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|--------|
| Special Education Teacher     | 2,892,377 | 3,142,778 | 3,367,847 | 3,576,539 | 3,991,563 | 11.6%  |
| Speech Therapist              | 748,883   | 720,707   | 740,178   | 785,098   | 781,189   | -0.5%  |
| Stipends                      | 75,664    | 51,901    | 320       | -         | -         |        |
| Substitutes                   | -         | -         | 26,229    | -         | -         |        |
| Team Chair                    | 203,481   | 223,289   | 494,076   | 475,047   | 491,275   | 3.4%   |
| Clerical Salaries             | 79,729    | 71,991    | 90,235    | 77,199    | 91,322    | 18.3%  |
| Employee Benefits             | 4,108     | 2,827     | 15,400    | -         | -         |        |
| Secretary                     | 75,621    | 69,165    | 74,835    | 77,199    | 91,322    | 18.3%  |
| Other Salaries                | 1,699,604 | 1,838,792 | 1,901,588 | 2,064,919 | 2,126,630 | 3.0%   |
| Employee Benefits             | 4,792     | 1,114     | 1,341     | 750       | 750       | 0.0%   |
| Extended Year Services        | 30,034    | 37,077    | 35,859    | 35,000    | 42,000    | 20.0%  |
| Paraprofessional              | 1,667,423 | 1,798,912 | 1,860,575 | 2,029,169 | 2,083,880 | 2.7%   |
| Professional Development      | 355       | 225       | 487       | -         | -         |        |
| Substitutes                   | -         | 1,464     | 3,927     | -         | -         |        |
| Contract Services             | 1,459,708 | 1,554,759 | 1,486,324 | 1,437,247 | 1,442,194 | 0.3%   |
| Districtwide Leadership       | 48,805    | 75,893    | 91,217    | 85,909    | 75,000    | 12.7%  |
| Field Trip Travel             | 598       | 1,760     | 2,850     | 1,425     | 1,425     | 0.0%   |
| Legal Services                | 93,913    | 76,068    | 99,945    | 77,400    | 81,000    | 4.7%   |
| Offier Instructional Services | 550       | 914       | 5,979     | 5,500     | 5,500     | 0.0%   |
| Professional Development      | 2,032     | 2,900     | 31,267    | 1,650     | -         | -      |
|                               |           |           |           |           |           | 100.0% |
| Psychological Services        | 18,408    | 31,544    | 7,076     | 78,200    | 8,500     | 3.7%   |
| School Leadership             | 924       | 2,117     | 2,000     | -         | -         |        |
| Substitutes                   | 64,473    | 45,773    | -         | -         | -         |        |
| Testing & Assessment          | 2,626     | 5,358     | 1,200     | 9,400     | 5,400     | 0.0%   |
| Therapeutic Services          | 2,365,450 | 416,335   | 319,114   | 254,850   | 268,369   | 5.3%   |
| Transportation                | 862,130   | 896,097   | 931,677   | 996,913   | 997,000   | 0.0%   |
| Supplies & Materials          | 55,776    | 77,401    | 62,157    | 62,675    | 48,995    | -21.8% |
| Equipment                     | -         | -         | 1,154     | -         | -         |        |
| Furnishings                   | 38        | 923       | 611       | 360       | -         | -      |
|                               |           |           |           |           |           | 100.0% |
| General Supplies              | 2,574     | 10,742    | 1,047     | 2,350     | 2,350     | 0.9%   |
| Instructional Equipment       | -         | 177       | -         | 475       | -         | -      |
|                               |           |           |           |           |           | 100.0% |
| Office                        | 3,022     | 1,493     | 1,071     | 1,000     | 1,000     | 0.0%   |
| Other                         | -         | 1,385     | 2,976     | 500       | 1,500     | 200.0% |
| Postage                       | 1,930     | 2,911     | 3,255     | 2,283     | 2,050     | -10.2% |
| Psychology                    | 767       | -         | -         | 4,000     | 3,000     | -25.0% |
| Software                      | 2,750     | 283       | 699       | 150       | 200       | 33.3%  |
| Special Education             | 18,676    | 18,307    | 18,944    | 35,875    | 15,160    | -57.7% |
| Technology                    | 1,197     | 7,181     | -         | -         | -         |        |
| Testing                       | 24,822    | 34,048    | 32,401    | 15,683    | 23,735    | 51.3%  |
| Other Expenses                | 1,682,663 | 2,226,423 | 2,672,296 | 3,170,284 | 3,107,230 | -2.0%  |
| Advertising                   | 173       | -         | -         | 200       | 210       | 5.0%   |
| Districtwide Leadership       | -         | -         | 402       | 2,100     | 1,500     | -28.6% |
| Dues & Memberships            | 275       | 765       | 1,586     | 1,090     | 2,284     | 109.5% |
| Equipment                     | 9,948     | 6,873     | 6,487     | 3,190     | 3,940     | 11.0%  |
| Instructional Equipment       | 6,028     | 2,349     | 2,063     | -         | -         |        |
| Instructional Technology      | 16,677    | 12,598    | 7,342     | 10,000    | 10,000    | 0.0%   |
| Other fixed Charges           | 18,478    | 22,916    | 21,053    | 19,500    | 21,000    | 7.7%   |
| Postage                       | 1,248     | 1,700     | 1,976     | 2,000     | 2,500     | 30.0%  |
| Professional Development      | 23,076    | 26,249    | 16,351    | 20,000    | -         | -      |
|                               |           |           |           |           |           | 100.0% |
| Pupil Transportation          | 14,203    | 21,367    | 12,508    | 19,637    | 20,000    | 1.8%   |
| Software Licensing & Support  | 18,088    | 17,799    | 28,126    | 18,000    | 18,000    | 0.0%   |

|                                  |           |            |            |            |            |       |
|----------------------------------|-----------|------------|------------|------------|------------|-------|
| Therapeutic & Adaptive Equipment | 9,385     | 21,145     | 17,027     | 10,000     | 10,000     | 0.0%  |
| Travel                           | 3,065     | 2,060      | 1,685      | 1,425      | 1,425      | 0.0%  |
| Tuition - Out of District        | 1,562,020 | 2,090,602  | 2,556,680  | 3,063,142  | 3,016,671  | -1.5% |
| Grand Total                      | 9,547,257 | 10,254,181 | 10,945,627 | 12,223,473 | 12,595,752 | 3.0%  |

## 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. A summary by object of the FY'18 School Committee Budget by Object is shown in Figure 46 below.

Figure 46: Districtwide Programs by Object

|                       | Actual Expanded FY'14 | Actual Expanded FY'15 | Actual Expanded FY'16 | Adopted Budget FY'17 | Proposed Budget FY'18 | % Change |
|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|----------|
| Districtwide Programs |                       |                       |                       |                      |                       |          |
| Professional Salaries | 682,630               | 725,793               | 742,601               | 739,829              | 790,830               | 6.9%     |
| Clerical Salaries     | 49,838                | 53,238                | 55,449                | 58,956               | 63,046                | 6.9%     |
| Other Salaries        | 255,364               | 290,480               | 267,621               | 322,015              | 323,501               | -0.00%   |
| Contract Services     | 281,197               | 282,861               | 339,772               | 348,967              | 437,948               | 27.3%    |
| Supplies & Materials  | 29,371                | 41,008                | 36,736                | 43,033               | 52,725                | 22.5%    |
| Other Expenses        | 75,795                | 221,518               | 112,021               | 118,918              | 77,725                | -34.6%   |
| Grand Total           | 1,374,192             | 1,614,893             | 1,554,200             | 1,626,718            | 1,745,774             | 7.3%     |

The major changes to this cost center are as follows:

- A proposed increase in athletic user fee (\$75,000) to offset the increased expenses in pool rental, ice rink time, athletic transportation, and cost of living adjustments for coaches.
- A proposed increase in extra-curricular user fee to offset the increased expenses in extra-curricular transportation and advisor stipends.
- The reduction of 1.0 FTE Technician (\$50,000).
- A decrease of \$35,000 for technology hardware and computer services.
- A net decrease of \$29,100 in the athletic revolving account offset to the budget from \$396,000 to a \$366,900 to provide a more sustainable revolving account and avoid a negative balance at the end of FY17.

Overall, this cost center budget is projected to increase by 7.3%. This cost center accounts for just 4.2% of the total budget and has remained between 3.9% and 4.4% 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 99. The largest program budget is for health services (37.7%), followed by athletics (32.2%), district technology (26.9%); extracurricular is the smallest program budget at 3.2% of the total district-wide programs budget. In total, the increase of \$119,056 comprises 21.1% of the total increase for FY'18.

Figure 47: District-wide Budget by Program

|                  | Actual Expended FY'14 | Actual Expended FY'15 | Actual Expended FY'16 | Adopted Budget FY'17 | Requested Budget FY'18 | % Change |
|------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|----------|
| Athletics        | 416,787               | 428,798               | 405,771               | 447,909              | 562,691                | 25.6%    |
| Extra Curricular | 52,944                | 55,335                | 49,854                | 35,333               | 55,035                 | 55.8%    |
| Health Services  | 543,697               | 606,827               | 595,766               | 631,559              | 658,484                | 4.3%     |
| Technology       | 360,814               | 523,933               | 502,808               | 511,917              | 469,565                | -8.3%    |
| Grand Total      | 1,374,192             | 1,614,893             | 1,554,200             | 1,626,718            | 1,745,774              | 7.3%     |

Figure 48: District-wide Program Staffing

|                         | FY14 FTE | FY15 FTE | FY16 FTE | Budgeted FY17 FTE | Budgeted FY17 Salary | Actual FY17 FTE | Actual FY17 Salary | Budgeted FY18 FTE | Budgeted FY18 Salary |
|-------------------------|----------|----------|----------|-------------------|----------------------|-----------------|--------------------|-------------------|----------------------|
| Athletics               | 1.8      | 1.5      | 1.5      | 1.5               | 102,777              | 1.5             | 101,819            | 1.5               | 104,905              |
| Assistant Principal     | 0.5      | 0.5      | 0.5      | 0.5               | 56,097               | 0.5             | 56,367             | 0.5               | 57,757               |
| Secretary               | 1.0      | 1.0      | 1.0      | 1.0               | 46,680               | 1.0             | 45,482             | 1.0               | 47,148               |
| Extracurricular         | 0.3      | 0.3      | 0.3      | 0.3               | 27,374               | 1.0             | 28,183             | 1.0               | 28,879               |
| Assistant Principal     | 0.3      | 0.3      | 0.3      | 0.3               | 27,374               | 0.3             | 28,183             | 0.3               | 28,879               |
| Health Services         | 9.3      | 9.3      | 9.3      | 9.3               | 596,209              | 9.3             | 592,360            | 9.3               | 623,134              |
| District Administrator  | 0.2      | 0.2      | 0.2      | 0.2               | 16,377               | 0.2             | 16,786             | 0.2               | 17,206               |
| School Nurse            | 8.8      | 8.8      | 8.8      | 8.8               | 567,556              | 8.8             | 562,991            | 8.8               | 593,030              |
| Secretary               | 0.3      | 0.3      | 0.3      | 0.3               | 12,276               | 0.3             | 12,583             | 0.3               | 12,898               |
| District Technology     | 5.4      | 5.4      | 6.1      | 6.4               | 387,856              | 6.4             | 385,673            | 5.4               | 345,315              |
| Computer Technician     | 4.5      | 4.5      | 5.3      | 5.5               | 299,890              | 5.5             | 296,110            | 4.8               | 253,903              |
| District Administrator  | 0.7      | 0.7      | 0.7      | 0.7               | 72,386               | 0.7             | 73,482             | 0.7               | 75,319               |
| Info Systems Specialist | 0.2      | 0.2      | 0.2      | 0.2               | 16,081               | 0.2             | 16,081             | 0.2               | 16,483               |

### 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-five percent of the health services budget funds salaries.

The Health Services expense budget is effectively level funded in the FY'18 School Committee Budget. The increase is driven primarily by the step and COLA increases for nurses as well as additional competency stipends they have earned.

Figure 48: Health Services Program Budget by Detail

|                                 | Actual Expended FY'14 | Actual Expended FY'15 | Actual Expended FY'16 | Adopted Budget FY'17 | Requested Budget FY'18 | % Change     |
|---------------------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|--------------|
| <b>Professional Salaries</b>    | <b>500,238</b>        | <b>547,857</b>        | <b>550,207</b>        | <b>583,933</b>       | <b>610,236</b>         | <b>4.5%</b>  |
| Director                        | 71,110                | 79,877                | 82,661                | 81,885               | 86,030                 | 5.1%         |
| Nurse                           | 429,128               | 467,981               | 467,546               | 502,048              | 524,206                | 4.4%         |
| <b>Clerical Salaries</b>        | <b>11,673</b>         | <b>11,965</b>         | <b>12,373</b>         | <b>12,276</b>        | <b>12,898</b>          | <b>5.1%</b>  |
| Secretary                       | 11,673                | 11,965                | 12,373                | 12,276               | 12,898                 | 5.1%         |
| <b>Other Salaries</b>           | <b>15,754</b>         | <b>27,701</b>         | <b>14,940</b>         | <b>15,625</b>        | <b>15,625</b>          | <b>0.0%</b>  |
| Substitutes                     | 15,754                | 27,701                | 14,940                | 15,625               | 15,625                 | 0.0%         |
| <b>Contract Services</b>        | <b>8,180</b>          | <b>8,935</b>          | <b>8,838</b>          | <b>9,137</b>         | <b>9,000</b>           | <b>-1.5%</b> |
| Professional Development        | 180                   | 935                   | 838                   | 1,137                | 1,000                  | -12.0%       |
| School Physician                | 8,000                 | 8,000                 | 8,000                 | 8,000                | 8,000                  | 0.0%         |
| <b>Supplies &amp; Materials</b> | <b>6,072</b>          | <b>8,589</b>          | <b>7,454</b>          | <b>8,763</b>         | <b>8,900</b>           | <b>1.6%</b>  |
| Medical                         | 5,834                 | 8,285                 | 7,116                 | 8,263                | 8,400                  | 1.7%         |
| Office                          | 238                   | 303                   | 338                   | 500                  | 500                    | 0.0%         |
| <b>Other Expenses</b>           | <b>1,780</b>          | <b>1,780</b>          | <b>1,954</b>          | <b>1,825</b>         | <b>1,825</b>           | <b>0.0%</b>  |
| Equipment                       | 440                   | 548                   | 654                   | -                    | -                      | 0.0%         |
| Medical                         | 1,292                 | 570                   | 1,193                 | 1,525                | 1,525                  | 0.0%         |
| Postage                         | 11                    | 392                   | 147                   | 300                  | 300                    | 0.0%         |
| Professional Development        | 37                    | 270                   | (40)                  | -                    | -                      | 0.0%         |
| <b>Grand Total</b>              | <b>543,697</b>        | <b>606,827</b>        | <b>595,766</b>        | <b>631,559</b>       | <b>658,484</b>         | <b>4.3%</b>  |

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'18. 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 44.3% of the athletics budget. The next largest expense is transportation, followed by athletic officials, and facility rental. The athletics budget is offset by user fee and gate receipt revenue that is used as a direct offset to coaches' salaries. Because of the increase in pool and ice rental expenses, transportation, and cost of living adjustments for coaches and other staff, we are recommending an increase in athletic user fees for the 2017-18 school year. The recommendation will be a \$75 increase with a proposed increase in the individual cap (the family cap will remain unchanged). The recommended increases are as follows:

Individual Student Fee: \$325 per sport (an increase of \$75)

Individual Cap Fee: \$750 (an increase of \$150)

Family Cap Fee: \$950 (No increase)

In addition, the FY'18 Budget proposes decreasing the revenue offset by \$29,100 to \$366,900. The revenue offset decrease, combined with the user fee increase will cover the additional athletic expenses mentioned above and create a more sustainable revolving account in future years.

As Figure 49 below shows, the Athletics Program budget is projected to increase by 25.6% in the FY'18 School Committee 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.

Figure 49: Athletics Program Budget by Detail

|                              | Actual Expended FY 14 | Actual Expended FY 15 | Actual Expended FY 16 | Adopted Budget FY 17 | Requested Budget FY 18 | % Change |
|------------------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|----------|
| Professional Salaries        | 52,350                | 53,645                | 55,167                | 56,097               | 57,757                 | 3.0%     |
| Director                     | 52,350                | 53,645                | 55,167                | 56,097               | 57,757                 | 3.0%     |
| Clerical Salaries            | 38,163                | 41,267                | 43,076                | 46,680               | 50,148                 | 7.4%     |
| Employee Benefits            | -                     | -                     | 882                   | -                    | -                      | -        |
| Secretary                    | 38,163                | 41,267                | 42,194                | 46,680               | 50,148                 | 7.4%     |
| Other Salaries               | 45,235                | 38,295                | (12,413)              | 7,000                | 54,363                 | 676.6%   |
| Coach                        | 348,389               | 362,620               | 362,984               | 398,866              | 415,163                | 4.7%     |
| Event Detail                 | 4,846                 | 5,675                 | 4,653                 | 7,000                | 6,100                  | -12.9%   |
| Revolving Fund Support       | (308,000)             | (390,000)             | (380,000)             | (896,666)            | (866,900)              | -7.5%    |
| Contract Services            | 231,828               | 236,667               | 251,526               | 272,720              | 317,998                | 16.6%    |
| Athletic Services            | 231,828               | 236,667               | 251,526               | 272,720              | 317,998                | 16.6%    |
| Supplies & Materials         | 22,599                | 31,476                | 27,023                | 29,870               | 35,925                 | 20.3%    |
| Athletic Services            | 3,216                 | 7,529                 | 7,189                 | 8,000                | 11,000                 | 37.5%    |
| Office                       | 1,471                 | 1,416                 | 2,185                 | 1,500                | 1,500                  | 0.0%     |
| Uniforms                     | 7,685                 | 9,545                 | 8,594                 | 7,520                | 10,000                 | 33.0%    |
| Team                         | 10,228                | 12,985                | 9,074                 | 12,850               | 13,425                 | 4.5%     |
| Other Expenses               | 26,563                | 27,448                | 41,392                | 35,542               | 46,500                 | 30.8%    |
| Athletic Services            | 4,434                 | 4,460                 | 5,305                 | 5,425                | 23,700                 | 29.0%    |
| Awards                       | 2,888                 | 2,608                 | 2,190                 | 3,000                | 3,000                  | 0.0%     |
| Dues & Memberships           | 8,815                 | 10,665                | 10,965                | 10,882               | 11,500                 | 5.7%     |
| Equipment                    | 8,625                 | 2,859                 | 15,938                | 8,500                | 17,000                 | 100.0%   |
| Software Licensing & Support | 1,800                 | 6,856                 | 7,594                 | 7,735                | 8,000                  | 3.4%     |
| Grand Total                  | 416,737               | 428,798               | 405,774               | 447,909              | 562,691                | 25.6%    |

The coach salary line does include an assumed step and cost of living adjustment for staff. Contract services is increasing by 16.6% due to increased costs in bus transportation, field maintenance services and pool rental.

Event detail expense, which covers predominantly the cost of police detail at football, basketball, and/or hockey games as needed, fluctuates from year to year depending upon the number of home games. Equipment repair funding is used for refurbishment of equipment, most notably football jerseys, helmets, and pads. Field maintenance funds the labor to maintain the fields including striping as well as sweeping and cleaning of the turf fields. Game staff includes employees who monitor the gate, sell and collect tickets, and count and monitor game receipts. This figure fluctuates based on the number of home games. Finally, software expense includes the cost of the Family ID system being used to manage all of the forms and miscellaneous paperwork required for athletics and extracurricular participation as well as concussion impact testing and the Huddle software license fee.

Figure 50 shows the participation level in High School Athletics since 2013. Spring 2017 participation levels are not included because the season does not begin until the third week in March.

Figure 50: Participation in High School Athletic Programs (2013-2017)

| SCHOOL YEAR       | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------|---------|---------|---------|---------|
| BASEBALL          | 54      | 51      | 50      | *       |
| BASKETBALL (B)    | 47      | 44      | 35      | 38      |
| BASKETBALL (G)    | 42      | 38      | 37      | 34      |
| CHEERLEADING      | 26      | 21      | 22      | 22      |
| CROSS COUNTRY     | 69      | 71      | 58      | 52      |
| FIELD HOCKEY      | 49      | 31      | 41      | 55      |
| FOOTBALL          | 100     | 89      | 109     | 103     |
| GOLF              | 19      | 14      | 15      | 13      |
| GYMNASTICS        | 29      | 17      | 17      | 20      |
| ICE HOCKEY (B)    | 51      | 54      | 49      | 53      |
| ICE HOCKEY (G)    | 23      | 18      | 17      | 22      |
| INDOOR TRACK (B)  | 74      | 72      | 71      | 79      |
| INDOOR TRACK (G)  | 51      | 36      | 46      | 69      |
| LACROSSE (B)      | 66      | 71      | 66      | *       |
| LACROSSE (G)      | 77      | 60      | 61      | *       |
| OUTDOOR TRACK (B) | 108     | 101     | 92      | *       |
| OUTDOOR TRACK (G) | 53      | 73      | 69      | *       |
| SOCCER (B)        | 69      | 64      | 67      | 70      |
| SOCCER (G)        | 55      | 66      | 62      | 59      |
| SOFTBALL          | 41      | 42      | 39      | *       |
| SWIMMING (B)      | 27      | 34      | 24      | 14      |
| SWIMMING (G)      | 30      | 28      | 27      | 29      |
| TENNIS (B)        | 20      | 18      | 15      | *       |
| TENNIS (G)        | 17      | 16      | 14      | *       |
| VOLLEYBALL        | 43      | 42      | 44      | 44      |
| WRESTLING         | 34      | 34      | 37      | 31      |
| TOTAL             | 1,284   | 1,205   | 1,182   | 807     |

\* 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.

Figure 51: Extracurricular Activities Program Budget by Detail

|                          | Actual Expended FY 14 | Actual Expended FY 15 | Actual Expended FY 16 | Adopted Budget FY 17 | Requested Budget FY 18 | % Change |
|--------------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|----------|
| Professional Salaries    | 33,436                | 38,155                | 27,831                | 11,333               | 31,035                 | 173.9%   |
| Coordinator              | 26,175                | 26,822                | 27,693                | 27,374               | 28,879                 | 5.5%     |
| Revolving Fund Support   | (41,500)              | (42,000)              | (52,000)              | (57,000)             | (50,000)               | -12.3%   |
| Stipends                 | 48,761                | 53,333                | 52,138                | 40,959               | 52,156                 | 27.3%    |
| Contract Services        | 10,249                | 10,235                | 11,546                | 11,500               | 12,100                 | 5.2%     |
| Other Student Activities | 10,249                | 10,235                | 11,546                | 11,500               | 12,100                 | 5.2%     |
| Supplies & Materials     | 387                   | 923                   | 1,177                 | 2,000                | 1,900                  | -5.0%    |
| Other Student Activities | -                     | -                     | 277                   | -                    | 400                    | 100.0%   |
| Performing Arts          | 387                   | 923                   | 900                   | 2,000                | 1,500                  | -25.0%   |
| Other Expenses           | 6,873                 | 6,022                 | 9,300                 | 10,500               | 10,000                 | -4.8%    |
| Dues & Memberships       | 845                   | 645                   | 876                   | 1,000                | 1,000                  | 0.0%     |
| Equipment                | 3,943                 | 3,492                 | 6,854                 | 4,250                | 4,250                  | 0.0%     |
| Other Student Activities | 1,335                 | 1,985                 | 1,560                 | 1,750                | 1,750                  | 0.0%     |
| Royalties                | 2,750                 | -                     | -                     | 3,500                | 3,000                  | -14.3%   |
| Grand Total              | 52,944                | 55,335                | 49,854                | 35,333               | 55,035                 | 55.8%    |

Seventy-one 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 year, we have decreased the revenue offset by \$7,000 and proposing a \$25 increase in the extra-curricular individual user fee to make the revolving account more sustainable long term. The proposed increase is as follows:

Figure 52- Proposed Extra-curricular User Fees for FY18

| Group                              | New Fee | Individual Cap | Family Cap* |
|------------------------------------|---------|----------------|-------------|
| Extracurricular Band (Per Season)  | \$200   | \$475          | \$750       |
| Winter Color Guard                 | \$200   | \$475          | \$750       |
| Drama Cast or Lead Tech (Per Show) | \$150   | \$375          | \$550       |
| Drama Tech Crew                    | \$75    | \$375          | \$550       |

\*Family cap is unchanged.

This revolving fund revenue offsets 47.6% 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 55.8% in the FY'18 School Committee Budget. This increase is due primarily to a decrease in revolving fund support (\$7,000) and an increase in High School Drama Stipends which increased by \$11,197 in the FY'18 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.

## 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 FY18 is decreasing by 8.3%. The major changes in this budget are as follows:

- The reduction of a 1.0 FTE Technician (\$50,000)
- A decrease of \$35,000 in network equipment and computer services.
- Cost of living adjustments for technicians and network manager.
- An increase of software licensing and support (\$56,200) to make technology services in the district more effective and efficient.

Figure 53: Districtwide Networking and Technology Maintenance Budget by Detail

|                              | Actual Expended FY14 | Actual Expended FY15 | Actual Expended FY16 | Adopted Budget FY17 | Requested Budget FY18 | % Change |
|------------------------------|----------------------|----------------------|----------------------|---------------------|-----------------------|----------|
| Professional Salaries        | 96,606               | 86,135               | 109,396              | 88,466              | 91,802                | 3.8%     |
| Manager                      | 70,577               | 64,904               | 68,340               | 72,386              | 75,319                | 4.1%     |
| Technology Integration       | 26,030               | 21,231               | 41,056               | 16,080              | 16,483                | 2.8%     |
| Other Salaries               | 194,375              | 224,485              | 265,095              | 299,390             | 253,513               | -15.3%   |
| Employee Benefits            | -                    | 3,101                | 5,447                | -                   | -                     | -        |
| Technician                   | 194,375              | 221,385              | 259,648              | 299,390             | 253,513               | -15.3%   |
| Contract Services            | 30,941               | 27,025               | 67,861               | 50,610              | 98,850                | 96.3%    |
| Consulting Services          | 18,000               | 11,400               | 15,198               | 13,200              | 5,000                 | -62.1%   |
| Networking & Telecomm        | 1,861                | 4,036                | 5,846                | 9,760               | 6,000                 | 4.8%     |
| Software Licensing & Support | 11,080               | 11,589               | 4,17                 | 31,650              | 87,850                | 177.6%   |
| Supplies & Materials         | 318                  | 20                   | 1,082                | 2,400               | 6,000                 | 150.0%   |
| Information Management       | -                    | -                    | -                    | 1,200               | 6,000                 | 400.0%   |
| Networking & Telecomm        | 318                  | -                    | -                    | 1,200               | -                     | -100.0%  |
| Technology Maintenance       | -                    | 20                   | 1,082                | -                   | -                     | -        |
| Other Expenses               | 38,579               | 186,268              | 59,375               | 71,051              | 19,400                | -72.7%   |
| Equipment                    | 1,411                | 139,472              | 25,799               | 43,676              | -                     | 100.0%   |
| Information Management       | -                    | 5,601                | -                    | -                   | -                     | -        |
| Networking & Telecomm        | 28,768               | 22,426               | 26,022               | 22,875              | 11,700                | -48.9%   |
| Other                        | -                    | -                    | -                    | -                   | -                     | -        |
| Postage                      | 96                   | 145                  | 56                   | 500                 | 200                   | -60.0%   |
| Software                     | 4,057                | 17,829               | 6,302                | -                   | 6,000                 | 100.0%   |
| Software Licensing & Support | 4,249                | 795                  | 1,196                | 4,000               | 1,500                 | -62.5%   |
| Grand Total                  | 360,814              | 523,933              | 502,808              | 511,917             | 469,565               | -8.3%    |

Figure 54 below shows the inventory of technology devices deployed throughout the district during the 2016-17 school year.

Figure 54: SY'2016-17 Technology Inventory

| Location     | By User Group |              |              | By Device Type |            |            |              |
|--------------|---------------|--------------|--------------|----------------|------------|------------|--------------|
|              | Tchrs/Admin   | Students     | Total        | Laptops        | Desktops   | Tablets    | Total        |
| Barrows      | 38            | 164          | 202          | 99             | 5          | 98         | 202          |
| Birch Meadow | 52            | 146          | 198          | 134            | 8          | 56         | 198          |
| Eaton        | 45            | 167          | 212          | 118            | 4          | 90         | 212          |
| Killam       | 50            | 145          | 195          | 144            | 4          | 47         | 195          |
| Wood End     | 43            | 156          | 199          | 146            | 6          | 47         | 199          |
| Coolidge     | 79            | 368          | 447          | 256            | 125        | 66         | 447          |
| Parker       | 81            | 371          | 452          | 326            | 61         | 65         | 452          |
| RMHS         | 197           | 502          | 699          | 313            | 256        | 130        | 699          |
| Admin        | 34            | -            | 34           | 21             | 2          | 11         | 34           |
| <b>Total</b> | <b>619</b>    | <b>2,019</b> | <b>2,638</b> | <b>1,458</b>   | <b>471</b> | <b>610</b> | <b>2,638</b> |

## 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 decrease .5% in the FY'18 School Committee Budget.

The major changes in the FY18 School Building Facilities Budget is as follows:

- A decrease of \$80,000 in the Contract Services line item which reflects a decrease in the High School Cleaning Contract. The impact of this reduction will mean a shifting of more of the High School cleaning to the 3.0 FTE custodians at the High School.
- A decrease of \$60,000 in the offset from the Use of School Properties Revolving Account. This is to make the Use of School Properties revolving account more sustainable in future years.
- 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 .4 facilities rental coordinator. Salaries account for the largest share of the School Building Facilities budget at 58.7% 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. This year, there is a decrease of \$60,000 in the school portion of the offset for Use of School Properties for a total offset of \$180,000.

Figure 55: School Building Facilities Budget by Object

|                       | Actual Expended FY 14 | Actual Expended FY 15 | Actual Expended FY 16 | Adopted Budget FY 17 | Requested Budget FY 18 | % Change     |
|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|--------------|
| Professional Salaries | 113,846               | 113,267               | 103,273               | 75,000               | 76,875                 | 2.5%         |
| Clerical Salaries     | 19,543                | 30,163                | 16,727                | 12,571               | 13,120                 | 4.4%         |
| Other Salaries        | 731,124               | 701,580               | 776,767               | 737,576              | 809,203                | 9.7%         |
| Contract Services     | 231,222               | 231,134               | 226,531               | 294,813              | 214,252                | -27.3%       |
| Supplies & Materials  | 73,687                | 80,246                | 117,171               | 97,590               | 97,590                 | 0.0%         |
| Other Expenses        | 17,802                | 6,425                 | 6,086                 | 13,960               | 13,960                 | 0.0%         |
| <b>Grand Total</b>    | <b>1,187,224</b>      | <b>1,162,815</b>      | <b>1,246,555</b>      | <b>1,231,510</b>     | <b>1,225,000</b>       | <b>-0.5%</b> |

Figure 56: School Building Facilities Staffing

|                        | FY14 FTE | FY15 FTE | FY16 FTE | Budgeted FY17 FTE | Budgeted FY17 Salary | Actual FY17 FTE | Actual FY17 Salary | Budgeted FY18 FTE | Budgeted FY18 Salary |
|------------------------|----------|----------|----------|-------------------|----------------------|-----------------|--------------------|-------------------|----------------------|
| Facilities             | 19.6     | 20.0     | 20.0     | 20.0              | 925,209              | 19.9            | 917,719            | 19.9              | 943,942              |
| Custodian              | 18.6     | 18.6     | 18.6     | 18.6              | 837,963              | 18.5            | 829,919            | 18.5              | 853,947              |
| District Administrator | 1.0      | 1.0      | 1.0      | 1.0               | 75,000               | 1               | 75,000             | 1.0               | 76,875               |
| Secretary              |          | 0.4      | 0.4      | 0.4               | 12,246               | 0.4             | 12,800             | 0.4               | 13,120               |

Figure 57: School Building Facilities Budget by Detail

|                        | Actual Expended FY 14 | Actual Expended FY 15 | Actual Expended FY 16 | Adopted Budget FY 17 | Requested Budget FY 18 | % Change |
|------------------------|-----------------------|-----------------------|-----------------------|----------------------|------------------------|----------|
| Professional Salaries  | 113,846               | 113,267               | 103,273               | 75,000               | 76,875                 | 2.5%     |
| Director               | 49,023                | 47,683                | -                     | -                    | -                      | 0.0%     |
| Employee Benefits      | 1,168                 | 6,091                 | 4,242                 | -                    | -                      | 0.0%     |
| Manager                | 63,654                | 59,493                | 99,031                | 75,000               | 76,875                 | 2.5%     |
| Clerical Salaries      | 19,543                | 30,163                | 16,727                | 12,571               | 13,120                 | 4.4%     |
| Employee Benefits      | 325                   | 325                   | -                     | 325                  | -                      | -100.0%  |
| Secretary              | 19,218                | 29,888                | 16,727                | 12,246               | 13,120                 | 7.1%     |
| Other Salaries         | 731,124               | 701,580               | 776,767               | 737,576              | 809,203                | 9.7%     |
| Custodian              | 740,124               | 755,964               | 801,262               | 837,963              | 851,025                | 1.6%     |
| Employee Benefits      | 10,376                | 4,305                 | 7,908                 | 4,613                | 3,178                  | -31.1%   |
| Overtime               | 51,147                | 48,026                | 40,854                | 55,000               | 55,000                 | 0.0%     |
| Revolving Fund Support | (125,000)             | (200,000)             | (150,000)             | (240,000)            | (180,000)              | -25.0%   |
| Substitutes            | 54,467                | 93,285                | 76,744                | 80,000               | 80,000                 | 0.0%     |
| Contract Services      | 231,222               | 231,134               | 226,531               | 294,813              | 214,252                | -27.3%   |
| Cleaning Services      | 231,222               | 231,134               | 226,531               | 254,813              | 214,252                | -15.9%   |
| Supplies               | -                     | -                     | -                     | 40,000               | -                      | -100.0%  |
| Supplies & Materials   | 73,687                | 80,246                | 117,171               | 97,590               | 97,590                 | 0.0%     |
| Supplies               | 73,687                | 80,246                | 117,171               | 97,590               | 97,590                 | 0.0%     |
| Other Expenses         | 17,802                | 6,425                 | 6,086                 | 13,960               | 13,960                 | 0.0%     |
| Energy Management      | 3,109                 | 3,315                 | -                     | -                    | -                      | 0.0%     |
| Equipment              | 3,266                 | 607                   | 4,166                 | 4,000                | 4,000                  | 0.0%     |

|                              |                  |                  |                  |                  |                  |              |
|------------------------------|------------------|------------------|------------------|------------------|------------------|--------------|
| Software Licensing & Support | 955              | 955              | 955              | 960              | 960              | 0.0%         |
| Uniforms                     | 10,972           | 1,548            | 966              | 9,000            | 9,000            | 0.0%         |
| <b>Grand Total</b>           | <b>1,187,224</b> | <b>1,162,815</b> | <b>1,246,555</b> | <b>1,231,510</b> | <b>1,225,000</b> | <b>-0.5%</b> |

## Special Revenue Funds

### Federal, State, and Private Grants

In the current fiscal year, our district is supported by \$3.198 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 58: Summary of Federal, State, and Private Grants

|  | Expended<br>2014 | Expended<br>2015 | Expended<br>2016 | Award<br>2017    | Projected<br>2018 |
|--|------------------|------------------|------------------|------------------|-------------------|
| <b>Federal Grants:</b>   |                  |                  |                  |                  |                   |
| <b>Titled</b>  | 102,854          | 114,266          | 132,029          | 122,169          | 109,514           |
| <b>Title I Support<br/>(District and School<br/>Assistance Grants)</b> |                  |                  | 2,600            | 5,000            | -                 |
| <b>Title IIIA</b>  | 38,890           | 7,877            | 48,759           | 105,440          | 53,994            |
| <b>Safe &amp;<br/>Supportive Schools</b>                               | 10,000           |                  | 10,000           |                  |                   |
| <b>SPED P.L. 94-142</b>  | 957,193          | 971,940          | 978,744          | 1,022,222        | 1,032,444         |
| <b>SPED Early<br/>Childhood</b>  | 16,803           | 17,917           | 17,919           | 18,439           | 18,439            |
| <b>SPED Program<br/>Improv. Early Child.</b>                           | 4,000            | 2,669            | 1,402            | 2,650            | 2,650             |
| <b>SPED Prof. Dev.</b>   | 15,135           | 32,957           | 32,755           | 34,800           | 34,800            |
| <b>Mental Health<br/>First Aid</b>                                     |                  | 39,258           | 35,952           | 24,790           |                   |
| <b>School<br/>Transformation<br/>(MTSS)</b>                            |                  | 111,640          | 239,596          | 403,841          | 250,000           |
| <b>Subtotal - Non-<br/>ARRA Federal<br/>Grants</b>                     | <b>1,144,875</b> | <b>1,298,523</b> | <b>1,499,756</b> | <b>1,739,351</b> | <b>1,501,841</b>  |
| <b>Race to the Top<br/>(RTTT)</b>                                      | 28,580           |                  |                  |                  |                   |
| <b>RTTT Verbal SIF<br/>Implementation</b>                              |                  |                  |                  |                  |                   |
| <b>Subtotal - ARRA<br/>Federal Grants</b>                              | <b>28,580</b>    | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>          |
| <b>Total -<br/>Federal Grants</b>                                      | <b>1,173,455</b> | <b>1,298,523</b> | <b>1,499,756</b> | <b>1,739,351</b> | <b>1,501,841</b>  |
| <b>State Grants:</b>   |                  |                  |                  |                  |                   |
| <b>Racial Imbalance<br/>(MERIC)</b>                                    | 362,137          | 358,161          | 387,390          | 410,080          | 418,282           |

|                                     |                  |                  |                  |                  |                  |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Academic Support                    | 6,205            | 4,039            | 2,620            | -                | -                |
| Circuit Breaker                     | 1,275,210        | 1,186,247        | 952,837          | 1,043,577        | 1,019,505        |
| Financial Education Innovation Fund | -                | -                | -                | 5,000            | -                |
| Total - State Grants                | 1,643,552        | 1,548,447        | 1,342,847        | 1,458,657        | 1,437,787        |
| Private Grants:                     |                  |                  |                  |                  |                  |
| Project Lead the Way                | 17,780           | -                | -                | -                | -                |
| Total - Private Grants              | 17,780           | -                | -                | -                | -                |
| <b>TOTAL - All GRANTS</b>           | <b>2,817,007</b> | <b>2,846,970</b> | <b>2,842,603</b> | <b>3,198,008</b> | <b>2,939,628</b> |

Overall, grant support for the budget in FY'15 increased due in large part to the School Transformation Grant award. There is a timing difference in spending for our 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 FY16 Title IIA grant into FY'17. We have also carried forward a significant portion of our FY'16 School Transformation Grant into FY'17.

As shown in Figure 59 below, grant funded positions is projected to decrease in FY18 by .4 FTE due the transfer of a 1.0 FTE out of the IDEA grant and replacing with a .6 FTE due to changes in the anticipated funding structure of the IDEA grant.

Figure 59: Change in Grant Funded Positions

|  | FY14 FTE | FY15 FTE | FY16 FTE | Budgeted FY17 FTE | Budgeted FY17 Salary | Actual FY17 FTE | Actual FY17 Salary | Budgeted FY18 FTE | Budgeted FY18 Salary |
|--|----------|----------|----------|-------------------|----------------------|-----------------|--------------------|-------------------|----------------------|
| Grant Funded                               | 14.1     | 14.5     | 15.6     | 14.8              | 1,121,004            | 16.8            | 1,198,095          | 16.4              | 1,282,765            |
| Data Analyst                               |          |          | 1.3      | 1.0               | 70,000               | 1.0             | 65,050             | 1.0               | 66,638               |
| District Administrator of Support Services |          |          | 0.5      | 0.5               | 45,000               | 0.5             | 47,625             | 0.5               | 48,779               |
| Metco Coordinator                          | 1.0      | 1.0      | 1.0      | 1.0               | 76,458               | 1.0             | 76,458             | 1.0               | 78,332               |
| Elementary Teacher                         | 3.8      | 3.8      | 3.8      | 3.8               | 272,172              | 3.6             | 242,997            | 3.6               | 258,215              |
| High School Teacher                        | 4.0      | 4.0      | 3.0      | 3.0               | 222,851              | 3.0             | 202,286            | 3.0               | 215,558              |
| Middle School Teacher                      | 2.5      | 2.5      | 2.5      | 2.5               | 201,008              | 2.5             | 201,008            | 2.5               | 206,032              |
| Pre-School Teacher                         | 1.8      | 1.6      | 2.0      | 2.0               | 143,224              | 2.0             | 143,224            | 1.6               | 107,279              |
| Team Chair                                 | 2.0      | 1.6      | 2.0      | 2.0               | 166,749              | 2.0             | 181,382            | 2.0               | 185,416              |
| Tutor                                      | -        | 1.0      | 1.6      |                   |                      | 1.2             | 58,065             | 1.2               | 59,516               |

### Special Revenue Funds

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 sources 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 60 shows the revenues and expenses, and change in fund balance between July 1, 2015 and June 30, 2016. 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 66.8% of the \$643,686 June 30<sup>th</sup> 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 \$39,992 year over year. This program by law can only carry forward three months of operating expenses or approximately \$370,000, the remaining \$60K is from prepaid balances left on student accounts at year end.

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 \$5,171 in the fund balance is a timing difference. Prepayment was required by June 30<sup>th</sup> so we could determine the viability of the second bus. Similar to the Transportation fund, the Summer School fund has a net gain of \$23,220 as the result of enrollment and payment prior to the start of the program. There were also additional offerings that increased participation.

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 60 provides the summary of FY16 and Figure 61 provides a model forecast for projected ending balances for this group of seven funds. In FY16 the district took a combined offset of \$2,500,485 from these seven revolving funds. Overall the net loss in FY16 for this group of seven was \$547,661. The Special Education Tuition fund has the largest change, a net loss of \$397,339. This was due to the fact that we took a larger offset in FY16 to offset the one year decrease in Circuit Breaker. This was done as a onetime measure.

The Athletic fund balance has been slowly eroding and will result in a negative balance at the end of FY17. This is the reason why we are recommending both a user fee increase and an offset decrease to the FY18 budget. We will need to assess our budget in June to determine if we can take the full offset.

The Drama fund balance had a net gain of \$3,281 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 \$88,791, however the balance overall balance decreased by \$260,000 from FY16 to FY17. This is due to the increased offset to the FY17 budget for Extended Day and the hiring of additional staff, a registrar and billing coordinator, to complement the growing program.

The RISE Preschool program had a net loss of \$48,763 for the year. We are proposing a 5% increase in tuition to offset a \$50,000 increase to the revolving account.

The Use of School Property had a \$55,271 net loss in fund balance for FY16. Custodial compensation associated with rentals is expended directly to this fund. This is the reason why we are recommending a decrease in this offset from \$200,000 to \$140,000. We do not propose a rental fee increase at this time as our fees are comparable to other districts and towns. We will need to assess our budget in June to determine if we can take the full offset.

Full Day Kindergarten had a decrease of \$73,142 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. We are proposing a \$250 increase in the tuition for full day kindergarten in FY'18 which will be utilized to keep the offset at its current level.

Figure 60: Revolving Fund Activity and Status as of June 30, 2016

|                                  | Balance<br>30-Jun-15 | FY16<br>Revenue  | FY16<br>Offsets | FY16<br>Direct<br>Expenditures | Balance<br>30-Jun-16 | Net<br>Gain/(Loss) |
|----------------------------------|----------------------|------------------|-----------------|--------------------------------|----------------------|--------------------|
| <b>Revolving Fund:</b>           |                      |                  |                 |                                |                      |                    |
| School Lunch Program             | 390,148              | 1,203,976        |                 | 1,153,984                      | 430,140              | 39,992             |
| School Transportation            | 14,276               | 42,672           |                 | 47,843                         | 9,105                | (5,171)            |
| Guidance Revolving Fund          | 7,257                | 56,525           |                 | 57,945                         | 5,837                | (1,420)            |
| Coolidge Extracurricular         | 4,488                | 250              |                 | -                              | 4,738                | 250                |
| Drama Activities Coolidge        | 6,344                | 15,586           |                 | 12,775                         | 9,155                | 2,811              |
| Parker Extracurricular           | 3,860                | -                |                 | -                              | 3,860                | -                  |
| Parker After School Activities   | 22,484               | 29,210           |                 | 26,013                         | 25,681               | 3,197              |
| Drama Activities Parker          | 30,083               | 35,725           |                 | 38,930                         | 26,878               | (3,205)            |
| Band Extracurricular Activities  | 18,973               | 25,368           |                 | 34,640                         | 9,701                | (9,272)            |
| Adult Education Program          | 11,224               | 58,518           |                 | 59,662                         | 10,080               | (1,144)            |
| Summer School Program            | 62,562               | 93,298           |                 | 70,032                         | 85,822               | 23,260             |
| Lost Books                       | 22,618               | 4,306            |                 | 4,234                          | 22,690               | 72                 |
| <b>Total</b>                     | <b>594,316</b>       | <b>1,565,428</b> | <b>-</b>        | <b>1,516,058</b>               | <b>643,686</b>       | <b>49,370</b>      |
| <b>Donation Revolving Funds:</b> |                      |                  |                 |                                |                      |                    |
| Elementary Science Materials     | 1,640                | -                |                 | -                              | 1,640                | -                  |
| Borns Foundation (Coolidge)      | 1,314                | -                |                 | -                              | 1,314                | -                  |
| District Donation Fund           | 9,998                | 40,675           |                 | 37,715                         | 12,957               | 2,960              |
| Barrows Donations Fund           | 1,602                | 19,113           |                 | 18,960                         | 1,755                | 153                |
| Birch Meadow Donation Fund       | 3,598                | 4,527            |                 | 3,204                          | 4,921                | 1,323              |
| Joshua Eaton Donation Fund       | 9,435                | 6,277            |                 | 10,576                         | 5,136                | (4,299)            |
| JW Kilham Donation Fund          | 9                    | 32,316           |                 | 28,514                         | 3,811                | 3,802              |
| Wood End Donation Fund           | 8,578                | 12,854           |                 | 12,241                         | 9,191                | 618                |
| Coolidge Donation Fund           | 8,161                | 18,366           |                 | 18,536                         | 7,991                | (170)              |
| Parker Donation Fund             | 14,898               | 10,905           |                 | 18,514                         | 7,289                | (7,609)            |
| High School Donation Fund        | 20,970               | 37,758           |                 | 12,865                         | 45,863               | 24,893             |
| Special Education Donation Fund  | 8,212                | 2,500            |                 | 3,189                          | 7,573                | (639)              |
| <b>Total</b>                     | <b>88,415</b>        | <b>185,291</b>   | <b>-</b>        | <b>164,264</b>                 | <b>109,442</b>       | <b>21,027</b>      |

| Revolving Funds that Offset the Budget |                  |                  |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Athletic Activities                    | 112,133          | 370,920          | 380,000          | 56,038           | 46,915           | (65,218)         |
| RMBS Extracurricular                   | -                | -                | -                | -                | -                | -                |
| Drama Activities RMBS                  | 15,582           | 140,849          | 52,000           | 85,568           | 18,863           | 3,281            |
| Extended Day Program                   | 866,451          | 1,291,220        | 85,000           | 1,117,429        | 955,242          | 88,791           |
| RISE Preschool Program                 | 433,953          | 294,596          | 330,000          | 13,359           | 385,190          | (48,763)         |
| Use of School Property                 | 83,179           | 270,781          | 200,000          | 126,052          | 27,908           | (55,271)         |
| Special Education Tuition              | 582,308          | 195,639          | 583,485          | 9,493            | 284,969          | (397,339)        |
| Full Day Kindergarten Tuition          | 692,127          | 806,511          | 870,000          | 9,653            | 618,985          | (73,142)         |
| <b>Total</b>                           | <b>2,885,733</b> | <b>3,370,516</b> | <b>2,500,485</b> | <b>1,417,692</b> | <b>2,338,072</b> | <b>(547,661)</b> |
| <b>TOTAL ALL FUNDS</b>                 | <b>3,568,464</b> | <b>5,121,235</b> | <b>2,500,485</b> | <b>3,098,014</b> | <b>3,091,200</b> | <b>(477,264)</b> |

Figure 61: Revenue Offset Summary for FY'18

| Revolving Fund:               | Balance 30-Jun-15 | FY17 Projected Revenue | FY17 Budgeted Offsets | FY17 Direct Expenses | Projected Balance 30-Jun-17 | FY18 Projected Revenue | FY18 Budgeted Offsets | FY18 Direct Expenses | Projected Balance 30-Jun-18 |
|-------------------------------|-------------------|------------------------|-----------------------|----------------------|-----------------------------|------------------------|-----------------------|----------------------|-----------------------------|
| Athletic Activities           | 46,915            | 370,000                | 396,666               | 34,000               | (13,751)                    | 445,000                | 366,900               | 34,000               | 30,349                      |
| Drama Activities RMBS         | 18,862            | 110,000                | 57,000                | 52,500               | 19,362                      | 110,000                | 50,000                | 52,500               | 26,862                      |
| Extended Day Program          | 955,242           | 1,115,000              | 175,000               | 1,200,000            | 695,242                     | 1,015,000              | 180,000               | 1,200,000            | 430,242                     |
| RISE Preschool Program        | 385,190           | 280,000                | 330,000               | 10,000               | 325,190                     | 330,000                | 380,000               | 10,000               | 265,190                     |
| Use of School Property        | 27,908            | 260,000                | 200,000               | 100,000              | (12,092)                    | 260,000                | 148,000               | 100,000              | 7,908                       |
| Special Education Tuition     | 284,969           | 200,000                | 248,000               | 20,000               | 216,969                     | 200,000                | 248,000               | 20,000               | 148,969                     |
| Full Day Kindergarten Tuition | 618,985           | 840,000                | 900,000               | -                    | 558,985                     | 890,000                | 900,000               | -                    | 548,985                     |
| <b>Total</b>                  | <b>2,338,071</b>  | <b>3,175,000</b>       | <b>2,306,666</b>      | <b>1,416,500</b>     | <b>1,799,905</b>            | <b>3,335,000</b>       | <b>2,164,900</b>      | <b>1,416,500</b>     | <b>1,480,007</b>            |

Figure 61 above is a model projection based on trends and assumptions.

The Athletic Activities revenue forecast for FY17 and FY18 is based on early data from fall and winter sports participation. It is assumed similar participation from FY15 for the FY16 spring sports and an assumption for discounts as individual and family caps may be reached with spring registrations.

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 FY18. This is due to the additional staffing, updating enrichment offerings and an increase in the offset.

The RISE Preschool program offset was increased by \$30,000 in the FY16 budget cycle, and it is recommended that we increase the offset by an additional \$50,000 in FY18. The revolving fund support for FY18 will increase to \$380,000 each year.

The Use of School Property will need to be continuously monitored. In FY18, we are decreasing the offset by \$60,000.

The Special Education Tuition fund offset remains at \$248,000 for FY18. This revolving fund much like out-of-district tuition is difficult to project as students withdraw or change placements mid-year. The \$248,000 offset for FY18 is reasonable given the difficult nature of projecting this balance.

Full Day Kindergarten projected balance is expected to decrease by \$60,000. 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

## **Town Building Maintenance**

Previously there was an agreement instituted in 1993, the maintenance functions of the town and school buildings were consolidated under the school facilities department. Per this agreement, the budget for municipal building operations and maintenance was developed by the Superintendent and approved by the School Committee. However, in November, 2015, Town Meeting voted to approve the creation of a new department to oversee CORE facility functions for both School and Town. The budget will be developed by the Director of Facilities with input and direction from the Superintendent and Town Manager. The Director of Facilities oversees the operations of the consolidated Facilities Department under the supervision of the Superintendent and Town Manager.

The School Committee will approve the budgeted revolving fund offsets that will be applied to the CORE department expenses.

# Enterprise Funds FY18 Budgets

## Enterprise Funds Overview

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) | Feb. '17 | Target  | Surplus |
|-----------------|----------|---------|---------|
| Water           | \$3,539  | \$1,750 | \$1,789 |
| Sewer*          | \$3,936  | \$1,750 | \$2,186 |
| St. Water       | \$914    | \$350   | \$564   |

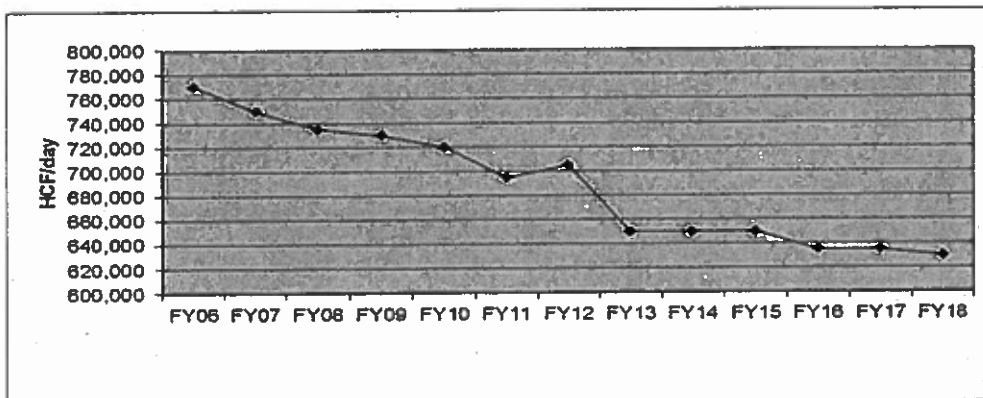
*\*includes \$200k proposed to be used at April 2017 Town Meeting*

## Water & Sewer

MWRA assessments represent a significant portion of the Water (34%) and Sewer (74%) budgets. Early FY18 estimates from the MWRA are for +8.9% (Water) and +1.4% (Sewer) or 5.2% combined increase and then +5% to +6% for the next three years. Note that budgets alone do not determine rates, as will be explained further. Given what we know or project about the future, here is the current plan of use of Reserves:

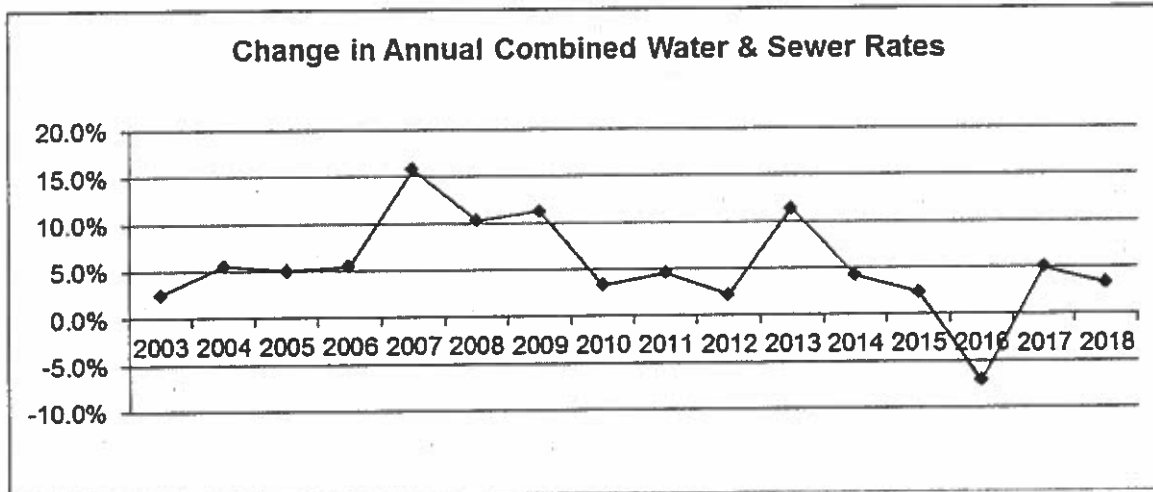
|             | W Res used | W net budget | S Res used | S net budget | Combo net budg |
|-------------|------------|--------------|------------|--------------|----------------|
| <b>FY17</b> | \$800k     | 8.9%         | none       | 1.1%         | 4.9%           |
| <b>FY18</b> | \$600k     | 2.8%         | \$450k     | 1.7%         | 2.2%           |
| <b>FY19</b> | \$475k     | 6.1%         | \$325k     | 4.1%         | 5.1%           |
| <b>FY20</b> | \$325k     | 5.3%         | \$400k     | 5.0%         | 5.2%           |
| <b>FY21</b> | \$200k     | 5.5%         | \$450k     | 4.8%         | 5.2%           |

Water/sewer rates are set by a combination of underlying budgets, use of reserves and the volume of water the community uses. Because about half 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 – the sharp rate increase in FY13 was almost entirely driven by usage.



For FY18 we have again dropped projected water use by a slight amount, which adds about 0.8% to combined water/sewer rates.

In March 2017 the Selectmen voted new rates for both water (+3.7%) and sewer (+2.9%) that are effective with the December 2017 billing. Recall that the rates voted in FY16 eliminated the 10% discount, which explains the apparent drop that year:



### 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.

The Water fund will repay over \$11 million in water main projects through FY27. It is possible that more repair work will be needed and affordable around FY25 as debt service declines. The next two significant projects involve the Auburn Street water tank in the next two years, and meter replacements after that. Auburn had been planned as a repair/repaint project but due to escalating costs, a brand new tank may be the best investment. Telecommunications equipment may be relocated to a nearby stand-alone tower structure for safety, maintenance and revenue reasons.

The Sewer fund will seek Town Meeting authorization for \$2.4 million in debt to repair the Charles Street sewer station; then \$1.8 million for Sturges in FY21 and \$3 million in FY26 for three additional sewer stations. Meter replacements are also on the horizon. In FY18 the Sewer and Storm Water funds will split the \$400,000 cost of a vacuum truck,

The Storm Water fund was been repairing drainage issues for several years, but recently five larger projects have appeared and need to be considered. The first two (\$150,000 for Grove Street and \$80,000 for Bond Street) were funded in FY17; the other three projects \$1.75 million for Sturges & Main will need to be considered in FY19 and would require an increase in the household charge from \$40 to \$60 in order to be funded.

| Enterprise Fund Budgets<br>FY18-21 Overview |   |                   |                       |                   | Local                  | 3.0%              | 3.0%                   | 3.0%                  |                        |                   |       |
|---|---|-------------------|-----------------------|-------------------|------------------------|-------------------|------------------------|-----------------------|------------------------|-------------------|-------|
|   |   |                   |                       |                   | MWRA Water             | 1.9%              | -2.3%                  | 13.4%                 |                        |                   |       |
|   |   |                   |                       |                   | MWRA Sewer             | 4.9%              | 6.1%                   | (7.1% actual)<br>0.1% |                        |                   |       |
| No.   | Approved<br>FY - 2017                   | Percent<br>Change | Proposed<br>FY - 2018 | Percent<br>Change | Projected<br>FY - 2019 | Percent<br>Change | Projected<br>FY - 2020 | Percent<br>Change     | Projected<br>FY - 2021 | Percent<br>Change |       |
| <b>Water</b>                                |   |                   |                       |                   |                        |                   |                        |                       |                        |                   |       |
| W1  | *Wages                                  | 680,425           | 3.9%                  | 700,175           | 2.9%                   | 721,180           | 3.0%                   | 742,816               | 3.0%                   | 765,100           | 3.0%  |
| W2  | *Expenses                               | 809,420           | 10.2%                 | 858,435           | 6.1%                   | 884,188           | 3.0%                   | 910,714               | 3.0%                   | 938,035           | 3.0%  |
| W3  | *GF Offsets                             | 551,888           | 25.7%                 | 560,000           | 1.5%                   | 576,800           | 3.0%                   | 594,104               | 3.0%                   | 611,927           | 3.0%  |
| W4  | Debt+Capital                            | 2,625,429         | 45.4%                 | 2,327,150         | -11.4%                 | 2,469,850         | 6.1%                   | 2,655,370             | 7.5%                   | 2,532,419         | -4.6% |
| WL  | Local Water Costs                       | 4,667,162         | 28.4%                 | 4,445,760         | -4.7%                  | 4,652,018         | 4.6%                   | 4,903,003             | 5.4%                   | 4,847,481         | -1.1% |
| W5  | MWRA Assessment                         | 2,125,000         | 4.5%                  | 2,314,125         | 8.9%                   | 2,358,093         | 1.9%                   | 2,303,857             | -2.3%                  | 2,612,574         | 13.4% |
| WG  | Gross Water Fund                        | 6,792,162         | 19.8%                 | 6,759,885         | -0.5%                  | 7,010,112         | 3.7%                   | 7,206,861             | 2.8%                   | 7,460,055         | 3.5%  |
| W6  | Reserves                                | (800,000)         |                       | (600,000)         |                        | (475,000)         |                        | (325,000)             |                        | (200,000)         |       |
| WN  | Net Water Fund                          | 5,992,162         | 8.5%                  | 6,159,885         | 2.8%                   | 6,535,112         | 6.1%                   | 6,881,861             | 5.3%                   | 7,260,055         | 5.5%  |
| WV  | TM Voted Water Fund                     | 6,240,274         | 19.3%                 | 6,199,885         | -0.6%                  | 6,433,312         | 3.8%                   | 6,612,757             | 2.8%                   | 6,848,128         | 3.6%  |
| <b>Sewer</b>                                |   |                   |                       |                   |                        |                   |                        |                       |                        |                   |       |
| S1  | *Wages                                  | 300,850           | 3.4%                  | 307,025           | 2.1%                   | 316,236           | 3.0%                   | 325,723               | 3.0%                   | 335,495           | 3.0%  |
| S2  | *Expenses                               | 412,600           | 5.6%                  | 397,075           | -3.8%                  | 408,987           | 3.0%                   | 421,257               | 3.0%                   | 433,895           | 3.0%  |
| S3  | *GF Offsets                             | 229,953           | -23.6%                | 232,960           | 1.3%                   | 239,949           | 3.0%                   | 247,147               | 3.0%                   | 254,562           | 3.0%  |
| S4  | Debt+Capital                            | 192,940           | -86.5%                | 681,600           | 253.3%                 | 535,700           | -21.4%                 | 586,200               | 9.4%                   | 917,200           | 56.5% |
| SL  | Local Sewer Costs                       | 1,136,343         | -52.9%                | 1,618,660         | 42.4%                  | 1,500,872         | -7.3%                  | 1,580,327             | 5.3%                   | 1,941,151         | 22.8% |
| S5  | MWRA Assessment                         | 4,800,000         | 2.7%                  | 4,867,200         | 1.4%                   | 5,105,693         | 4.9%                   | 5,417,140             | 6.1%                   | 5,422,557         | 0.1%  |
| SG  | Gross Sewer Fund                        | 5,936,343         | -16.2%                | 6,485,860         | 9.3%                   | 6,606,565         | 1.9%                   | 6,997,467             | 5.9%                   | 7,363,708         | 5.2%  |
| S6  | Reserves                                | (800,000)         |                       | (450,000)         |                        | (325,000)         |                        | (400,000)             |                        | (450,000)         |       |
| SN  | Net Sewer Fund                          | 5,936,343         | 1.1%                  | 6,035,860         | 1.7%                   | 6,281,565         | 4.1%                   | 6,597,467             | 5.0%                   | 6,913,708         | 4.8%  |
| SV  | TM Voted Sewer Fund                     | 5,706,390         | -15.9%                | 6,252,900         | 9.6%                   | 6,366,616         | 1.8%                   | 6,750,320             | 6.0%                   | 7,109,146         | 5.3%  |
| <b>Combined W&amp;S</b>                     |   |                   |                       |                   |                        |                   |                        |                       |                        |                   |       |
|   | Local Water&Sewer                       | 5,803,505         | -4.2%                 | 6,064,420         | 4.5%                   | 6,152,890         | 1.5%                   | 6,483,330             | 5.4%                   | 6,788,632         | 4.7%  |
|   | MWRA Assessments                        | 6,925,000         | 3.3%                  | 7,181,325         | 3.7%                   | 7,463,786         | 3.9%                   | 7,720,997             | 3.4%                   | 8,035,131         | 4.1%  |
|   | Gross W&S Budgets                       | 12,728,505        | -0.3%                 | 13,245,745        | 4.1%                   | 13,616,676        | 2.8%                   | 14,204,328            | 4.3%                   | 14,823,763        | 4.4%  |
|   | Reserves                                | (800,000)         |                       | (1,050,000)       |                        | (800,000)         |                        | (725,000)             |                        | (650,000)         |       |
|   | Net W&S Budgets                         | 11,928,505        | 4.70%                 | 12,195,745        | 2.24%                  | 12,816,676        | 5.1%                   | 13,479,328            | 5.2%                   | 14,173,763        | 5.2%  |
| <b>Reserves</b>                             |   |                   |                       |                   |                        |                   |                        |                       |                        |                   |       |
|   | 6/30/16                                 |                   |                       |                   |                        |                   |                        |                       |                        |                   |       |
|   | Water                                   | 3,539,129         |                       | 2,939,129         |                        | 2,464,129         |                        | 2,139,129             |                        | 1,939,129         |       |
|   | Sewer                                   | 4,136,082         |                       | 3,686,082         |                        | 3,361,082         |                        | 2,961,082             |                        | 2,511,082         |       |
|   | Storm Water                             | 914,435           |                       | 714,435           |                        | 514,435           |                        | 514,435               |                        | 514,435           |       |
| <b>Storm Water</b>                          |   |                   |                       |                   |                        |                   |                        |                       |                        |                   |       |
| Y1  | *Wages                                  | 95,400            | -37.4%                | 97,300            | 2.0%                   | 100,219           | 3.0%                   | 103,226               | 3.0%                   | 106,322           | 3.0%  |
| Y2  | *Expenses                               | 130,030           | 55.9%                 | 120,500           | -7.3%                  | 124,115           | 3.0%                   | 127,838               | 3.0%                   | 131,674           | 3.0%  |
| Y3  | *GF Offsets                             | 91,981            | 100.0%                | 93,160            | 1.3%                   | 95,955            | 3.0%                   | 98,833                | 3.0%                   | 101,798           | 3.0%  |
| Y4  | Debt+Capital                            | 305,000           | 103.3%                | 250,000           | -18.0%                 | 461,250           | 84.5%                  | 449,000               | -2.7%                  | 436,750           | -2.7% |
| SWG   | Storm Water Fund                        | 622,411           | 61.3%                 | 560,960           | -9.9%                  | 781,539           | 39.3%                  | 778,897               | -0.3%                  | 776,544           | -0.3% |
|   | Reserves                                | (250,000)         |                       | (200,000)         |                        | (200,000)         |                        |                       |                        |                   |       |
| SWN   | Net Storm Water                         | 372,411           | 6.2%                  | 360,960           | -3.1%                  | 581,539           | 61.1%                  | 778,897               | 33.9%                  | 776,544           | -0.3% |
| SWV   | TM Voted St Water Fur.                  | 530,430           |                       | 467,800           | -11.8%                 | 685,584           |                        | 680,064               |                        | 674,746           |       |
|   | revs@ \$40 is \$380k (\$415k w/o disc.) | \$40              |                       | ==>               | \$40                   |                   | \$60                   |                       | \$80                   |                   | \$80  |

## Enterprise Funds: Water

|                                 | FY14                | FY15                | FY16                | FY17                | FY17                | FY17       | FY18 TOWN           | PCT            |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|---------------------|----------------|
|                                 | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | REVISED BUDGET      | YTD        | MANAGER BUDGET      | CHANGE         |
| Salaries                        | \$ 689,436          | \$ 686,455          | \$ 677,181          | \$ 404,344          | \$ 680,425          | 59%        | \$ 700,175          | 2.90%          |
| Overhead Expenses               | \$ 315,703          | \$ 394,607          | \$ 426,738          | \$ 353,801          | \$ 488,920          | 72%        | \$ 516,935          | 5.73%          |
| Operational Expenses            | \$ 237,919          | \$ 253,667          | \$ 289,247          | \$ 158,343          | \$ 324,079          | 49%        | \$ 341,500          | 5.38%          |
| General Fund Support            | \$ 413,013          | \$ 427,470          | \$ 439,225          | \$ 551,888          | \$ 551,888          | 100%       | \$ 560,000          | 1.47%          |
| <b>WATER OPERATIONS</b>         | <b>\$ 1,656,072</b> | <b>\$ 1,762,198</b> | <b>\$ 1,832,392</b> | <b>\$ 1,468,376</b> | <b>\$ 2,045,312</b> | <b>72%</b> | <b>\$ 2,118,610</b> | <b>3.58%</b>   |
| Capital                         |                     |                     |                     |                     | \$ 990,000          |            | \$ 275,000          | -72.22%        |
| Debt                            |                     |                     |                     |                     | \$ 1,635,429        |            | \$ 2,052,150        | 25.48%         |
| <b>WATER CAPITAL &amp; DEBT</b> |                     |                     |                     |                     | <b>\$ 2,625,429</b> |            | <b>\$ 2,327,150</b> | <b>-11.36%</b> |
| <b>WATER LOCAL COSTS</b>        |                     |                     |                     |                     | <b>\$ 4,670,741</b> |            | <b>\$ 4,445,760</b> | <b>-4.82%</b>  |
| MWRA Expenses*                  | \$ 1,854,203        | \$ 1,931,410        | \$ 2,032,766        | \$ 1,265,729        | \$ 2,125,000        | 60%        | \$ 2,314,125        | 8.90%          |
| *MWRA forecast                  |                     |                     |                     |                     |                     |            |                     |                |
| <b>WATER (GROSS)</b>            |                     |                     |                     |                     | <b>\$ 6,795,741</b> |            | <b>\$ 6,759,885</b> | <b>-0.53%</b>  |
| Water Reserves as offset        |                     |                     |                     |                     | \$ (803,579)        |            | \$ (600,000)        | -25.33%        |
| <b>WATER (NET)</b>              |                     |                     |                     |                     | <b>\$ 5,992,162</b> |            | <b>\$ 6,159,885</b> | <b>2.80%</b>   |

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.

|                                   | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT          |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                                   | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE       |
| WTR DIST SUPERVISOR               | \$ 40,001         | \$ 36,770         | \$ 39,532         | \$ 24,427         | \$ 40,350         | 61%        | \$ 42,075         | 4.28%        |
| WTR DIST FOREMAN                  | \$ 61,958         | \$ 56,697         | \$ 69,985         | \$ 44,307         | \$ 71,850         | 62%        | \$ 73,800         | 2.71%        |
| WTR DIST WORKING FOREMAN          | \$ 99,180         | \$ 105,869        | \$ 111,495        | \$ 70,931         | \$ 114,925        | 62%        | \$ 118,100        | 2.76%        |
| WATER QUALITY/ SUPPLY COORDINATOR | \$ -              | \$ 27,140         | \$ 64,842         | \$ 41,493         | \$ 68,450         | 61%        | \$ 70,000         | 2.26%        |
| WTR DIST EQUIPMENT OPERATOR       | \$ 136,185        | \$ 127,974        | \$ 159,463        | \$ 101,520        | \$ 163,950        | 62%        | \$ 168,500        | 2.78%        |
| WTR DIST SKILLED LABORER          | \$ 33,383         | \$ 40,322         | \$ 62,328         | \$ 52,541         | \$ 84,900         | 62%        | \$ 87,650         | 3.24%        |
| WTR DIST LABORER                  | \$ 70,281         | \$ 72,647         | \$ 52,650         | \$ 10,526         | \$ 37,600         | 28%        | \$ 35,000         | -6.91%       |
| WTR SENIOR ADMIN ASSISTANT        | \$ -              | \$ 10,868         | \$ 23,585         | \$ 14,479         | \$ 24,900         | 58%        | \$ -              | -100.00%     |
| WTR ASST COLLECTOR                |                   |                   |                   |                   |                   |            | \$ 27,050         | 100.00%      |
| WTR ADMIN ASST                    | \$ 20,282         | \$ 11,181         | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| WTR SUPPLY PLANT SUPERVISOR       | \$ 86,610         | \$ 86,221         | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| WTR SUPPLY SNOW REMOVAL           | \$ (1,327)        | \$ (1,315)        | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| WTR SUPPLY-OVERTIME               | \$ 2,821          | \$ 1,284          | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| WTR DIST SNOW REMOVAL             | \$ (9,822)        | \$ (7,870)        | \$ -              | \$ -              | \$ (7,000)        | 0%         | \$ (7,000)        | 0.00%        |
| WTR DIST WAGES OVERTIME           | \$ 40,160         | \$ 63,634         | \$ 62,599         | \$ 27,252         | \$ 55,000         | 50%        | \$ 57,500         | 4.55%        |
| WTR DIST OUT OF GRADE WORK        | \$ 6,220          | \$ 5,627          | \$ 5,173          | \$ 3,108          | \$ 5,000          | 62%        | \$ 5,500          | 10.00%       |
| WTR DIST ON-CALL PREM             | \$ 10,813         | \$ 12,041         | \$ 11,880         | \$ 7,644          | \$ 11,000         | 69%        | \$ 12,000         | 9.09%        |
| WTR DIST WGS LONGEVITY            | \$ 44,083         | \$ 35,558         | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| WTR DIST WAGES TEMP               | \$ 8,662          | \$ 7,193          | \$ 9,828          | \$ 6,118          | \$ 9,500          | 64%        | \$ 10,000         | 5.26%        |
| WTR DIST SICK LEAVE BUYBACK       | \$ 39,947         | \$ (5,385)        | \$ 3,821          | \$ -              | \$ -              |            | \$ -              |              |
| <b>WATER ENT FUND SALARIES</b>    | <b>\$ 689,436</b> | <b>\$ 686,455</b> | <b>\$ 677,181</b> | <b>\$ 404,344</b> | <b>\$ 680,425</b> | <b>59%</b> | <b>\$ 700,175</b> | <b>2.90%</b> |

There is no change in staffing levels, aside from the previously mentioned change in the Finance department. Note the Supervisor and Assistant Collector positions are split evenly with the Sewer Enterprise Fund.

|  | FY14                | FY15                | FY16                | FY17                | FY17 REVISED        | FY17        | FY18 TOWN           | PCT          |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|-------------|---------------------|--------------|
|  | ACTUALS             | ACTUALS             | ACTUALS             | ACTUALS             | BUDGET              | YTD         | MANAGER             | CHANGE       |
| WTR RETIREMENT ASSESSMENT                | \$ 76,417           | \$ 113,368          | \$ 118,470          | \$ 166,923          | \$ 166,920          | 100%        | \$ 174,435          | 4.50%        |
| WTR HEALTH INSURANCE PREMIUM             | \$ 142,063          | \$ 175,517          | \$ 190,283          | \$ 139,374          | \$ 210,000          | 66%         | \$ 225,000          | 7.14%        |
| WTR OPT-OUT HEALTH INS PMNT              | \$ 4,500            | \$ 1,500            | \$ 9,050            | \$ -                | \$ -                |             | \$ -                |              |
| WATER OPEB CONTRIBUTIONS                 | \$ 45,215           | \$ 50,000           | \$ 50,000           | \$ -                | \$ 50,000           | 0%          | \$ 50,000           | 0.00%        |
| WTR MEDICARE EMPL BENEFITS               | \$ 7,130            | \$ 8,614            | \$ 10,647           | \$ -                | \$ 9,000            | 0%          | \$ 12,000           | 33.33%       |
| WTR PROP & CASUALTY INS PREM             | \$ 27,669           | \$ 31,436           | \$ 33,813           | \$ 31,268           | \$ 37,000           | 85%         | \$ 38,500           | 4.05%        |
| WTR WORKER COMP INS PREM                 | \$ 12,710           | \$ 14,172           | \$ 14,475           | \$ 16,236           | \$ 16,000           | 101%        | \$ 17,000           | 6.25%        |
| <b>WATER ENT FUND OVERHEAD EXPENSES</b>  | <b>\$ 315,703</b>   | <b>\$ 394,607</b>   | <b>\$ 426,738</b>   | <b>\$ 353,801</b>   | <b>\$ 488,920</b>   | <b>72%</b>  | <b>\$ 516,935</b>   | <b>5.73%</b> |
| WTR GEN HAZARD WASTE DISPOSAL            | \$ 7,926            | \$ 5,017            | \$ 3,255            | \$ -                | \$ 10,000           | 0%          | \$ 10,000           | 0.00%        |
| WTR PRINTING SERVICES FORMS ETC          | \$ -                | \$ -                | \$ 381              | \$ -                | \$ -                |             | \$ -                |              |
| WTR GEN PRIMACY ASSMNT                   | \$ 5,076            | \$ 5,036            | \$ 5,064            | \$ 4,954            | \$ 5,500            | 90%         | \$ 5,000            | -9.09%       |
| WTR GEN PURCH SVC WAKEFIELD              | \$ 7,406            | \$ 7,434            | \$ -                | \$ -                | \$ 8,000            | 0%          | \$ 7,500            | -6.25%       |
| WTR GEN PROF DEV/TRAINING                | \$ 5,390            | \$ 4,047            | \$ 3,946            | \$ 1,309            | \$ 7,500            | 17%         | \$ 7,500            | 0.00%        |
| WATER CONSERVATION PROMOTION             | \$ 13,631           | \$ 22,860           | \$ 17,048           | \$ 6,680            | \$ 40,000           | 17%         | \$ 40,000           | 0.00%        |
| WTR SUPPLY WELLS                         | \$ 6,246            | \$ 10,629           | \$ 7,125            | \$ 1,716            | \$ 20,000           | 9%          | \$ 15,000           | -25.00%      |
| WTR SUPPLY ELECTRICITY                   | \$ 18,693           | \$ 18,656           | \$ 19,979           | \$ 12,385           | \$ 20,000           | 62%         | \$ 21,000           | 5.00%        |
| WTR SUPPLY PROF/TECH SV                  | \$ 1,351            | \$ 13,210           | \$ (2,381)          | \$ 12,023           | \$ 10,000           | 120%        | \$ 10,000           | 0.00%        |
| WTR SUPPLY SUPPLIES/EQUIPMEN             | \$ 2,314            | \$ 4,814            | \$ 5,641            | \$ 2,840            | \$ 6,000            | 47%         | \$ 6,000            | 0.00%        |
| WTR SUPPLY TELEPHONE                     | \$ 894              | \$ 1,109            | \$ 850              | \$ 524              | \$ 2,500            | 21%         | \$ 2,500            | 0.00%        |
| WTR SUPPLY WATER/SEWER                   | \$ 215              | \$ 161              | \$ 233              | \$ 119              | \$ 500              | 24%         | \$ 500              | 0.00%        |
| WTR DIST ELECTRICITY                     | \$ 8,584            | \$ 10,700           | \$ 11,112           | \$ 6,694            | \$ 10,000           | 67%         | \$ 11,000           | 10.00%       |
| WTR DIST NATURAL GAS                     | \$ 261              | \$ 261              | \$ 262              | \$ 154              | \$ 500              | 31%         | \$ 500              | 0.00%        |
| WTR FUEL OIL                             | \$ -                | \$ -                | \$ -                | \$ -                | \$ 3,000            | 0%          | \$ -                | -100.00%     |
| WTR GASOLINE                             | \$ -                | \$ -                | \$ -                | \$ 7,514            | \$ -                |             | \$ 12,000           | 100.00%      |
| WTR DIST POLICE DETAILS                  | \$ 15,102           | \$ 14,752           | \$ 13,025           | \$ 8,901            | \$ 17,500           | 51%         | \$ 17,500           | 0.00%        |
| WTR DIST WATER SYSTEM                    | \$ 14,170           | \$ 7,150            | \$ 8,243            | \$ 11,190           | \$ 10,000           | 112%        | \$ 15,000           | 50.00%       |
| WTR DIST MAIN PIPE/HYDRANT               | \$ 12,281           | \$ 4,307            | \$ 9,990            | \$ 2,800            | \$ 10,500           | 27%         | \$ 10,000           | -4.76%       |
| WTR DIST SERVICE PIPE/METER              | \$ 50,891           | \$ 52,975           | \$ 28,122           | \$ 3,174            | \$ 7,000            | 45%         | \$ 10,000           | 42.86%       |
| WTR DIST CROSS CONN INSP                 | \$ 5,580            | \$ 5,420            | \$ 6,512            | \$ 2,068            | \$ 8,000            | 26%         | \$ 8,000            | 0.00%        |
| WTR DIST PROF DEV/TRAINING               | \$ -                | \$ 849              | \$ 4,485            | \$ -                | \$ -                |             | \$ -                |              |
| WTR DIST SFTWR LIC & SUPP                | \$ 9,400            | \$ 4,989            | \$ 20,041           | \$ 3,324            | \$ 7,500            | 44%         | \$ 7,500            | 0.00%        |
| WTR HOT TOP SUPPLIES                     | \$ -                | \$ -                | \$ -                | \$ 13,009           | \$ -                |             | \$ 10,000           |              |
| WTR DIST GEN SUPPLIES/SERVIC             | \$ 25,282           | \$ 22,339           | \$ 54,012           | \$ 8,051            | \$ 32,500           | 25%         | \$ 30,000           | -7.69%       |
| WTR DIST MAIN PIPE/HYDRANT               | \$ 21,897           | \$ 26,317           | \$ 33,279           | \$ 10,944           | \$ 32,500           | 34%         | \$ 30,000           | -7.69%       |
| WTR DIST SERVICE METERS                  | \$ -                | \$ 9,947            | \$ 37,038           | \$ 33,819           | \$ 50,000           | 68%         | \$ 50,000           | 0.00%        |
| WTR DIST UNIFORMS AND CLOTHING           | \$ 4,185            | \$ -                | \$ -                | \$ -                | \$ -                |             | \$ -                |              |
| WTR DIST LICENSES                        | \$ 1,143            | \$ 690              | \$ 1,986            | \$ 4,152            | \$ 5,079            | 82%         | \$ 5,000            | -1.55%       |
| <b>WATER ENT FUND OPS EXPENSES</b>       | <b>\$ 237,919</b>   | <b>\$ 253,667</b>   | <b>\$ 289,247</b>   | <b>\$ 158,343</b>   | <b>\$ 324,079</b>   | <b>49%</b>  | <b>\$ 341,500</b>   | <b>5.38%</b> |
| WAGE SUPPORT-ADM SVCS                    | \$ 30,351           | \$ 80,588           | \$ 82,804           | \$ 28,472           | \$ 28,472           | 100%        | \$ 28,900           | 1.50%        |
| EXP SUPPORT- ADM SVCS                    | \$ -                | \$ 35,710           | \$ 36,692           | \$ 18,480           | \$ 18,480           | 100%        | \$ 18,750           | 1.46%        |
| WAGE SUPPORT-ACCOUNTING                  | \$ 10,640           | \$ -                | \$ -                | \$ -                | \$ -                |             | \$ -                |              |
| EXP SUPPORT-ACCOUNTING                   | \$ 190              | \$ -                | \$ -                | \$ -                | \$ -                |             | \$ -                |              |
| WAGE SUPPORT-FINANCE                     | \$ 33,817           | \$ 36,913           | \$ 37,928           | \$ 24,490           | \$ 24,490           | 100%        | \$ 24,850           | 1.47%        |
| EXP SUPPORT-FINANCE                      | \$ 22,859           | \$ 23,856           | \$ 24,512           | \$ 5,025            | \$ 5,025            | 100%        | \$ 5,100            | 1.49%        |
| WAGE SUPPORT-HUMAN RESOURCES             | \$ 5,173            | \$ -                | \$ -                | \$ -                | \$ -                |             | \$ -                |              |
| EXP SUPPORT-HUMAN RESOURCE               | \$ 2,390            | \$ -                | \$ -                | \$ -                | \$ -                |             | \$ -                |              |
| WAGE SUPPORT-TECHNOLOGY                  | \$ 33,547           | \$ -                | \$ -                | \$ -                | \$ -                |             | \$ -                |              |
| EXPSUPPORT-TECHNOLOGY                    | \$ 32,112           | \$ -                | \$ -                | \$ -                | \$ -                |             | \$ -                |              |
| WAGE SUPPORT-DPW                         | \$ 110,521          | \$ 114,390          | \$ 117,536          | \$ 364,918          | \$ 364,918          | 100%        | \$ 370,250          | 1.46%        |
| WAGE SUPPORT-ENGINEERING                 | \$ 103,888          | \$ 107,524          | \$ 110,481          | \$ -                | \$ -                |             | \$ -                |              |
| WAGE SUPPORT-HIGHWAY                     | \$ 7,105            | \$ 7,354            | \$ 7,556            | \$ -                | \$ -                |             | \$ -                |              |
| EXP SUPPORT-DPW                          | \$ 20,420           | \$ 21,135           | \$ 21,716           | \$ 110,503          | \$ 110,503          | 100%        | \$ 112,150          | 1.49%        |
| <b>WATER ENT FUND GEN'L FUND SUPPORT</b> | <b>\$ 413,013</b>   | <b>\$ 427,470</b>   | <b>\$ 439,225</b>   | <b>\$ 551,888</b>   | <b>\$ 551,888</b>   | <b>100%</b> | <b>\$ 560,000</b>   | <b>1.47%</b> |
| WTR SUPPLY MWRA                          | \$ 1,854,203        | \$ 1,931,410        | \$ 2,032,766        | \$ 1,265,729        | \$ 2,125,000        | 60%         | \$ 2,314,125        | 8.90%        |
| <b>WATER ENT FUND MWRA</b>               | <b>\$ 1,854,203</b> | <b>\$ 1,931,410</b> | <b>\$ 2,032,766</b> | <b>\$ 1,265,729</b> | <b>\$ 2,125,000</b> | <b>60%</b>  | <b>\$ 2,314,125</b> | <b>8.90%</b> |

Local overhead expenses are higher because of annual pension assessments plus a slightly higher utilization of health insurance. Local operational expenses are generally flat except for increases in utility costs. Overhead costs were all increased by about 1.5% according to a methodology developed by the Town Accountant. The annual MWRA assessment is based on latest estimates, and the highest projected increase in several years. Future assessment projections head back to a 5% annual rate.

**Water Enterprise Fund  
Capital + Debt**

| Water Ent. Fund Capital & Debt  | FY- | Approved<br>FY-2017 | Proposed<br>FY-2018 | Projected =<br>FY-2019 | Legend: Debt (issued); debtni (not issued); debina (not yet approved)<br>FY-2020 | FY-2021          | FY-2022          | FY-2023          | FY-2024          | FY-2025          | FY-2026          | FY-2027          | FY18-27<br>TOTAL  |
|---|-----|---------------------|---------------------|------------------------|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| <b>Total Capital &amp; Debt</b>   |     | <b>2,601,482</b>    | <b>2,327,150</b>    | <b>2,469,850</b>       | <b>2,655,370</b>   | <b>2,532,419</b> | <b>2,558,281</b> | <b>2,251,244</b> | <b>2,158,327</b> | <b>1,702,690</b> | <b>1,698,253</b> | <b>1,529,841</b> | <b>21,883,425</b> |
| <b>Water CAPITAL</b>  |     | <b>990,000</b>      | <b>275,000</b>      | <b>570,000</b>         | <b>305,000</b>   | <b>75,000</b>    | <b>159,000</b>   | <b>114,000</b>   | <b>75,000</b>    | <b>75,000</b>    | <b>135,000</b>   | <b>135,000</b>   | <b>1,918,000</b>  |
| MWRA (\$3.18mil partial join)   | 2   | Debt                | Debt                | Debt                   | Debt   | Debt             | Debt             | Debt             | Debt             | Debt             | Debt             | Debt             |                   |
| MWRA (\$7.8mil full join)   | 3   | Debt                | Debt                | Debt                   | Debt   | Debt             | Debt             | Debt             | Debt             | Debt             | Debt             | Debt             |                   |
| WTP demo & chlorine (\$800k)  | 4   | Debt                | Debt                |                        |  |                  |                  |                  |                  |                  |                  |                  |                   |
| Well Abandonment  |     |                     |                     |                        | 225,000  |                  |                  |                  |                  |                  |                  |                  | 225,000           |
| Replace Pickup Truck #3 (2003)  |     |                     |                     |                        |  |                  |                  | 39,000           |                  |                  |                  |                  | 39,000            |
| WM: Haverhill & Howard (\$2.285m)   | 5a  | Debt                | Debt                | Debt                   | Debt   | Debt             | Debt             |                  |                  |                  |                  |                  | -                 |
| WM: MWRA loan to be used  | 5b  | Debt                | Debt                | Debt                   | Debt   | Debt             | Debt             |                  |                  |                  |                  |                  | -                 |
| WM Phase 1 R#1 \$4.012mil/10yr  | 6a  | Debt                | Debt                | Debt                   | Debt   | Debt             | Debt             | Debt             | Debt             | Debt             | Debt             | Debt             | -                 |
| WM Phase 1 R#2 \$1.165mil/10yr  | 6b  | Debt                | Debt                | Debt                   | Debt   | Debt             | Debt             | Debt             | Debt             | Debt             | Debt             | Debt             | -                 |
| WM Capital  |     | 320,000             |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| WM Phase 1 R#2 \$3.46 mil/10yr  | 6c  |                     | debtini             | debtini                | debtini  | debtini          | debtini          | debtini          | debtini          | debtini          | debtini          | debtini          | -                 |
| WM Reading Phase 2 \$6.5mil TBA   |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| WM Reading Phase 3 \$7.5mil TBA   |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| WM Reading Phase 4 \$15mil TBA  |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| WM: Larch Lane  |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| WM: Grove St (1500 ft)  |     | 575,000             |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| Unidirectional Flushing Program   |     | 45,000              | 30,000              | 30,000                 | 30,000   |                  |                  |                  |                  |                  | 35,000           | 35,000           | 160,000           |
| WM Lining Program   |     | 50,000              | 50,000              | 50,000                 | 50,000   | 50,000           | 75,000           | 75,000           | 75,000           | 75,000           | 100,000          | 100,000          | 700,000           |
| Meter Replacements \$850k/7yr   |     |                     |                     |                        |  | debtina          | debtina          | debtina          | debtina          | debtina          | debtina          | debtina          | -                 |
| Tank Inspect & Design: Auburn   |     |                     |                     |                        |  | debtina          | debtina          | debtina          | debtina          | debtina          | debtina          | debtina          | -                 |
| NEW Tank: Auburn \$3.5 mil/10yr   |     |                     |                     |                        |  | debtina          | debtina          | debtina          | debtina          | debtina          | debtina          | debtina          | -                 |
| Bear Hill Storage Tank (\$2.0 mil) - remove pending MWRA 2nd connection ? |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| Emerald & Lothrop Booster Station \$400k                                  |     |                     | 60,000              | 340,000                |  |                  |                  |                  |                  |                  |                  |                  | 400,000           |
| Booster Station SCADA   |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| SCADA Upgrade (every 5 yrs)   |     |                     |                     |                        |  | 25,000           |                  |                  |                  |                  |                  |                  | 25,000            |
| Replace Pickup Truck #12 (1997)   |     |                     |                     |                        |  |                  |                  | 42,000           |                  |                  |                  |                  | 42,000            |
| Replace Car #2  |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| Replace Truck #6  |     |                     |                     | 150,000                |  |                  |                  |                  |                  |                  |                  |                  | 150,000           |
| Replace Backhoe #420E   |     |                     | 135,000             |                        |  |                  |                  |                  |                  |                  |                  |                  | 135,000           |
| Replace Utility Truck #5  |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| Replace Pickup #15  |     |                     |                     |                        |  |                  |                  | 42,000           |                  |                  |                  |                  | 42,000            |
| <b>Water DEBT</b>   |     | <b>1,611,482</b>    | <b>2,052,150</b>    | <b>1,899,850</b>       | <b>2,350,370</b>   | <b>2,457,419</b> | <b>2,398,281</b> | <b>2,137,244</b> | <b>2,083,327</b> | <b>1,627,690</b> | <b>1,563,253</b> | <b>1,394,841</b> | <b>21,576,907</b> |
| Join MWRA (partial \$3.18m)   | 2   | 229,719             | 214,930             | 204,980                | 200,180  | 195,380          | 190,580          | 181,780          | 176,100          | 169,900          | 153,700          | 149,350          | 1,836,880         |
| Join MWRA (full \$7.8m)   | 3   | 535,491             | 548,600             | 494,650                | 480,050  | 465,450          | 445,950          | 431,550          | 417,150          | 402,750          | 388,350          | 370,825          | 4,437,325         |
| Demo WTP Chlorination (\$0.8m)  | 4   | 83,660              | 81,220              |                        |  |                  |                  |                  |                  |                  |                  |                  | 81,220            |
| WM: Haverhill & Howard (\$2.285m)   | 5a  | 185,000             | 185,000             | 185,000                | 185,000  | 185,000          | 185,000          |                  |                  |                  |                  |                  | 925,000           |
| WM: MWRA loan to be used  | 5b  | 20,000              | 20,000              | 20,000                 | 20,000   | 20,000           | 20,000           |                  |                  |                  |                  |                  | 100,000           |
| WM Phase 1 R#1 \$4.012mil/10yr  | 6a  | 401,200             | 401,200             | 401,200                | 401,200  | 401,200          | 401,200          | 401,200          | 401,200          |                  |                  |                  | 2,608,400         |
| WM Phase 1 R#2 \$1.165mil/10yr  | 6b  | 156,412             | 159,400             | 154,600                | 144,900  | 140,300          | 135,700          | 131,100          | 126,500          | 121,900          | 117,300          |                  | 1,231,700         |
| WM Phase 1 R#2 \$3.46 mil/10yr  | 6c  | -                   | 449,800             | 439,420                | 429,040  | 418,660          | 408,280          | 397,900          | 387,520          | 377,140          | 366,760          | 356,380          | 4,030,900         |
| WM Reading Phase 2 \$6.5mil TBA   |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| WM Reading Phase 3 \$7.5mil TBA   |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| WM Reading Phase 4 \$15mil TBA  |     |                     |                     |                        |  |                  |                  |                  |                  |                  |                  |                  | -                 |
| Meter Replacements \$850k/7yr   |     |                     |                     |                        |  | 155,429          | 150,571          | 145,714          | 140,857          | 136,000          | 131,143          | 126,286          | 986,000           |
| NEW Tank: Auburn \$3.5 mil/10yr   |     |                     |                     |                        | 490,000  | 476,000          | 462,000          | 448,000          | 434,000          | 420,000          | 406,000          | 392,000          | 3,528,000         |

## Enterprise Funds: Sewer

|                                 | FY14              | FY15              | FY16              | FY17              | FY17                | FY17       | FY18 TOWN           | PCT            |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|------------|---------------------|----------------|
|                                 | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET      | YTD        | MANAGER BUDGET      | CHANGE         |
| Salaries                        | \$ 292,211        | \$ 280,277        | \$ 300,861        | \$ 178,893        | \$ 300,850          | 59%        | \$ 307,025          | 2.05%          |
| Overhead Expenses               | \$ 109,718        | \$ 118,276        | \$ 126,576        | \$ 100,088        | \$ 139,600          | 72%        | \$ 152,075          | 8.94%          |
| Operational Expenses            | \$ 152,060        | \$ 166,240        | \$ 122,360        | \$ 77,849         | \$ 273,000          | 29%        | \$ 245,000          | -10.26%        |
| General Fund Support            | \$ 283,056        | \$ 292,965        | \$ 301,022        | \$ 229,953        | \$ 229,953          | 100%       | \$ 232,960          | 1.31%          |
| <b>SEWER OPERATIONS</b>         | <b>\$ 837,046</b> | <b>\$ 857,759</b> | <b>\$ 850,819</b> | <b>\$ 586,783</b> | <b>\$ 943,403</b>   | <b>72%</b> | <b>\$ 937,060</b>   | <b>-0.67%</b>  |
| Capital                         |                   |                   |                   |                   | \$ 110,000          |            | \$ 250,000          | 127.27%        |
| Debt                            |                   |                   |                   |                   | \$ 82,940           |            | \$ 431,600          | 420.38%        |
| <b>SEWER CAPITAL &amp; DEBT</b> |                   |                   |                   |                   | <b>\$ 192,940</b>   |            | <b>\$ 681,600</b>   | <b>253.27%</b> |
| <b>SEWER LOCAL COSTS</b>        |                   |                   |                   |                   | <b>\$ 1,136,343</b> |            | <b>\$ 1,618,660</b> | <b>42.44%</b>  |
| MWRA Expenses*                  | \$ 4,499,328      | \$ 4,642,124      | \$ 4,624,378      | \$ 2,861,957      | \$ 4,800,000        | 60%        | \$ 4,867,200        | 1.40%          |
| *MWRA forecast                  |                   |                   |                   |                   |                     |            |                     |                |
| <b>SEWER (GROSS)</b>            |                   |                   |                   |                   | <b>\$ 5,936,343</b> |            | <b>\$ 6,485,860</b> | <b>9.26%</b>   |
| Sewer Reserves as offset        |                   |                   |                   |                   | \$ -                |            | \$ (450,000)        | 100.00%        |
| <b>SEWER (NET)</b>              |                   |                   |                   |                   | <b>\$ 5,936,343</b> |            | <b>\$ 6,035,860</b> | <b>1.68%</b>   |

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.

|                                | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT          |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|--------------|
|                                | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISED BUDGET    | YTD        | MANAGER BUDGET    | CHANGE       |
| SEWER SUPERVISOR               | \$ 39,731         | \$ 36,770         | \$ 41,275         | \$ 24,581         | \$ 40,350         | 61%        | \$ 42,075         | 4.28%        |
| SEWER WORKING FOREMAN          | \$ 52,407         | \$ 52,785         | \$ 56,764         | \$ 36,182         | \$ 58,600         | 62%        | \$ 60,225         | 2.77%        |
| SEWER EQUIPMENT OPERATOR       | \$ 55,624         | \$ 49,669         | \$ 58,688         | \$ 36,425         | \$ 59,050         | 62%        | \$ 60,675         | 2.75%        |
| SEWER SKILLED LABORER          | \$ -              | \$ -              | \$ -              | \$ 1,586          | \$ -              |            | \$ -              |              |
| SEWER LABORER                  | \$ 64,682         | \$ 60,340         | \$ 63,782         | \$ 37,475         | \$ 74,500         | 50%        | \$ 73,000         | -2.01%       |
| SWR SENIOR ADMIN ASSISTANT     | \$ -              | \$ 10,790         | \$ 23,637         | \$ 14,479         | \$ 24,900         | 58%        |                   | -100.00%     |
| SWR ASST COLLECTOR             |                   |                   |                   |                   |                   |            | \$ 27,050         | 100.00%      |
| SWR ADMIN ASST                 | \$ 20,282         | \$ 11,181         | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| SEWER SNOW REMOVAL             | \$ (5,365)        | \$ (1,954)        | \$ -              | \$ -              | \$ (2,500)        | 0%         | \$ (2,500)        | 0.00%        |
| SEWER OVERTIME                 | \$ 47,992         | \$ 47,763         | \$ 47,799         | \$ 25,112         | \$ 39,500         | 64%        | \$ 40,000         | 1.27%        |
| SEWER OUT OF GRADE WORK        | \$ 4,836          | \$ 3,138          | \$ 2,935          | \$ 1,961          | \$ 3,500          | 56%        | \$ 3,500          | 0.00%        |
| SEWER WGS ON-CALL PREMIUM      | \$ 3,020          | \$ 1,869          | \$ 2,160          | \$ 1,092          | \$ 2,950          | 37%        | \$ 3,000          | 1.69%        |
| SEWER WAGES LONGEVITY          | \$ 9,000          | \$ 7,925          | \$ -              | \$ -              | \$ -              |            | \$ -              |              |
| SEWER SICK LEAVE BUYBACK       | \$ -              | \$ -              | \$ 3,821          | \$ -              | \$ -              |            | \$ -              |              |
| <b>SEWER ENT FUND SALARIES</b> | <b>\$ 292,211</b> | <b>\$ 280,277</b> | <b>\$ 300,861</b> | <b>\$ 178,893</b> | <b>\$ 300,850</b> | <b>59%</b> | <b>\$ 307,025</b> | <b>2.05%</b> |

There is no change in staffing levels, aside from the previously mentioned change in the Finance department. Note the Supervisor and Assistant Collector positions are split evenly with the Water Enterprise Fund.

|                                   | FY14         | FY15         | FY16         | FY17         | FY17 REVISED | FY17 | FY18 TOWN    | PCT      |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|------|--------------|----------|
|                                   | ACTUALS      | ACTUALS      | ACTUALS      | ACTUALS      | BUDGET       | YTD  | MANAGER      | CHANGE   |
| SEWER RETIREMENT ASSESSMENT       | \$ 28,460    | \$ 33,800    | \$ 35,320    | \$ 43,612    | \$ 43,600    | 100% | \$ 45,575    | 4.53%    |
| SEWER HEALTH INSURANCE PREM       | \$ 56,429    | \$ 42,116    | \$ 53,565    | \$ 39,733    | \$ 56,000    | 71%  | \$ 65,000    | 16.07%   |
| SEWER OPEB CONTRIBUTIONS          | \$ 7,901     | \$ 20,000    | \$ 20,000    | \$ -         | \$ 20,000    | 0%   | \$ 20,000    | 0.00%    |
| SEWER MEDICARE EMPL BENEFITS      | \$ 1,550     | \$ 2,211     | \$ 2,262     | \$ -         | \$ 2,000     | 0%   | \$ 2,500     | 25.00%   |
| SEWER PROP & CASUALTY INS PREM    | \$ 878       | \$ 897       | \$ 1,966     | \$ 1,568     | \$ 2,000     | 78%  | \$ 2,500     | 25.00%   |
| SEWER DEDUCTIBLES/CLAIMS          | \$ 2,500     | \$ 5,389     | \$ -         | \$ -         | \$ -         | \$ - | \$ -         |          |
| SEWER WORKER COMP INS PREM        | \$ 12,000    | \$ 13,864    | \$ 13,463    | \$ 15,176    | \$ 16,000    | 95%  | \$ 16,500    | 3.13%    |
| SEWER ENT FUND OVERHEAD EXPENSES  | \$ 109,718   | \$ 118,276   | \$ 126,576   | \$ 100,088   | \$ 139,600   | 72%  | \$ 152,075   | 8.94%    |
| SWR PRINTING SERVICES FORMS ETC   | \$ 440       | \$ -         | \$ 381       | \$ -         | \$ -         | \$ - | \$ -         |          |
| SEWER LEGAL COUNSEL               | \$ -         | \$ -         | \$ -         | \$ -         | \$ 2,000     | 0%   | \$ -         | -100.00% |
| SEWER PURCHASED SERVICES          | \$ 20,555    | \$ 20,449    | \$ 7,216     | \$ 3,608     | \$ 21,000    | 17%  | \$ 20,000    | -4.76%   |
| SEWER ELECTRICITY                 | \$ 26,380    | \$ 28,393    | \$ 23,501    | \$ 13,454    | \$ 30,000    | 45%  | \$ 30,000    | 0.00%    |
| SEWER STATION REPAIR              | \$ 14,053    | \$ 11,605    | \$ 23,205    | \$ 4,714     | \$ 25,000    | 19%  | \$ 22,500    | -10.00%  |
| MANHOLE MAINTENANCE               | \$ 1,925     | \$ -         | \$ -         | \$ -         | \$ 10,000    | 0%   | \$ 7,500     | -25.00%  |
| INFLOW/INFILTRATION PREVENTION    | \$ 38,099    | \$ 54,833    | \$ 2,567     | \$ 14,906    | \$ 100,000   | 15%  | \$ 75,000    | -25.00%  |
| SEWER HAZARD WASTE DISPOSAL       | \$ 5,975     | \$ 12,000    | \$ 12,000    | \$ 5,231     | \$ 12,000    | 44%  | \$ 12,000    | 0.00%    |
| SEWER POLICE DETAILS              | \$ 3,071     | \$ 3,488     | \$ 1,205     | \$ 2,797     | \$ 5,000     | 56%  | \$ 5,000     | 0.00%    |
| SEWER CONT SVC PUMP STATIONS      | \$ 10,981    | \$ 10,057    | \$ 11,103    | \$ 7,462     | \$ 18,000    | 41%  | \$ 18,000    | 0.00%    |
| SEWER SYSTEM INSPECTIONS          | \$ 3,968     | \$ 2,076     | \$ 6,030     | \$ 400       | \$ 15,000    | 3%   | \$ 15,000    | 0.00%    |
| SEWER PROF DEV/TRAINING           | \$ 1,700     | \$ 1,035     | \$ 7,560     | \$ 1,004     | \$ 2,000     | 50%  | \$ 2,000     | 0.00%    |
| SEWER SOFTWARE SUPPORT            | \$ 5,063     | \$ 4,433     | \$ 12,783    | \$ 4,000     | \$ 7,500     | 53%  | \$ 7,500     | 0.00%    |
| SEWER PUMP STATION SUPPLIES       | \$ 2,681     | \$ 6,265     | \$ 5,184     | \$ 5,984     | \$ 7,000     | 85%  | \$ 7,000     | 0.00%    |
| SEWER DISTRIBUTION SYSTEM         | \$ 8,790     | \$ 6,912     | \$ 6,595     | \$ 8,186     | \$ 10,000    | 82%  | \$ 10,000    | 0.00%    |
| SEWER CHEMICALS                   | \$ 5,782     | \$ 4,560     | \$ 2,694     | \$ 2,609     | \$ 7,500     | 35%  | \$ 7,500     | 0.00%    |
| SEWER GASOLINE                    | \$ -         | \$ -         | \$ -         | \$ 3,145     | \$ -         | \$ - | \$ 5,000     | 100.00%  |
| SEWER UNIFORMS                    | \$ 2,344     | \$ -         | \$ -         | \$ -         | \$ -         | \$ - | \$ -         |          |
| LICENSES                          | \$ 255       | \$ 135       | \$ 337       | \$ 349       | \$ 1,000     | 35%  | \$ 1,000     | 0.00%    |
| SEWER ENT FUND OPS EXPENSES       | \$ 152,060   | \$ 166,240   | \$ 122,360   | \$ 77,849    | \$ 273,000   | 29%  | \$ 245,000   | -10.26%  |
| WAGE SUPPORT-ADM SVCS             | \$ 24,458    | \$ 71,688    | \$ 73,660    | \$ 11,863    | \$ 11,863    | 100% | \$ 12,040    | 1.49%    |
| EXPENSE SUPPORT-ADM SVCS          | \$ -         | \$ 33,710    | \$ 34,637    | \$ 7,700     | \$ 7,700     | 100% | \$ 7,825     | 1.62%    |
| WAGE SUPPORT-ACCOUNTING           | \$ 10,050    | \$ -         | \$ -         | \$ -         | \$ -         | \$ - | \$ -         |          |
| EXPENSE SUPPORT-ACCOUNTING        | \$ 181       | \$ -         | \$ -         | \$ -         | \$ -         | \$ - | \$ -         |          |
| WAGE SUPPORT-FINANCE              | \$ 31,940    | \$ 34,920    | \$ 35,880    | \$ 10,204    | \$ 10,204    | 100% | \$ 10,350    | 1.43%    |
| EXPENSE SUPPORT-FINANCE           | \$ 21,581    | \$ 22,524    | \$ 23,143    | \$ 2,094     | \$ 2,094     | 100% | \$ 2,125     | 1.48%    |
| WAGE SUPPORT-HUMAN RESOURCES      | \$ 4,886     | \$ -         | \$ -         | \$ -         | \$ -         | \$ - | \$ -         |          |
| EXPENSE SUPPORT-HUMAN RESOURCE    | \$ 2,256     | \$ -         | \$ -         | \$ -         | \$ -         | \$ - | \$ -         |          |
| WAGE SUPPORT-TECHNOLOGY           | \$ 31,669    | \$ -         | \$ -         | \$ -         | \$ -         | \$ - | \$ -         |          |
| EXPENSE SUPPORT-TECHNOLOGY        | \$ 30,314    | \$ -         | \$ -         | \$ -         | \$ -         | \$ - | \$ -         |          |
| WAGE SUPPORT-DPW                  | \$ 50,120    | \$ 51,875    | \$ 53,302    | \$ 152,050   | \$ 152,050   | 100% | \$ 154,000   | 1.28%    |
| WAGE SUPPORT-ENGINEERING          | \$ 63,410    | \$ 65,630    | \$ 67,435    | \$ -         | \$ -         | \$ - | \$ -         |          |
| WAGE SUPPORT-HIGHWAY              | \$ 2,553     | \$ 2,643     | \$ 2,716     | \$ -         | \$ -         | \$ - | \$ -         |          |
| EXPENSE SUPPORT-DPW               | \$ 9,638     | \$ 9,975     | \$ 10,249    | \$ 46,042    | \$ 46,042    | 100% | \$ 46,620    | 1.26%    |
| SEWER ENT FUND GEN'L FUND SUPPORT | \$ 283,056   | \$ 292,965   | \$ 301,022   | \$ 229,953   | \$ 229,953   | 100% | \$ 232,960   | 1.31%    |
| SEWER MWRA                        | \$ 4,499,328 | \$ 4,642,124 | \$ 4,624,378 | \$ 2,861,957 | \$ 4,800,000 | 60%  | \$ 4,867,200 | 1.40%    |
| SEWER ENT FUND MWRA               | \$ 4,499,328 | \$ 4,642,124 | \$ 4,624,378 | \$ 2,861,957 | \$ 4,800,000 | 60%  | \$ 4,867,200 | 1.40%    |

Local overhead expenses are higher because of annual pension assessments plus a higher utilization of health insurance. Local operational expenses are generally flat except for decreases in some maintenance costs. Overhead costs were all increased by about 1.5% according to a methodology developed by the Town Accountant. The annual MWRA assessment is based on latest estimates, and the lowest projected increase in several years. Future assessment projections head back to a 6% annual rate. Note in the Sewer Fund that the assessment is 74% of total costs, and therefore a driver of budgets.

**Sewer Enterprise Fund  
Capital + Debt**

| 82940                             | Approved       | Proposed       | Projected ==>  |                |                | Legend: Debt (Issued) and debtna (not yet approved) |                |                |                  |                  |                  | FY17-27          |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|---|----------------|----------------|------------------|------------------|------------------|------------------|
| Sewer Ent. Fund Capital & Debt    | FY-2017        | FY-2018        | FY-2019        | FY-2020        | FY-2021        | FY-2022   | FY-2023        | FY-2024        | FY-2025          | FY-2026          | FY-2027          | TOTAL            |
| Sewer Capital                     | 110,000        | 250,000        | 92,000         | 190,000        | 50,000         | 50,000  | 117,000        | 105,000        | 75,000           | 75,000           | 75,000           | 1,189,000        |
| Sewer Debt                        | 82,940         | 431,600        | 443,700        | 396,200        | 867,200        | 843,200   | 798,100        | 774,100        | 1,390,767        | 1,041,967        | 1,002,167        | 8,071,940        |
| <b>Total Capital &amp; Debt</b>   | <b>192,940</b> | <b>681,600</b> | <b>535,700</b> | <b>586,200</b> | <b>917,200</b> | <b>893,200</b>                                      | <b>915,100</b> | <b>879,100</b> | <b>1,465,767</b> | <b>1,116,967</b> | <b>1,077,167</b> | <b>9,280,940</b> |
| <b>Sewer CAPITAL</b>              | <b>110,000</b> | <b>250,000</b> | <b>92,000</b>  | <b>190,000</b> | <b>50,000</b>  | <b>50,000</b>                                       | <b>117,000</b> | <b>105,000</b> | <b>75,000</b>    | <b>75,000</b>    | <b>75,000</b>    | <b>1,189,000</b> |
| Main: Poet's Corner (\$350k)      |                |                |                |                |                |   |                |                |                  |                  |                  | -                |
| Sewer Main Lewis: Charles; Howard |                |                |                |                |                |   |                |                |                  |                  |                  | -                |
| Sewer Main projects               | 50,000         | 50,000         | 50,000         | 50,000         | 50,000         | 50,000  | 75,000         | 75,000         | 75,000           | 75,000           | 75,000           | 675,000          |
| Station: Chas St. \$2.4mil debt   | 2              | debtna         | debtna         | debtna         | debtna         | debtna  | debtna         | debtna         | debtna           | debtna           | debtna           | -                |
| Station: Sturges \$1.775 mil deb  | 3              |                |                |                | debtna         | debtna  | debtna         | debtna         | debtna           | debtna           | debtna           | -                |
| Station: Joseph's Way \$850k      | 4              |                |                |                |                |   |                |                | debtna           | debtna           | debtna           | -                |
| Station: Brewer Lane \$850k       | 4              |                |                |                |                |   |                |                | debtna           | debtna           | debtna           | -                |
| Station: Collins Ave. \$1.4m      | 4              |                |                |                |                |   |                |                | debtna           | debtna           | debtna           | -                |
| Portable Generator - Collins      |                |                |                |                |                |   |                | 30,000         |                  |                  |                  | 30,000           |
| Station: Small Lane \$400k        | 5              |                |                |                |                |   |                |                |                  |                  |                  | -                |
| Station: Grove St \$900k          | 5              |                |                |                |                |   |                |                |                  |                  |                  | -                |
| Portable Generator - Grove        |                | 25,000         |                |                |                |   |                |                |                  |                  |                  | 25,000           |
| Station: Strout Ave. \$1.0mil     | 5              |                |                |                |                |   |                |                |                  |                  |                  | -                |
| Station: Longwood Rd. \$2.0mil    | 6              |                |                |                |                |   |                |                |                  |                  |                  | -                |
| Station: Pitman Drive \$1.5mil    | 6              |                |                |                |                |   |                |                |                  |                  |                  | -                |
| Meter Replacements \$850k         | 3              |                |                |                | debtna         | debtna  | debtna         | debtna         | debtna           | debtna           | debtna           | -                |
| Backhoe 430D                      |                |                |                | 140,000        |                |   |                |                |                  |                  |                  | 140,000          |
| Vacuum Truck (split with StWtr)   |                | 200,000        |                |                |                |   |                |                |                  |                  |                  | 200,000          |
| Pickup #8 (2004)                  |                |                |                |                |                |   |                |                |                  |                  |                  | -                |
| Pickup #1 (2006)                  |                | 35,000         |                |                |                |   |                |                |                  |                  |                  | 35,000           |
| Pickup #6 (2011)                  |                |                | 42,000         |                |                |   |                |                |                  |                  |                  | 42,000           |
| Pickup #11 (2011)                 |                |                |                |                |                |   | 42,000         |                |                  |                  |                  | 42,000           |
| <b>Sewer DEBT</b>                 | <b>82,940</b>  | <b>431,600</b> | <b>443,700</b> | <b>396,200</b> | <b>867,200</b> | <b>843,200</b>                                      | <b>798,100</b> | <b>774,100</b> | <b>1,390,767</b> | <b>1,041,967</b> | <b>1,002,167</b> | <b>8,071,940</b> |
| MWRA Inflow & Infiltration        | 1              | 82,940         | 59,600         | 59,600         | 21,100         | 21,100  | 21,100         |                |                  |                  |                  | 265,440          |
| Sewer Stations \$2.4 mil/8yrs     | 2              | -              | 372,000        | 363,000        | 354,000        | 345,000   | 336,000        | 327,000        | 318,000          | 309,000          |                  | 2,724,000        |
| Swr Sta/Meter \$2.625 mil/7yrs    | 3              |                |                |                | 480,000        | 465,000   | 450,000        | 435,000        | 420,000          | 405,000          | 390,000          | 3,045,000        |
| Sewer Stations \$3.1mil/6yrs      | 4              |                |                |                |                |   |                |                | 640,667          | 615,667          | 591,067          | 1,847,600        |
| Sewer Stations \$2.3mil TBA       | 5              |                |                |                |                |   |                |                |                  |                  |                  | -                |
| Sewer Stations \$3.5mil TBA       | 6              |                |                |                |                |   |                |                |                  |                  |                  | -                |

## Enterprise Funds: Storm Water

|                                 | FY14              | FY15              | FY16              | FY17              | FY17              | FY17       | FY18 TOWN         | PCT            |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-------------------|----------------|
|                                 | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS           | REVISIED BUDGET   | YTD        | MANAGER BUDGET    |                |
| Salaries                        | \$ 135,245        | \$ 143,923        | \$ 128,760        | \$ 55,405         | \$ 95,400         | 58%        | \$ 97,300         | 1.99%          |
| Overhead Expenses               | \$ 20,175         | \$ 36,091         | \$ 38,444         | \$ 19,138         | \$ 43,030         | 44%        | \$ 33,500         | -22.15%        |
| Operational Expenses            | \$ 9,388          | \$ 9,672          | \$ 6,801          | \$ 18,111         | \$ 87,000         | 21%        | \$ 87,000         | 0.00%          |
| General Fund Support            | \$ -              | \$ -              | \$ -              | \$ 91,981         | \$ 91,981         | 100%       | \$ 93,160         | 1.28%          |
| <b>ST WTR OPERATIONS</b>        | <b>\$ 164,808</b> | <b>\$ 189,686</b> | <b>\$ 174,006</b> | <b>\$ 184,635</b> | <b>\$ 317,411</b> | <b>58%</b> | <b>\$ 310,960</b> | <b>-2.03%</b>  |
| Capital                         |                   |                   |                   |                   | \$ 305,000        |            | \$ 250,000        | -18.03%        |
| Debt                            |                   |                   |                   |                   |                   |            |                   | 0.00%          |
| <b>SEWER CAPITAL &amp; DEBT</b> |                   |                   |                   |                   | <b>\$ 305,000</b> |            | <b>\$ 250,000</b> | <b>-18.03%</b> |
| <b>STORM WATER LOCAL COSTS</b>  |                   |                   |                   |                   | <b>\$ 622,411</b> |            | <b>\$ 560,960</b> | <b>-9.87%</b>  |
| Storm Water Reserves as offset  |                   |                   |                   |                   | \$ (250,000)      |            | \$ (200,000)      | -20.00%        |
| <b>STORM WATER (NET)</b>        |                   |                   |                   |                   | <b>\$ 372,411</b> |            | <b>\$ 360,960</b> | <b>-3.07%</b>  |

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.

|                            | FY14              | FY15              | FY16              | FY17             | FY17 REVISIED    | FY17       | FY18 TOWN        | PCT          |
|----------------------------|-------------------|-------------------|-------------------|------------------|------------------|------------|------------------|--------------|
|                            | ACTUALS           | ACTUALS           | ACTUALS           | ACTUALS          | BUDGET           | YTD        | MANAGER BUDGET   |              |
| STMWTR SKILLED LABORER     | \$ 39,797         | \$ 81,834         | \$ 85,664         | \$ 53,992        | \$ 87,900        | 61%        | \$ 90,300        | 2.73%        |
| STM WTR LABORER            | \$ 36,463         | \$ 564            | \$ -              | \$ -             | \$ -             |            | \$ -             |              |
| STMWTR ASST CIVIL ENGINEER | \$ 54,667         | \$ 56,482         | \$ 40,414         | \$ -             | \$ -             |            | \$ -             |              |
| STM WTR - OVERTIME         | \$ 2,794          | \$ 4,043          | \$ 2,384          | \$ 969           | \$ 4,000         | 24%        | \$ 4,000         | 0.00%        |
| OUT OF GRADE WORK          | \$ 1,524          | \$ 1,000          | \$ 299            | \$ 444           | \$ 3,500         | 13%        | \$ 3,000         | -14.29%      |
| <b>ST WTR SALARIES</b>     | <b>\$ 135,245</b> | <b>\$ 143,923</b> | <b>\$ 128,760</b> | <b>\$ 55,405</b> | <b>\$ 95,400</b> | <b>58%</b> | <b>\$ 97,300</b> | <b>1.99%</b> |

There is no change in staffing levels. Note that in FY17 an engineering position was removed from this fund and placed in the General Fund. On the following pages, offsetting support payments were instituted by the Town Accountant in line with practices followed by the other Enterprise Funds.

|   | FY14             | FY15             | FY16             | FY17             | FY17 REVISIED    | FY17        | FY18 TOWN        | PCT            |
|---|------------------|------------------|------------------|------------------|------------------|-------------|------------------|----------------|
|   | ACTUALS          | ACTUALS          | ACTUALS          | ACTUALS          | BUDGET           | YTD         | MANAGER BUDGET   |                |
| STMWTR PENSION ASSESSMENT                 | \$ 2,309         | \$ 13,060        | \$ 13,648        | \$ 10,030        | \$ 10,030        | 100%        | \$ 10,500        | 4.69%          |
| STMWTR HEALTH INS PREMIUMS                | \$ 10,841        | \$ 15,617        | \$ 16,917        | \$ 9,108         | \$ 25,000        | 36%         | \$ 15,000        | -40.00%        |
| STMWTR OPEB CONTRIBUTIONS                 | \$ 5,783         | \$ 6,000         | \$ 6,000         | \$ -             | \$ 6,000         | 0%          | \$ 6,000         | 0.00%          |
| STMWTR MEDICARE BENEFITS                  | \$ 1,242         | \$ 1,414         | \$ 1,880         | \$ -             | \$ 2,000         | 0%          | \$ 2,000         | 0.00%          |
| <b>ST WTR ENT FUND OVERHEAD EXPENSES</b>  | <b>\$ 20,175</b> | <b>\$ 36,091</b> | <b>\$ 38,444</b> | <b>\$ 19,138</b> | <b>\$ 43,030</b> | <b>44%</b>  | <b>\$ 33,500</b> | <b>-22.15%</b> |
| DRAINAGE MAINTENANCE                      | \$ 6,522         | \$ 7,555         | \$ 6,801         | \$ 13,950        | \$ 25,000        | 56%         | \$ 20,000        | -20.00%        |
| STM WTR EQUIPMENT RENTAL                  | \$ -             | \$ -             | \$ -             | \$ -             | \$ 5,000         | 0%          | \$ 5,000         | 0.00%          |
| STM WTR PROF/TECH SERVICES                | \$ 791           | \$ 1,517         | \$ -             | \$ -             | \$ 5,000         | 0%          | \$ 5,000         | 0.00%          |
| MS4 PERMITTING                            | \$ -             | \$ -             | \$ -             | \$ -             | \$ 50,000        | 0%          | \$ 50,000        | 0.00%          |
| PROFESSIONAL DEV/TRAINING                 | \$ 1,375         | \$ 600           | \$ -             | \$ 1,004         | \$ 2,000         | 50%         | \$ 2,000         | 0.00%          |
| STM WTR GASOLINE                          | \$ -             | \$ -             | \$ -             | \$ 3,157         | \$ -             |             | \$ 5,000         | 100.00%        |
| STM WTR CLOTHING ALLOWANCE                | \$ 700           | \$ -             | \$ -             | \$ -             | \$ -             |             | \$ -             |                |
| <b>ST WTR ENT FUND OPS EXPENSES</b>       | <b>\$ 9,388</b>  | <b>\$ 9,672</b>  | <b>\$ 6,801</b>  | <b>\$ 18,111</b> | <b>\$ 87,000</b> | <b>21%</b>  | <b>\$ 87,000</b> | <b>0.00%</b>   |
| WAGE SUPPORT-ADM SVC                      | \$ -             | \$ -             | \$ -             | \$ 4,745         | \$ 4,745         | 100%        | \$ 4,820         | 1.58%          |
| EXPENSE SUPPORT- ADMIN SUPPORT            | \$ -             | \$ -             | \$ -             | \$ 3,080         | \$ 3,080         | 100%        | \$ 3,125         | 1.46%          |
| WAGE SUPPORT-FINANCE                      | \$ -             | \$ -             | \$ -             | \$ 4,082         | \$ 4,082         | 100%        | \$ 4,145         | 1.54%          |
| EXPENSE SUPPORT-FINANCE                   | \$ -             | \$ -             | \$ -             | \$ 838           | \$ 838           | 100%        | \$ 850           | 1.43%          |
| WAGE SUPPORT-DPW                          | \$ -             | \$ -             | \$ -             | \$ 60,820        | \$ 60,820        | 100%        | \$ 61,580        | 1.25%          |
| WAGE SUPPORT-HIGHWAY                      | \$ -             | \$ -             | \$ -             | \$ 18,416        | \$ 18,416        | 100%        | \$ 18,640        | 1.22%          |
| <b>ST WTR ENT FUND GEN'L FUND SUPPORT</b> | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ 91,981</b> | <b>\$ 91,981</b> | <b>100%</b> | <b>\$ 93,160</b> | <b>1.28%</b>   |

**Storm Water Enterprise Fund  
Capital + Debt**

|                                    | Approved<br>FY-2017 | Proposed<br>FY-2018 | Projected ==>  |                |                |                |                |                |                  |                  |                  |                  | FY17-27<br>TOTAL |
|------------------------------------|---------------------|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|
| Storm Water Ent. Fund Capital &    | FY-2017             | FY-2018             | FY-2019        | FY-2020        | FY-2021        | FY-2022        | FY-2023        | FY-2024        | FY-2025          | FY-2026          | FY-2027          |                  |                  |
| Storm Water Capital                | 305,000             | 250,000             | 50,000         | 50,000         | 50,000         | 50,000         | 75,000         | 600,000        | 75,000           | 75,000           | 75,000           | 1,655,000        |                  |
| Storm Water Debt                   | -                   | -                   | 411,250        | 399,000        | 386,750        | 374,500        | 362,250        | -              | 1,195,714        | 1,151,429        | 1,107,143        | 5,388,036        |                  |
| <b>Total Capital &amp; Debt</b>    | <b>305,000</b>      | <b>250,000</b>      | <b>461,250</b> | <b>449,000</b> | <b>436,750</b> | <b>424,500</b> | <b>437,250</b> | <b>600,000</b> | <b>1,270,714</b> | <b>1,226,429</b> | <b>1,182,143</b> | <b>7,043,036</b> |                  |
| <b>Storm Water CAPITAL</b>         | <b>305,000</b>      | <b>250,000</b>      | <b>50,000</b>  | <b>50,000</b>  | <b>50,000</b>  | <b>50,000</b>  | <b>75,000</b>  | <b>600,000</b> | <b>75,000</b>    | <b>75,000</b>    | <b>75,000</b>    | <b>1,655,000</b> |                  |
| Drainage Improvm. (projects)       | 50,000              | 50,000              | 50,000         | 50,000         | 50,000         | 50,000         | 75,000         | 75,000         | 75,000           | 75,000           | 75,000           | 675,000          |                  |
| MS4 Permit, Consult & Lab test     | 25,000              |                     |                |                |                |                |                |                |                  |                  |                  | 25,000           |                  |
| Bond St outfall and drainage       | 80,000              |                     |                |                |                |                |                |                |                  |                  |                  | 80,000           |                  |
| Grove St drainage                  | 150,000             |                     |                |                |                |                |                |                |                  |                  |                  | 150,000          |                  |
| Sturges Park \$250K/5yr            | 1                   |                     | debtne         | debtne         | debtne         | debtne         | debtne         |                |                  |                  |                  | -                |                  |
| Main St Drain repair \$1ml/5yr     | 1                   |                     | debtne         | debtne         | debtne         | debtne         | debtne         |                |                  |                  |                  | -                |                  |
| Minot St (side streets) \$500K/5yr | 1                   |                     | debtne         | debtne         | debtne         | debtne         | debtne         |                |                  |                  |                  | -                |                  |
| Saugus River Design/Permit         |                     |                     |                |                |                |                |                | 200,000        |                  |                  |                  | 200,000          |                  |
| Saugus River Improv. (I) \$2ml     | 2                   |                     |                |                |                |                |                |                | debtne           | debtne           | debtne           | -                |                  |
| Saugus River Improv. (II) \$2ml    | 3                   |                     |                |                |                |                |                |                | debtne           | debtne           | debtne           | -                |                  |
| Aberjona River Design/Permit       |                     |                     |                |                |                |                |                | 150,000        |                  |                  |                  | 150,000          |                  |
| Aberjona River Improv. \$2.2ml     | 4                   |                     |                |                |                |                |                |                | debtne           | debtne           | debtne           | -                |                  |
| Vacuum Truck (split with Sewer)    |                     | 200,000             |                |                |                |                |                |                |                  |                  |                  | 200,000          |                  |
| Sweeper, Elgin Pelican             |                     |                     |                |                |                |                |                | 175,000        |                  |                  |                  | 175,000          |                  |
| <b>Storm Water DEBT</b>            | <b>-</b>            | <b>-</b>            | <b>411,250</b> | <b>399,000</b> | <b>386,750</b> | <b>374,500</b> | <b>362,250</b> | <b>-</b>       | <b>1,195,714</b> | <b>1,151,429</b> | <b>1,107,143</b> | <b>5,388,036</b> |                  |
| Drainage Projects \$1.75 ml        | 1                   |                     | 411,250        | 399,000        | 386,750        | 374,500        | 362,250        |                |                  |                  |                  | 1,933,750        |                  |
| Saugus River Improv. (I)           | 2                   |                     |                |                |                |                |                |                | 385,714          | 371,429          | 357,143          | 1,114,286        |                  |
| Saugus River Improv. (II)          | 3                   |                     |                |                |                |                |                |                | 385,714          | 371,429          | 357,143          | 1,114,286        |                  |
| Aberjona River Improv.             | 4                   |                     |                |                |                |                |                |                | 424,286          | 408,571          | 392,857          | 1,225,714        |                  |

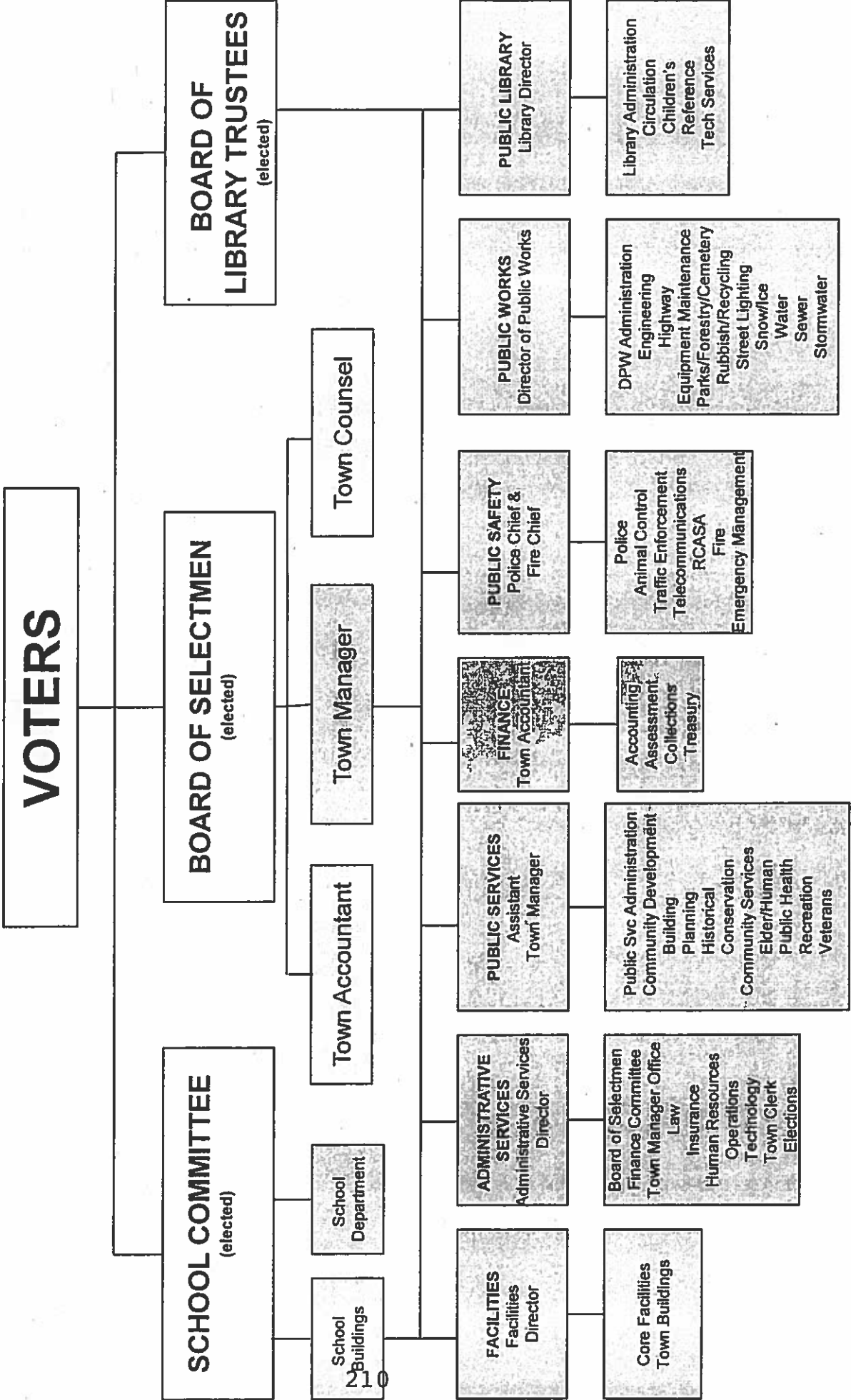


# Town of Reading, MA

## Executive Branch

### Table of Organization

(April 2017 Town Meeting – no changes)



|                                    | FY-2017          | FY-2018          | FY-2019          | FY-2020          | FY-2021          | FY-2022          | FY-2023          | FY-2024          | FY-2025          | FY-2026          | FY-2027          | FY18-27           |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| <b>SUMMARY</b>                     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |
| Facilities - GeneralCORE           | 265,000          | 230,000          | 150,000          | 75,000           | 75,000           | 120,000          | 111,000          | 120,000          | 120,000          | 120,000          | 100,000          | 1,221,000         |
| Facilities - School Buildings      | 436,000          | 84,000           | 547,000          | 360,000          | 642,000          | 1,160,000        | -                | -                | -                | -                | -                | 2,793,000         |
| Facilities - Town Buildings        | 100,000          | 69,000           | 135,000          | 10,000           | -                | 75,000           | 600,000          | 500,000          | -                | -                | -                | 1,389,000         |
| Public Schools - General           | 130,000          | 100,000          | 100,000          | 130,000          | 100,000          | 125,000          | 125,000          | 197,500          | 125,000          | 150,000          | 150,000          | 1,302,500         |
| Administrative Services            | 100,000          | 140,000          | 100,000          | 100,000          | 100,000          | 125,000          | 125,000          | 125,000          | 125,000          | 150,000          | 150,000          | 1,240,000         |
| Public Services                    | 45,000           | 15,000           | 715,000          | 1,950,000        | 15,000           | 25,000           | 375,000          | 695,000          | 510,000          | 25,000           | 1,710,000        | 5,175,000         |
| Finance                            | -                | -                | -                | -                | -                | -                | -                | -                | 600,000          | -                | -                | 600,000           |
| Public Library                     | -                | -                | 10,000           | 10,000           | 10,000           | 10,000           | 10,000           | 15,000           | 15,000           | 15,000           | 15,000           | 110,000           |
| Public Safety - Fire/EMS           | 301,000          | 370,000          | 36,000           | 66,600           | 1,050,000        | 362,000          | 160,000          | 35,000           | 900,000          | 30,000           | 1,455,000        | 4,454,600         |
| Public Safety - Police/Dispatch    | 35,000           | -                | 35,000           | 57,500           | -                | -                | 440,000          | 35,000           | -                | 42,500           | 25,000           | 635,000           |
| Public Works - Equipment           | 680,000          | 601,400          | 249,000          | 231,000          | 300,000          | 621,000          | 460,000          | 340,000          | 230,000          | 100,000          | -                | 3,132,400         |
| Public Works - Parks & Cemetery    | 25,000           | 50,000           | 25,000           | 50,000           | 25,000           | 50,000           | 25,000           | 50,000           | 25,000           | 50,000           | 25,000           | 375,000           |
| Public Works - Roads               | 550,000          | 600,000          | 625,000          | 625,000          | 625,000          | 650,000          | 650,000          | 650,000          | 675,000          | 700,000          | 725,000          | 6,525,000         |
| <b>TOTAL CAPITAL REQUESTS</b>      | <b>2,675,000</b> | <b>2,259,400</b> | <b>2,777,000</b> | <b>2,883,100</b> | <b>2,942,000</b> | <b>3,323,000</b> | <b>3,071,000</b> | <b>2,782,500</b> | <b>3,325,000</b> | <b>1,382,500</b> | <b>4,395,000</b> | <b>28,952,500</b> |
| FINCOM policy: debt + capital      | 4,265,406        | 4,421,677        | 4,555,831        | 4,691,679        | 4,830,726        | 4,985,576        | 5,110,217        | 5,237,973        | 5,368,922        | 5,503,145        | 5,640,724        | 50,346,473        |
| - Net Included Debt                | 1,837,772        | 2,060,233        | 1,711,951        | 1,867,232        | 1,804,426        | 1,848,644        | 1,499,801        | 1,442,344        | 974,638          | 469,000          | 474,750          | 13,972,619        |
| FINCOM Target Capital Funding      | 2,427,634        | 2,361,444        | 2,843,880        | 2,824,447        | 3,026,300        | 3,336,934        | 3,610,616        | 3,795,629        | 4,394,284        | 5,014,145        | 5,165,974        | 36,373,854        |
| Original Funding Voted or Proposed | 2,220,000        | 2,259,400        | 2,727,000        | 2,803,100        | 2,942,000        | 3,323,000        | 3,550,000        | 3,750,000        | 4,350,000        | 4,975,000        | 5,150,000        | 35,631,500        |
| Additional FINCOM funding          | 26,000           | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                 |
| Additional Funding New TM          | 579,000          | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                 |
| Additional Funding April TM        | (150,000)        | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                 |
| <b>TOTAL CAPITAL REQUESTS</b>      | <b>2,675,000</b> | <b>2,259,400</b> | <b>2,727,000</b> | <b>2,883,100</b> | <b>2,942,000</b> | <b>3,323,000</b> | <b>3,071,000</b> | <b>2,782,500</b> | <b>3,325,000</b> | <b>1,382,500</b> | <b>4,395,000</b> | <b>28,952,500</b> |
| Annual Surplus (Deficit)           | -                | -                | -                | -                | -                | -                | 479,000          | 987,500          | 1,025,000        | 3,592,500        | 795,000          | -                 |
| Cumulative Surplus (Deficit)       | -                | -                | -                | -                | -                | -                | 479,000          | 1,466,500        | 2,491,500        | 6,084,000        | 6,879,000        | -                 |

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|   | FY-2017 | FY-2018 | FY-2019 | FY-2020 | FY-2021 | FY-2022   | FY-2023 | FY-2024 | FY-2025 | FY-2026 | FY-2027 | FY18-27   |
|---|---------|---------|---------|---------|---------|-----------|---------|---------|---------|---------|---------|-----------|
| Facilities - CORE                           | 265,000 | 230,000 | 150,000 | 75,000  | 75,000  | 120,000   | 111,000 | 120,000 | 120,000 | 120,000 | 100,000 | 1,221,000 |
| RMHS Building project -45mil                | xDebt   | xDebt   | xDebt   | xDebt   | xDebt   | xDebt     | xDebt   | xDebt   |         |         |         |           |
| Barrows/Wood End Bldg projects \$0.6mil     | xDebt   | xDebt   | xDebt   | xDebt   | xDebt   | xDebt     | xDebt   | xDebt   | xDebt   |         |         |           |
| Library Building project \$18.4 mil         | xDebt   | xDebt   | xDebt   | xDebt   | xDebt   | xDebt     | xDebt   | xDebt   | xDebt   |         |         |           |
| DPW Cam Specs Needs \$2.5mil/10yr of        | 50,000  |         |         |         |         |           |         |         |         |         |         |           |
| Kilham Building project TBA - xDebt         |         |         |         |         |         |           |         |         |         |         |         |           |
| DPW Bldg project TBA - xDebt/options        |         |         |         |         |         |           |         |         |         |         |         |           |
| Barrows/Wood End Bldg projects              | Debt    | Debt    | Debt    | Debt    | Debt    | Debt      | Debt    | Debt    |         |         |         |           |
| Parker Building project                     | Debt    | Debt    |         |         |         |           |         |         |         |         |         |           |
| RMHS Retaining Wall \$0.5mil                | Debt    | Debt    | Debt    | Debt    | Debt    | Debt      | Debt    | Debt    | Debt    |         |         |           |
| Modular Classrooms 1.2m                     | Debt    | Debt    | Debt    | Debt    | Debt    | Debt      | Debt    | Debt    | Debt    |         |         |           |
| Energy (Performance Contract) \$4.95mil     | Debt    | Debt    | Debt    | Debt    | Debt    | Debt      | Debt    | Debt    | Debt    |         |         |           |
| Energy (Green Repairs) \$1.05mil            | Debt    | Debt    | Debt    | Debt    | Debt    | Debt      | Debt    | Debt    | Debt    |         |         |           |
| RMHS Building project - \$5 mil. litigation | Debt    | Debt    | Debt    | Debt    | Debt    | Debt      | Debt    | Debt    | Debt    | Debt    | Debt    |           |
| Permanent Bld Committee                     |         | 150,000 | 150,000 | 75,000  | 75,000  | 75,000    | 75,000  | 75,000  | 75,000  | 75,000  | 75,000  | 900,000   |
| Security Sys. Eval. - was expenses          | 125,000 |         |         |         |         |           |         |         |         |         |         |           |
| Security Systems TBA (1mil++)               |         |         |         |         |         |           |         |         |         |         |         |           |
| RMHS AC design TBA (\$1.5mil?) - Debt       |         |         |         |         |         |           |         |         |         |         |         |           |
| EMS upgrades to buildings                   | 50,000  |         |         |         |         |           |         |         |         |         |         |           |
| Electrician Van Ford E350 Econoline (2014)  | 40,000  |         |         |         |         |           |         | 45,000  |         |         |         | 45,000    |
| Plumber Van Ford E350 Econoline             |         |         |         |         |         |           |         |         |         |         |         |           |
| Carpenter's Pickup Ford F-350 (2012)        |         |         |         |         |         |           |         |         | 45,000  |         |         | 45,000    |
| F-350 Box Truck (2006)                      |         | 40,000  |         |         |         |           |         |         |         |         |         | 40,000    |
| Pickup Truck Chevy 2500HD (1999)            |         | 40,000  |         |         |         |           |         |         |         |         |         | 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    |
| Bobcat Utility - snowplow (2013)            |         |         |         |         |         |           |         |         |         |         |         | 25,000    |
| Buildings - Schools (Total)                 | 435,000 | 84,000  | 547,000 | 360,000 | 642,000 | 1,100,000 |         |         |         |         |         | 2,793,000 |
| Electrical Systems                          | Sch     |         |         |         |         | 20,000    |         |         |         |         |         | 20,000    |
| HVAC/Energy Mgmt Systems                    | Sch     |         | 30,000  | 360,000 | 26,000  |           |         |         |         |         |         | 416,000   |
| Water Heater                                | Sch     |         |         |         |         | 40,000    |         |         |         |         |         | 40,000    |
| Classroom Furniture                         | Sch     |         |         |         |         |           |         |         |         |         |         |           |
| Fire Alarms                                 | Sch     |         |         |         |         |           |         |         |         |         |         |           |
| Capet/Flooring                              | Sch     |         | 55,000  |         |         |           |         |         |         |         |         | 139,000   |
| Roofing                                     | Sch     |         | 462,000 |         | 616,000 | 1,100,000 |         |         |         |         |         | 2,178,000 |
| Other                                       | Sch     |         |         |         |         |           |         |         |         |         |         |           |
| TOTAL for School                            | AB      |         |         | 10,000  |         |           |         |         |         |         |         | 35,000    |
| HVAC/Energy Mgmt Systems                    | AB      |         |         | 10,000  |         |           |         |         |         |         |         | 10,000    |
| Capet/Flooring                              | AB      |         |         |         |         |           |         |         |         |         |         | 25,000    |
| TOTAL for School                            | BM      |         |         |         |         | 1,100,000 |         |         |         |         |         | 1,100,000 |
| Roofing                                     | BM      |         |         |         |         | 1,100,000 |         |         |         |         |         | 1,100,000 |
| TOTAL for School                            | JE      |         |         |         |         |           |         |         |         |         |         | 14,000    |
| HVAC/Energy Mgmt Systems                    | JE      |         |         |         |         |           |         |         |         |         |         | 14,000    |
| Fire Alarms                                 | JE      |         |         |         |         |           |         |         |         |         |         |           |
| Capet/Flooring                              | JE      |         |         |         |         |           |         |         |         |         |         |           |
|   |         |         |         |         |         |           |         |         |         |         |         |           |

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|                             | FY-2017 | FY-2018 | FY-2019 | FY-2020 | FY-2021 | FY-2022 | FY-2023 | FY-2024 | FY-2025 | FY-2026 | FY-2027 | FY18-27   |
|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
| TOTAL for School            | 36,000  | 24,000  |         |         |         |         |         |         |         |         |         | 24,000    |
| HVAC/Energy Mgmt Systems    | 12,000  |         |         |         |         |         |         |         |         |         |         |           |
| Capex/Flooring              | 24,000  | 24,000  |         |         |         |         |         |         |         |         |         | 24,000    |
| TOTAL for School            | 60,000  |         |         |         | 12,000  | 20,000  |         |         |         |         |         | 32,000    |
| Electrical Systems          |         |         |         |         |         | 20,000  |         |         |         |         |         | 20,000    |
| HVAC/Energy Mgmt Systems    | 30,000  |         |         |         | 12,000  |         |         |         |         |         |         | 12,000    |
| Other - Masonry             | 30,000  |         |         |         |         |         |         |         |         |         |         |           |
| TOTAL for School            |         |         | 30,000  |         | 616,000 |         |         |         |         |         |         | 646,000   |
| HVAC/Energy Mgmt Systems    |         |         | 30,000  |         | 616,000 |         |         |         |         |         |         | 30,000    |
| Roofing                     |         |         |         |         |         |         |         |         |         |         |         | 616,000   |
| TOTAL for School            | 95,000  | 15,000  | 477,000 |         |         |         |         |         |         |         |         | 492,000   |
| Classroom Furniture         | 65,000  |         |         |         |         |         |         |         |         |         |         |           |
| Capex/Flooring              | 15,000  | 15,000  |         |         |         |         |         |         |         |         |         | 30,000    |
| Roofing                     |         |         | 15,000  |         |         |         |         |         |         |         |         | 462,000   |
| Other - masonry             | 15,000  |         |         |         |         |         |         |         |         |         |         |           |
| TOTAL for School            | 20,000  | 20,000  | 40,000  | 350,000 |         | 40,000  |         |         |         |         |         | 450,000   |
| HVAC/Energy Mgmt Systems    |         |         |         | 350,000 |         |         |         |         |         |         |         | 350,000   |
| Water Heater                |         |         |         |         |         | 40,000  |         |         |         |         |         | 40,000    |
| Capex/Flooring              | 20,000  | 20,000  | 40,000  |         |         |         |         |         |         |         |         | 60,000    |
| Buildings - Municipal       | 100,000 | 60,000  | 135,000 | 10,000  |         | 75,000  | 600,000 | 500,000 |         |         |         | 1,389,000 |
| HVAC/Energy Mgmt Systems    |         | 35,000  |         |         |         |         |         |         |         |         |         | 35,000    |
| Windows & Doors             |         | 34,000  |         | 10,000  |         |         |         |         |         |         |         | 54,000    |
| Generator                   |         |         | 125,000 |         |         | 60,000  |         |         |         |         |         | 185,000   |
| Water Heater                |         |         |         |         |         | 15,000  |         |         |         |         |         | 15,000    |
| Roofing                     | 90,000  |         |         |         |         |         | 600,000 |         |         |         |         | 600,000   |
| Other                       |         |         |         |         |         |         |         | 500,000 |         |         |         | 500,000   |
| TOTAL for Municipal Bldg    |         |         | 125,000 |         |         | 450,000 |         |         |         |         |         | 575,000   |
| Generator                   |         |         | 125,000 |         |         |         |         |         |         |         |         | 125,000   |
| Roofing                     |         |         |         |         |         | 450,000 |         |         |         |         |         | 450,000   |
| TOTAL for Municipal Bldg    |         |         |         |         |         | 15,000  |         | 500,000 |         |         |         | 515,000   |
| Water Heater                |         |         |         |         |         | 15,000  |         |         |         |         |         | 15,000    |
| Other - Dispatch area rehab |         |         |         |         |         |         |         | 500,000 |         |         |         | 500,000   |
| TOTAL for Municipal Bldg    | 90,000  | 24,000  |         |         |         |         |         |         |         |         |         | 24,000    |
| Windows & Doors             |         | 24,000  |         |         |         |         |         |         |         |         |         | 24,000    |
| Roofing                     | 90,000  |         |         |         |         |         |         |         |         |         |         |           |
| TOTAL for Municipal Bldg    |         |         |         |         |         | 60,000  | 150,000 |         |         |         |         | 210,000   |
| Generator                   |         |         |         |         |         | 60,000  |         |         |         |         |         | 60,000    |
| Roofing                     |         |         |         |         |         |         | 150,000 |         |         |         |         | 150,000   |
| TOTAL for Municipal Bldg    |         | 35,000  |         |         |         |         |         |         |         |         |         | 35,000    |
| HVAC/Energy Mgmt Systems    |         | 35,000  |         |         |         |         |         |         |         |         |         | 35,000    |
| TOTAL for Municipal Bldg    |         |         |         |         |         |         |         |         |         |         |         |           |
| TOTAL for Municipal Bldg    | 10,000  | 10,000  | 10,000  | 10,000  |         |         |         |         |         |         |         | 30,000    |
| Windows & Doors             | 10,000  | 10,000  | 10,000  | 10,000  |         |         |         |         |         |         |         | 30,000    |
| Other                       |         |         |         |         |         |         |         |         |         |         |         |           |

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|  | FY-2017   | FY-2018 | FY-2019 | FY-2020   | FY-2021 | FY-2022 | FY-2023 | FY-2024     | FY-2025               | FY-2026                                   | FY-2027   | FY18-27   |
|--|-----------|---------|---------|-----------|---------|---------|---------|-------------|-----------------------|---|-----------|-----------|
| Schools - General                      | 130,000   | 100,000 | 100,000 | 130,000   | 100,000 | 125,000 | 125,000 | 197,900     | 125,000               | 150,000                                   | 150,000   | 1,302,500 |
| 15-Passenger Van                       | 55,000    |         |         |           |         |         |         |             |                       |   |           | -         |
| Food Service Van E-250 (2014)          |           |         |         |           |         |         | 42,500  |             |                       |   |           | 42,500    |
| Driver's Education Focus (2014)        |           |         |         |           |         |         | 30,000  |             |                       |   |           | 30,000    |
| Couner Focus (2007)                    |           |         | 30,000  |           |         |         |         |             |                       |   |           | 30,000    |
| Technology-large scale projects        | 75,000    | 100,000 | 100,000 | 100,000   | 100,000 | 125,000 | 125,000 | 125,000     | 125,000               | 150,000                                   | 150,000   | 1,200,000 |
| Administrative Services                | 100,000   | 140,000 | 100,000 | 100,000   | 100,000 | 125,000 | 125,000 | 125,000     | 125,000               | 150,000                                   | 150,000   | 1,240,000 |
| Cell Tower design                      | 100,000   |         |         |           |         |         |         |             |                       |   |           |           |
| Cell Tower construction - TBA (350K7)  |           |         |         |           |         |         |         |             |                       |   |           |           |
| GIS flyover - planimetrics             | 40,000    |         |         |           |         |         |         |             |                       |   |           |           |
| Technology - large scale projects      | 100,000   | 100,000 | 100,000 | 100,000   | 100,000 | 125,000 | 125,000 | 125,000     | 125,000               | 150,000                                   | 150,000   | 1,200,000 |
| Public Services                        | 45,000    | 15,000  | 715,000 | 1,090,000 | 15,000  | 25,000  | 375,000 | 695,000     | 510,000               | 25,000                                    | 1,710,000 | 5,175,000 |
| Elder/Human Services van               |           |         |         |           |         |         |         |             |                       |   |           |           |
| Recreation                             | 45,000    | 15,000  | 715,000 | 1,090,000 | 15,000  | 25,000  | 375,000 | 695,000     | 510,000               | 25,000                                    | 1,710,000 | 5,175,000 |
| Artificial Turf I @RUMHS (replace)     |           |         | 550,000 |           |         |         |         |             |                       |   |           | 550,000   |
| Artificial Turf II @RUMHS (replace)    |           |         | 150,000 |           |         |         |         |             |                       |   |           | 950,000   |
| RUMHS track (resurface)                |           |         |         |           |         |         |         |             |                       |   |           | 150,000   |
| Artificial Turf@Parker MS (replace)    |           |         |         |           |         |         | 500,000 |             |                       |   |           | 500,000   |
| Artificial Turf @Codeage MS (new)      |           |         |         |           |         |         |         |             |                       |   | 1,000,000 | 1,000,000 |
| Rehab Playgrounds Program              | 45,000    | 15,000  | 15,000  | 15,000    | 15,000  | 25,000  | 25,000  | 25,000      | 25,000                | 25,000                                    | 25,000    | 210,000   |
| Memorial Park \$650k grant in FY10     | Hunt Park | Eston   | Barrows | Wood End  | IGlam   |         |         |             |                       |   |           |           |
| Birch Mkr lighting \$1.5 mil/10yr debt |           |         |         |           |         |         |         | 20,000      | 50,000                |   |           |           |
| Birch Mkr Complex \$1.0 mil TBA        |           |         |         |           |         |         |         | ct (resurf) | band stand            |   |           |           |
| BM Field lighting \$0.1 mil.           |           |         |         |           |         |         |         |             |                       |   |           |           |
| Bancroft Tennis Courts (resurface)     |           |         |         |           |         |         |         | 150,000     | 100,000               | paths                                     |           | 250,000   |
| Washington Park \$250k                 |           |         |         |           |         |         |         |             | backstop & shut field |   |           |           |
| Symonds Way \$150k                     |           |         |         |           |         |         |         |             | backstop              | backstop                                  | 190,000   | 190,000   |
| Hunt Park \$125k                       |           |         |         |           |         |         |         |             | backstop              | 125,000                                   |           | 125,000   |
| Stunges Park \$210k                    |           |         |         |           |         |         |         |             |                       | tennis ct                                 | 75,000    | 75,000    |
|  |           |         |         |           |         |         |         |             |                       | basketball ct                             | 85,000    | 85,000    |
|  |           |         |         |           |         |         |         |             |                       | backstop                                  | 50,000    | 50,000    |
| IGlam Field & parking lot \$350k       |           |         |         |           |         |         |         |             |                       | field improvements, drainage and repaving | 350,000   | 350,000   |
| Joshua Eston                           |           |         |         |           |         |         |         |             |                       |   |           |           |
| Barrows \$330k                         |           |         |         |           |         |         |         |             |                       | backstop & infield                        | 125,000   | 250,000   |
|  |           |         |         |           |         |         |         |             |                       | tennis ct                                 | 85,000    | 85,000    |
| Wood End \$325k                        |           |         |         |           |         |         |         |             |                       | basketball ct                             | 325,000   | 325,000   |
|  |           |         |         |           |         |         |         |             |                       | field                                     |           |           |

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|   | FY-2017 | FY-2018 | FY-2019 | FY-2020 | FY-2021   | FY-2022 | FY-2023 | FY-2024 | FY-2025 | FY-2026 | FY-2027   | FY18-27   |
|---|---------|---------|---------|---------|-----------|---------|---------|---------|---------|---------|-----------|-----------|
| Finance                                 |         |         |         |         |           |         |         |         | 600,000 |         |           | 600,000   |
| Financial System                        |         |         |         |         |           |         |         |         | 600,000 |         |           | 600,000   |
| Library                                 |         |         | 10,000  | 10,000  | 10,000    | 10,000  | 10,000  | 15,000  | 15,000  | 15,000  | 15,000    | 110,000   |
| Equipment                               |         |         | 10,000  | 10,000  | 10,000    | 10,000  | 10,000  | 15,000  | 15,000  | 15,000  | 15,000    | 110,000   |
| Public Safety - Fire/EMS                | 301,000 | 370,000 | 35,000  | 66,600  | 1,050,000 | 362,000 | 150,000 | 33,000  | 900,000 | 30,000  | 1,455,000 | 4,454,600 |
| Pumper Eng #1 (2010-\$525k, next FY30)  |         |         |         |         |           |         |         |         | 900,000 |         |           | 900,000   |
| Pumper Eng #2 (2007-\$410k, next FY25)  |         |         |         |         |           |         |         |         |         |         |           |           |
| Pumper Eng #3 (2016 \$630k, next FY36)  |         |         |         |         | 800,000   |         |         |         |         |         |           | 800,000   |
| Pumper Eng #4 (2001: est \$800k FY21)   |         |         |         |         |           |         |         |         |         |         | 1,200,000 | 1,200,000 |
| Ladder Trk #1 (2008: \$800k, next FY27) |         |         |         |         |           |         |         |         |         |         |           |           |
| Ambulance #1 (2010- 10 yrs)             |         |         |         |         |           | 290,000 |         |         |         |         |           | 290,000   |
| Ambulance #2 (2006 - 10yrs)             |         |         |         |         |           | 25,000  |         |         |         |         |           | 25,000    |
| Ambulance equipment                     |         |         |         |         |           |         |         |         |         |         |           |           |
| Passenger Car#1 (2005 - 10yrs)          |         |         |         |         |           |         |         |         |         |         |           | 45,000    |
| Passenger Car#2 (2007 - 10yrs)          |         |         |         |         |           |         |         |         |         |         |           | 47,000    |
| Pickup Truck #3 (2006 - 10yrs)          |         |         |         |         |           | 47,000  |         |         |         |         |           | 45,600    |
| Alarm Truck (1994 - 20yrs)              |         |         |         |         |           |         |         |         |         |         |           | 80,000    |
| EMS Simulation Training Equipment       |         |         |         |         |           |         | 150,000 |         |         |         |           |           |
| ALS Defibrillator (2011 - 7yrs)         |         |         |         |         |           |         |         |         |         |         |           | 76,000    |
| AEDs                                    |         |         |         |         |           |         |         |         |         |         |           | 46,000    |
| Rescue Tool(2006 - 12yrs)               |         |         |         |         |           |         |         |         |         |         |           | 45,000    |
| Breathing Apparatus                     |         |         |         |         |           |         |         |         |         |         |           | 190,000   |
| Breathing Air Bottles                   |         |         |         |         |           |         |         |         |         | 30,000  |           | 30,000    |
| Thermal Imaging (2010 - 10yrs)          |         |         |         |         |           |         |         |         |         |         |           | 45,000    |
| Multi-gas meters                        |         |         |         |         |           |         |         |         |         |         |           | 15,000    |
| Fire Hose                               |         |         |         |         |           |         |         |         |         |         |           | 65,000    |
| Turnout Gear (2014 - 6yrs)              |         |         |         |         |           |         |         |         |         |         |           | 360,000   |
| Public Safety - Police/Dispatch         | 35,000  |         | 35,000  | 57,500  |           |         | 440,000 | 35,000  |         | 42,500  | 25,000    | 635,000   |
| Handguns & Associated Leather (Police)  |         |         |         |         |           |         |         |         |         |         |           |           |
| Police Admin Vehicle                    |         |         |         | 37,500  |           |         | 40,000  |         |         | 42,500  |           | 120,000   |
| Vehicle Video Integration               |         |         |         |         |           |         |         |         |         |         |           | 70,000    |
| Radios (Police & Fire 2010 - 12yrs)     |         |         |         |         |           |         | 400,000 |         |         |         |           | 400,000   |
| AEDs                                    |         |         |         |         |           |         |         |         |         |         |           | 45,000    |

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|                                  | FY-2017 | FY-2018 | FY-2019 | FY-2020 | FY-2021 | FY-2022 | FY-2023 | FY-2024 | FY-2025 | FY-2026 | FY-2027 | FY-18-27  |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
| Public Works - Equipment         | 644,000 | 691,400 | 249,000 | 231,000 | 300,000 | 621,000 | 460,000 | 340,000 | 230,000 | 100,000 | -       | 3,132,400 |
| Large Trucks                     | 60,000  | 365,000 | -       | -       | 300,000 | -       | -       | -       | -       | -       | -       | 665,000   |
| Truck #9 - Sander (2004)         | 15      | 180,000 | -       | -       | -       | -       | -       | -       | -       | -       | -       | 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 | -       | -       | -       | -       | -       | -       | -       | -       | -       | 150,000   |
| Aerial Pickup Truck #14 (1994)   | 15      | 80,000  | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         |
| Dump Truck #24 Parts (2000)      | 15      | 85,000  | -       | -       | -       | -       | -       | -       | -       | -       | -       | 85,000    |
| Pick-ups/Cars/Vans               | -       | 32,400  | 34,000  | 85,000  | -       | -       | 95,000  | 50,000  | 50,000  | 100,000 | -       | 446,400   |
| Pickup Chevy #9 Parts (1986)     | 10      | -       | -       | -       | -       | -       | -       | 50,000  | -       | -       | -       | 50,000    |
| Pickup Ford #2 Parts (1997)      | 10      | -       | -       | -       | -       | -       | -       | -       | 50,000  | -       | -       | 50,000    |
| Pickup Chevy Utility #1 (2008)   | 10      | -       | -       | 85,000  | -       | -       | -       | -       | -       | -       | -       | 85,000    |
| Pickup Ford Utility #4 (1997)    | 10      | -       | -       | -       | -       | -       | 50,000  | -       | -       | -       | -       | 50,000    |
| Pickup Ford Utility #7 (1997)    | 10      | -       | -       | -       | -       | -       | -       | 50,000  | -       | -       | -       | 50,000    |
| RV3 Ford Van (1995)              | 10      | -       | -       | -       | -       | -       | -       | -       | 50,000  | -       | -       | 50,000    |
| RV5 Ford Van COA                 | 10      | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         |
| Car#3 Ford Escape HYBRID (2008)  | 10      | -       | -       | -       | -       | -       | 45,000  | -       | -       | -       | -       | 45,000    |
| Car. #4 Ford Sedan (1993)        | 10      | 32,400  | -       | -       | -       | -       | -       | -       | -       | -       | -       | 32,400    |
| DFW Administration Vehicle       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         |
| Engineering Vehicle (new)        | -       | -       | 34,000  | -       | -       | -       | -       | -       | -       | -       | -       | 34,000    |
| Backhoe/Loaders/Heavy Equipment  | 290,000 | -       | -       | 95,000  | -       | 180,000 | -       | -       | -       | -       | -       | 276,000   |
| Bobcat                           | 35,000  | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         |
| Backhoe Loader (Cam.) (2008)     | 10      | -       | -       | 96,000  | -       | -       | -       | -       | -       | -       | -       | 96,000    |
| Loader JD 624G (2007)            | 10      | 210,000 | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         |
| Loader JD433 (2009)              | 10      | -       | -       | -       | -       | 180,000 | -       | -       | -       | -       | -       | 180,000   |
| Bobcat Loader 743 (1987)         | 10      | 45,000  | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         |
| Specialty Equipment - Heavy Duty | 200,000 | 95,000  | -       | -       | -       | 321,000 | 355,000 | 188,000 | 150,000 | -       | -       | 1,141,000 |
| 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  | -       | -       | -       | -       | -       | -       | -       | -       | -       | 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)       | -       | 50,000  | -       | -       | -       | -       | -       | -       | 180,000 | -       | -       | 180,000   |
| Snowblower (new)                 | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         |
| Snow - Bombardier #1 (1993)      | 10      | 150,000 | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         |

|                                       | FY-2017   | FY-2018   | FY-2019   | FY-2020   | FY-2021   | FY-2022   | FY-2023   | FY-2024   | FY-2025   | FY-2026   | FY-2027   | FY18-27    |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| Specialty Equipment - Light Duty      | 89,000    | 52,000    | 215,000   | 50,000    |           |           |           |           |           |           |           | 317,000    |
| (2) HW Compressors (1996)             |           |           |           | 50,000    |           |           |           |           |           |           |           | 50,000     |
| 390L Lebot (Roller) (1998)            |           | 40,000    |           |           |           |           |           |           |           |           |           | 40,000     |
| 1CH Woodsman Chipper (2004)           |           |           | 215,000   |           |           |           |           |           |           |           |           | 215,000    |
| 1GV Leaf Vac (1999)                   | 12,000    |           |           |           |           |           |           |           |           |           |           |            |
| 2GV Leaf Vac (2000)                   |           | 12,000    |           |           |           |           |           |           |           |           |           | 12,000     |
| SmithCo 60" Sweeper (1999)            | 35,000    |           |           |           |           |           |           |           |           |           |           |            |
| SmithCo 13-550 Infield (1994)         | 22,000    |           |           |           |           |           |           |           |           |           |           |            |
| Lawnmowers                            | 19,000    | 57,000    |           |           | 120,000   |           |           | 110,000   |           |           |           | 287,000    |
| Mower (Cem.) SKAG 72" (1998)          |           | 22,000    |           |           |           |           |           |           |           |           |           | 22,000     |
| Mower (Cem.) SKAG 61" (1999)          | 19,000    |           |           |           |           |           |           |           |           |           |           |            |
| Mower (Parts) TORO Gang (1996)        |           |           |           |           |           | 110,000   |           |           |           |           |           | 110,000    |
| Mower (Cem.) SKAG 52" (1995)          | 15,000    |           |           |           |           |           |           |           |           |           |           | 15,000     |
| Mower (Parts) SKAG 61" (2008)         | 20,000    |           |           |           |           |           |           |           |           |           |           | 20,000     |
| Mower - TORO Gang (2008)              |           |           |           |           | 120,000   |           |           |           |           |           |           | 120,000    |
| Engineering Equipment/Services        | 30,000    |           |           |           |           |           |           |           |           |           |           |            |
| Scanner/Plotter                       | 30,000    |           |           |           |           |           |           |           |           |           |           |            |
| Traffic Controls                      |           |           |           |           |           |           |           |           |           |           |           |            |
| Fuel Management System                |           |           |           |           |           |           |           |           |           |           |           |            |
| DPW: Parks & Cemetery                 | 25,000    | 50,000    | 25,000    | 50,000    | 50,000    | 50,000    | 25,000    | 50,000    | 25,000    | 50,000    | 25,000    | 375,000    |
| Fence Replacement                     | 25,000    |           | 25,000    |           | 25,000    |           | 25,000    |           |           |           |           | 125,000    |
| DPW Yard Improvements                 |           |           |           |           |           |           |           |           |           |           |           |            |
| Parking Lot Improvements              |           | 50,000    |           | 50,000    |           |           |           | 50,000    |           | 50,000    |           | 250,000    |
| DPW: Roads                            |           |           |           |           |           |           |           |           |           |           |           |            |
| SHwalk/Curb/Ped. Safety               | 75,000    | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 1,000,000  |
| Slum Coating & Crack Seal Patch       | 75,000    | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   | 1,000,000  |
| Downtown Improve 1 (\$650k 10yr bond) | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      |            |
| West Street - Local str (\$1.3m)      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      | Debt      |            |
| General Fund - various roads          | 400,000   | 400,000   | 425,000   | 425,000   | 450,000   | 450,000   | 450,000   | 450,000   | 475,000   | 500,000   | 525,000   | 4,525,000  |
| TOTAL GENL FUND VOTED - ROADS         | 550,000   | 600,000   | 625,000   | 625,000   | 650,000   | 650,000   | 650,000   | 650,000   | 675,000   | 700,000   | 725,000   | 6,525,000  |
| Grants - various roads                | 600,000   | 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                    | 1,150,000 | 1,200,000 | 1,225,000 | 1,225,000 | 1,225,000 | 1,250,000 | 1,250,000 | 1,250,000 | 1,275,000 | 1,300,000 | 1,325,000 | 12,525,000 |

| Town of Reading<br>Debt Service Schedule<br>3/11/17 3:14 PM | Approved         | Requested        | Projected        | Projected        | Projected        | Projected        | Projected        | Projected        | Projected        | Projected      | Projected      | Projected      |                |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------|----------------|----------------|----------------|
|   | FY - 2017        | FY - 2018        | FY - 2019        | FY - 2020        | FY - 2021        | FY - 2022        | FY - 2023        | FY - 2024        | FY - 2025        | FY - 2026      | FY - 2027      | FY - 2028      | FY - 2029      |
| <b>General Fund:</b>  | 4,853,106        | 5,043,815        | 4,656,233        | 4,769,714        | 4,652,608        | 4,441,696        | 4,233,533        | 4,129,776        | 2,255,898        | 489,000        | 474,750        | 160,500        | 160,500        |
| Principal   | 3,750,000        | 3,960,000        | 3,715,000        | 3,915,000        | 3,945,000        | 3,880,000        | 3,819,000        | 3,860,000        | 2,145,000        | 450,000        | 450,000        | 150,000        | 150,000        |
| Within Levy Limit   | 1,535,000        | 1,705,000        | 1,410,000        | 1,560,000        | 1,550,000        | 1,445,000        | 1,345,000        | 1,332,200        | 910,000          | 450,000        | 450,000        | 150,000        | 150,000        |
| Excluded Debt   | 2,215,000        | 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              |
| Interest  | 1,103,106        | 1,083,815        | 941,233          | 854,714          | 707,608          | 561,696          | 414,533          | 269,776          | 110,898          | 39,000         | 24,750         | 10,500         | 10,500         |
| Within Levy Limit   | 302,772          | 355,233          | 301,951          | 307,232          | 254,426          | 203,644          | 154,601          | 110,144          | 64,638           | 39,000         | 24,750         | 10,500         | 10,500         |
| Excluded Debt   | 800,334          | 728,582          | 639,282          | 547,482          | 453,182          | 358,052          | 259,932          | 159,632          | 46,260           | 0              | 0              | 0              | 0              |
| <b>Within Levy Limit</b>                                    | <b>1,837,772</b> | <b>2,060,233</b> | <b>1,711,951</b> | <b>1,867,232</b> | <b>1,804,426</b> | <b>1,648,644</b> | <b>1,499,601</b> | <b>1,442,344</b> | <b>974,638</b>   | <b>489,000</b> | <b>474,750</b> | <b>160,500</b> | <b>160,500</b> |
| Issued  | 1,837,772        | 1,670,233        | 1,330,951        | 1,292,732        | 1,244,176        | 1,102,644        | 967,951          | 924,844          | 471,388          | 0              | 0              | 0              | 0              |
| Approved not issued   | 0                | 390,000          | 381,000          | 372,000          | 363,000          | 354,000          | 345,000          | 336,000          | 327,000          | 318,000        | 309,000        | 0              | 0              |
| Planned not yet approved                                    | 0                | 0                | 0                | 202,500          | 197,250          | 192,000          | 186,750          | 181,500          | 176,250          | 171,000        | 165,750        | 160,500        | 160,500        |
| Net Included Debt   | 1,837,772        | 2,060,233        | 1,711,951        | 1,867,232        | 1,804,426        | 1,648,644        | 1,499,601        | 1,442,344        | 974,638          | 489,000        | 474,750        | 160,500        | 160,500        |
| <b>Excluded Debt</b>  | <b>3,015,334</b> | <b>2,983,582</b> | <b>2,944,282</b> | <b>2,902,482</b> | <b>2,848,182</b> | <b>2,793,052</b> | <b>2,733,932</b> | <b>2,687,432</b> | <b>1,281,260</b> | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>       |
| Issued  | 3,015,334        | 2,983,582        | 2,944,282        | 2,902,482        | 2,848,182        | 2,793,052        | 2,733,932        | 2,687,432        | 1,281,260        | 0              | 0              | 0              | 0              |
| Approved not issued   | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0              | 0              | 0              | 0              |
| Possible (not added)  | 0                | 0                | 0                | 337,500          | 328,750          | 320,000          | 311,250          | 302,500          | 293,750          | 285,000        | 276,250        | 267,500        | 267,500        |
| Net Excluded Debt   | 3,015,334        | 2,983,582        | 2,944,282        | 2,902,482        | 2,848,182        | 2,793,052        | 2,733,932        | 2,687,432        | 1,281,260        | 0              | 0              | 0              | 0              |

| Town of Reading<br>Debt Service Schedule<br>3/11/17 3:14 PM | Approved<br>FY - 2017 | Requested<br>FY - 2018 | Projected<br>FY - 2019 | Projected<br>FY - 2020 | Projected<br>FY - 2021 | Projected<br>FY - 2022 | Projected<br>FY - 2023 | Projected<br>FY - 2024 | Projected<br>FY - 2025 | Projected<br>FY - 2026 | Projected<br>FY - 2027 | Projected<br>FY - 2028 | Projected<br>FY - 2029 |
|---|-----------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Principal</b>  |                       |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| <b>Interest</b>   |                       |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| <b>Within Levy Limit</b>                                    | 1,837,772             | 2,060,233              | 1,711,951              | 1,867,232              | 1,804,426              | 1,648,644              | 1,499,601              | 1,442,344              | 974,638                | 489,000                | 474,750                | 160,500                | 160,500                |
| Issued  | 1,837,772             | 1,670,233              | 1,330,951              | 1,292,732              | 1,244,176              | 1,102,644              | 967,851                | 924,844                | 471,388                | 0                      | 0                      | 0                      | 0                      |
| Approved not issued   | 0                     | 390,000                | 381,000                | 372,000                | 363,000                | 354,000                | 345,000                | 336,000                | 327,000                | 318,000                | 309,000                | 0                      | 0                      |
| Planned not yet approved                                    | 0                     | 0                      | 0                      | 202,500                | 197,250                | 192,000                | 186,750                | 181,500                | 176,250                | 171,000                | 165,750                | 160,500                | 160,500                |
| Energy Improvements   | 431,275               | 420,388                | 408,663                | 398,194                | 382,388                | 371,456                | 360,113                | 348,356                | 336,188                | 0                      | 0                      | 0                      | 0                      |
| Killam Green Repair   | 87,100                | 83,750                 | 80,400                 | 77,050                 | 73,700                 | 70,350                 | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      |
| Birch Mdw Green Repair                                      | 42,900                | 41,250                 | 39,600                 | 37,950                 | 36,300                 | 34,650                 | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      |
| Barrows/Wd End  | 36,552                | 36,552                 | 35,652                 | 34,752                 | 33,852                 | 32,952                 | 32,052                 | 29,942                 | 0                      | 0                      | 0                      | 0                      | 0                      |
| Wood End  | 180,228               | 175,878                | 171,528                | 167,178                | 157,828                | 153,628                | 149,428                | 135,938                | 0                      | 0                      | 0                      | 0                      | 0                      |
| Barrows   | 149,408               | 145,808                | 142,208                | 138,608                | 135,008                | 126,408                | 122,958                | 117,208                | 0                      | 0                      | 0                      | 0                      | 0                      |
| Parker  | 187,320               | 152,288                | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      |
| HS Ret. Wall \$500k/5yr                                     | 114,492               | 114,000                | 110,000                | 106,000                | 102,000                | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      |
| Mod. class \$1.2 mil/8yr                                    | 186,888               | 189,000                | 183,000                | 177,000                | 171,000                | 165,000                | 159,000                | 153,000                | 0                      | 0                      | 0                      | 0                      | 0                      |
| RMHS \$3mil/10yr  |                       | 390,000                | 381,000                | 372,000                | 363,000                | 354,000                | 345,000                | 336,000                | 327,000                | 318,000                | 309,000                | 0                      | 0                      |
| Downtown Impr I (\$650k)                                    | 69,225                | 66,300                 | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      |
| West St. \$1.3 mil  | 167,700               | 163,800                | 159,900                | 156,000                | 152,100                | 148,200                | 144,300                | 140,400                | 135,200                | 0                      | 0                      | 0                      | 0                      |
| Ladder truck (\$800k)                                       | 83,660                | 81,220                 | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      |
| Birch Mdw lighting 0.1mil                                   | 101,025               | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      |
| BMdw I (figs \$1.5m)/10yr                                   |                       |                        | 0                      | 202,500                | 197,250                | 192,000                | 186,750                | 181,500                | 176,250                | 171,000                | 165,750                | 160,500                | 160,500                |
| BMdw II (fields TBA)  |                       |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| <b>Excluded Debt</b>  | 3,015,334             | 2,963,582              | 2,944,282              | 2,902,482              | 2,848,182              | 2,793,052              | 2,733,932              | 2,687,432              | 1,281,260              | 0                      | 0                      | 0                      | 0                      |
| Issued  | 3,015,334             | 2,963,582              | 2,944,282              | 2,902,482              | 2,848,182              | 2,793,052              | 2,733,932              | 2,687,432              | 1,281,260              | 0                      | 0                      | 0                      | 0                      |
| Approved not issued   | 0                     | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      | 0                      |
| Possible (not added)  | 0                     | 0                      | 0                      | 337,500                | 328,750                | 320,000                | 311,250                | 302,500                | 293,750                | 285,000                | 276,250                | 267,500                | 267,500                |
| Library Project \$2.115mil                                  | 300,702               | 305,500                | 296,100                | 286,700                | 277,300                | 267,900                | 258,500                | 249,100                | 239,700                | 0                      | 0                      | 0                      | 0                      |
| Library Project \$10+mil                                    | 1,290,000             | 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                      |
| RMHS  | 1,357,750             | 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                      |
| Barrows/Wd End  | 54,630                | 54,630                 | 53,280                 | 51,930                 | 50,580                 | 50,400                 | 48,230                 | 41,880                 | 1,560                  | 0                      | 0                      | 0                      | 0                      |
| Wood End  | 12,252                | 11,952                 | 11,652                 | 11,352                 | 11,052                 | 10,752                 | 10,452                 | 3,952                  | 0                      | 0                      | 0                      | 0                      | 0                      |
| DPW bldg project TBA  |                       |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Killam bldg project TBA                                     |                       |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Cam Bldg \$2.5m/10yr  | 0                     | 0                      | 0                      | 337,500                | 328,750                | 320,000                | 311,250                | 302,500                | 293,750                | 285,000                | 276,250                | 267,500                | 267,500                |

## **Appendix A: 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 B: 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 2002<sup>1</sup>" 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*

**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
  - 1210 Superintendent

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<sup>1</sup> Massachusetts Department of Elementary and Secondary Education (DESE) website (Accounting and Auditing)

- 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 servers)

Town of Reading, Massachusetts  
Encumbrances

|                                      | Balance<br>01-Jul-16 | Balance<br>31-Mar-17 |
|--------------------------------------|----------------------|----------------------|
|                                      | \$                   | \$                   |
| <b>General government:</b>           |                      |                      |
| <b>Operations</b>                    |                      |                      |
| Expenses                             | 6,168                | 6,118                |
| <b>Town Manager:</b>                 |                      |                      |
| Expenses                             | 3,331                | 3,331                |
| <b>Public Services</b>               |                      |                      |
| Expenses                             | 43,921               | 32,500               |
| <b>Board of Assessors</b>            |                      |                      |
| Expenses                             | 35,682               | 18,349               |
| <b>Finance:</b>                      |                      |                      |
| Expenses                             | 1,350                | 1,350                |
| <b>Law:</b>                          |                      |                      |
| Expenses                             | 15,362               | 12,654               |
| <b>Human Resources:</b>              |                      |                      |
| Expenses                             | 6,900                | —                    |
| <b>Technology:</b>                   |                      |                      |
| Capital                              | 14,583               | 10,000               |
| Expenses                             | 69,607               | 7,514                |
| <b>Town Clerk</b>                    |                      |                      |
| Expenses                             | 12,990               | 6,361                |
| <b>Elections &amp; Registration:</b> |                      |                      |
| Expenses                             | 4,900                | 592                  |
| <b>Planning</b>                      |                      |                      |
| Expenses                             | 125                  | 125                  |
| <b>Library:</b>                      |                      |                      |
| Expenses                             | —                    | —                    |
| <b>Police:</b>                       |                      |                      |
| Expenses                             | 65,188               | 9,035                |
| <b>Fire:</b>                         |                      |                      |
| Capital                              | 668,763              | 642,375              |
| Expenses                             | 12,520               | 4,500                |
| <b>Dispatchers:</b>                  |                      |                      |
| Capital                              | —                    | —                    |
| Expenses                             | 811                  | 653                  |
| <b>School department:</b>            |                      |                      |
| Capital                              | 32,610               | —                    |
| Expenses                             | 1,254,452            | 156,724              |
| <b>Facilities</b>                    |                      |                      |
| Capital                              | 78,465               | 62,826               |
| Expenses                             | 38,016               | 7,199                |
| <b>DPW Engineering</b>               |                      |                      |
| Capital                              | 4,450                | 2,128                |
| Expenses                             | 5,954                | 4,000                |
| <b>Highway and equipment</b>         |                      |                      |
| Expenses                             | 5,662                | 2,846                |
| Capital                              | 226,199              | 11,421               |
| <b>DPW Administration</b>            |                      |                      |
| Expenses                             | 3,572                | 3,202                |
| <b>Snow &amp; Ice</b>                |                      |                      |
| Expenses                             | —                    | —                    |
| <b>Street lighting</b>               |                      |                      |
| Expenses                             | —                    | —                    |
| <b>Storm Water Mangement</b>         |                      |                      |
| Expenses                             | —                    | —                    |
| <b>Waste Collection</b>              |                      |                      |
| Expenses                             | 75                   | 75                   |
| <b>Cemetery:</b>                     |                      |                      |
| Expenses                             | 300                  | 300                  |
| Capital                              | 62,789               | —                    |
| <b>Retirement and Pension</b>        |                      |                      |
| Expenses                             | —                    | —                    |
| <b>Recreation:</b>                   |                      |                      |
| Capital                              | 19,000               | —                    |
| <b>Parks and Forestry</b>            |                      |                      |
| Expenses                             | 500                  | 500                  |
| Capital                              | —                    | —                    |
| <b>Historical Commission</b>         |                      |                      |
| Expenses                             | —                    | —                    |
| <b>Veterans</b>                      |                      |                      |
| Expenses                             | —                    | —                    |
| <b>Debt Issuance</b>                 |                      |                      |
| Expenses                             | 530                  | 530                  |
| <b>General government totals</b>     | <u>2,684,774</u>     | <u>1,007,208</u>     |
| <b>Enterprise funds:</b>             |                      |                      |
| <b>Water fund:</b>                   |                      |                      |
| Expenses                             | 34,087               | 2,763                |
| Capital                              | 778,906              | 771,416              |
| <b>Sewer fund:</b>                   |                      |                      |
| Expenses                             | 18,621               | 1,667                |
| Capital                              | 176,000              | 132,296              |
| <b>Storm Water fund:</b>             |                      |                      |
| Expenses                             | 500                  | 500                  |
| Capital                              | 2,326                | 2,326                |
| <b>Enterprise funds totals</b>       | <u>1,010,440</u>     | <u>910,967</u>       |
| <b>Total</b>                         | <u>3,705,214</u>     | <u>1,918,175</u>     |

## 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 (5<sup>th</sup>) 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 (7<sup>th</sup>) 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](http://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:

- o Article name and number
- o Name of Town Board / Committee / Commission or Town Department
- o Date the document was created
- o Contact Information
- o Approval of Town Clerk's Office

Materials that are prepared by petitioners or other voters must include the following:

- o Article name and number
- o Contact information of person who created handout
- o Date the document was created
- o 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