

**REPORT OF THE FINANCE COMMITTEE
FOR THE
TOWN OF WORTHINGTON
2014 ANNUAL REPORT**
Revised 5/1/15

The intent of this report is to provide information on the results of operations on the most recently ended fiscal year, [Fiscal Year 2014], which closed June 30, 2014 and a status report on the current Fiscal Year 2015 budget.

FISCAL YEAR 2014

The tax levy for Fiscal Year 2014 was 2,280,928.27 with a resulting tax rate of 14.00. The town taxed under its levy limit (unused taxing capacity) by 209,984.73. The average single family residential value was 228,537.00 and the average single family tax bill was 3,200.00. At year end 137,612.00 in unspent appropriations were closed, actual local receipts exceeded estimates by 127,335.00 and actual receipts not estimated totaled 27,209.00. As a result of operations the 7/1/14 Free Cash was certified at 252,754.00. Included in the receipts above was 38,840.00 in rental income received from the Conwell building.

The Reserve Fund is created by an appropriation at Annual Town Meeting pursuant to M.G.L. Ch.40, s.6. Its purpose is to provide funding for extraordinary or unforeseen expenditures. Transfers by formal requests are approved or disapproved by the Finance Committee. To approve a transfer from the fund to another appropriation, the Finance Committee must find that the request is for either an extraordinary or unforeseen purpose and not just because the appropriation is depleted or overspent. In Fiscal Year 2014, 10,000 was budgeted in the Reserve Fund and six transfers were approved that totaled 2,760.93. The following is a list of the approved Fiscal Year 2014 Reserve Fund Transfers:

No. 1	Central Hampshire Veteran's Services	38.93
No. 2	Election Expense	260.00
No. 3	Veterans Aid	1,300.00
No. 4	Computer Maintenance Labor	500.00
No. 5	Town Hall Maintenance	500.00
No. 6	Recording Secretary	162.00
	Total:	2,760.93

FISCAL YEAR 2015

The Fiscal-Year 2015 Annual Town Meeting and one Special Town Meeting held in October approved a total of 3,277,487.14 in appropriations. The town operating budget totaled 1,392,599.14, the Gateway school budget totaled 1,022,773.00 and vocational education totaled 314,793.00. This resulted in a grand total operating budget of 2,730,165.14. This was a 70,655.43 dollar increase and a 2.66 percent increase from the prior year. Gateway's budget represents 37.46 percent of the total town operating budget. If we add the vocational education amount to Gateway's total, the total education budget represents 48.99 percent of the total town operating budget.

In addition to the operating budget, the Town appropriated a total of 57,400.00 from the General Stabilization Fund. The amount of 2,000.00 was appropriated for repairs to the town hall roof and 1,975.00 for a structural analysis of the town hall floor. In addition, 25,000.00 was appropriated for legal defense against the lawsuit being brought against the town for leaving the Gateway school district. An additional amount of 18,425.00 for the demolition of buildings on the Albert property and 10,000.00 for continued consultant services for the Adhoc Education Committee was appropriated.

The Town voted 191,665.00 from Free Cash into the General Stabilization Fund and the sum of 38,010.00 into the Conwell Stabilization Fund. The 38,010.00 amount represents the amount of rental income that was received from the Conwell building during FY2013. The Town also appropriated the sum of 30,000.00 from the Sale of Lots account for the expansion of the North Cemetery.

The revenue budget projected 407,754.00 in estimated receipts from state and local sources, 2,331,271.00 from property tax revenue, 229,675.00 from Free Cash, 57,400.00 from the General Stabilization Fund, 240,247.00 in "Chapter 90" state highway aid and 35,495.00 from other available funds.

The tax levy for Fiscal Year 2015 was 2,331,271.41 with a resulting tax rate of 13.94. The town taxed under its levy limit (unused taxing capacity) by 241,915.59. The average single family residential value was 233,260.00 and the average single family tax bill was 3,252.00.

While at this writing the Fiscal Year 2016 budget is still being finalized the following is a few words about that budget. By now we are sure that everyone knows what happened at that historic Special Town Meeting held last July where the Town formally voted to withdraw from the Gateway Regional School District and form our own school district. Our new school committee has developed and submitted our own school budget and its incorporation into the total Town budget still leaves a balanced budget. Although the Town's excess taxing capacity has been reduced, it was expected. It was estimated in July that forming our own school district would impact the average single family tax bill by approximately 400.00. At this time that estimate appears to be on target.

As always we hope that this report will help to inform you of Town budget actions. We again would like to remind you that in addition to this report the Finance Committee has developed a Finance Committee page on the Town's new web site. Posted on "our" page are various budget documents both past and present that we hope will provide you with a better knowledge of the Town's budget and finances. Also, you should find various publications on municipal finance and local government in Massachusetts. We welcome your feedback on "our" page and if you would like to see other information posted please let us know. The Town's web address is <http://www.worthington-ma.us>

In closing, we would also like to thank all town departments for their help in the budget process and hope to see you all at the Fiscal Year 2016 Annual Town Meeting.

Respectfully submitted:

Joe Boudreau (Chair)
Paul Dunlevy
Alex Lak
Jeff Manley
Tom Wisnauckas