

**REPORT OF THE FINANCE COMMITTEE
FOR THE
TOWN OF WORTHINGTON
2021 ANNUAL REPORT**

The intent of this report is to provide information on the results of operations on the most recently ended fiscal year, [Fiscal Year 2021], which closed June 30, 2021 and a status report on the current Fiscal Year 2022 budget.

FISCAL YEAR 2021

The tax levy for Fiscal Year 2021 was 2,834,337.50 with a resulting tax rate of 16.41. The town taxed under its levy limit (unused taxing capacity) by 326,371.50. The average single family residential value was 246,534.00 and the average single family tax bill was 4,045.62. This resulted in a 192.81 dollar decrease for the average single family tax bill. At year end actual local receipts exceeded estimates by 169,624.97 and unspent appropriations in the amount of 258,942.80 and 30,419.00 in the school choice assessment that was not spent were closed. The school choice assessment is a charge to the town for children who live in Worthington but opt to go to another school system for which the town must pay. The town budgeted 191,367.00 for this and at year end the actual charge was 160,948.00. As a result of operations the 7/1/21 Free Cash was certified at 445,419.00.

Each year 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 2021, 10,000.00 was budgeted in the Reserve Fund and no transfers were requested or approved.

FISCAL YEAR 2022

The Fiscal Year 2022 Annual Town Meeting and a Special Town Meeting in October approved a total of 4,657,620.23 in appropriations. The town operating budget totaled 2,156,095.14; the town school budget totaled 1,211,756.09 and vocational education totaled 190,817.00. The town also appropriated 77,172.00 to Gateway RSD as the town's share of Gateway debt. This resulted in a grand total operating budget of 3,635,840.23. This was a 252,106.97 dollar increase and a 7.45 percent increase from the prior year. The school budget represents 33.33 percent of the total town operating budget. If we add the vocational education amount to the town school budget total, the total education budget represents 40.70.00 percent of the total town operating budget. It should also be noted that there are other school related costs that are not appropriated in the above mentioned school budget but are contained in other operating appropriations such as the cost of the Conwell building and fringe benefits for school employees. The Conwell building appropriation totals 127,248.00.00 and fringe benefits such as health insurance total 163,429.00 which is included in the Group Insurance appropriation. In addition, as mentioned above the town is charged an assessment from the State for the cost of Worthington students that through the School Choice Program attend schools in other towns. This assessment per the Fiscal Year 2022 cherry sheet is 193,129.00 and while it is not appropriated at town meeting, it is added to the town's budget.

In addition to the operating budget, the town appropriated a total of 219,219.00 from the General Stabilization Fund. The amount of 135,350.00 was appropriated for a new loader for the Highway Dept. Also 60,000.00 was appropriated for an over the guard rail mower attachment which is the town's share of the cost to be shared with the Town of Chesterfield. 2,200.00 was appropriated for protective vests for the

Police Dept. and 5,819.00 for two solar speed signs. Also, 3,500.00 to paint the front town hall and 1,140.00 for various repairs to town hall. The sum of 1,710.00 was appropriated for a ramp at the transfer station and 9,500.00 for a review of the town's employee handbook and compensation study for elected officials. To help replenish those votes, the town voted the sum of 451,937.00 from Free Cash into the General Stabilization Fund.

The town also appropriated the sum of 96,000.00 from the Conwell Building Stabilization Fund for roof repairs. The sum of 21,017 was voted into the fund from a balance in the Fiscal Year 2021 Voted appropriation.

The revenue budget projected 867,682.00 in estimated receipts from state and local sources, 3,077,969.34 from property tax revenue, 451,937.00 from Free Cash, 219,219.00 from the General Stabilization Fund, 96,000.00 from the Conwell Stabilization Fund, 233,607.00 in "Chapter 90" state highway aid and 21,017.00 from other available funds.

The tax levy for Fiscal Year 2022 was 3,077,969.34 with a resulting tax rate of 16.04. The town taxed under its levy limit (unused taxing capacity) by 211,790.66. The average single family residential value was 272,693.00 and the average single family tax bill was 4,374.00. This is an increase of 328.38 from Fiscal Year 2021.

As always, we would hope that this report will help to inform you of town budget actions as well as other information that can be found on the Finance Committee's page on the town's web site <https://worthington-ma.us/municipal-directory/finance-committee/>. In closing, we also would like to thank all town departments for their help in the budget process and hope to see you all at the Fiscal Year 2023 Annual Town Meeting.

Respectfully submitted:

Joe Boudreau (Chair)
Paul Dunlevy
Gretchen Eliason
Bart Niswonger
Melinda Rose