

FY 2025 BUDGET UPDATE

Select Board Update

April 1, 2024

Future Projection of Revenue vs. Expense:


	FY24 Actual Budget	FY25 Projected Budget	FY26 Projected Budget	FY27 Projected Budget
Total General Fund Revenue	78,310,652	81,311,066	81,309,055	83,152,111
Town Fixed Costs	10,974,865	11,101,862	11,835,347	11,915,197
Amount Available for Municipal and School Operating	67,335,787	70,209,204	69,473,709	71,236,914
Gross Municipal Allocation	22,190,062	23,247,992	23,004,452	23,588,292
Less Total Municipal Fixed Costs (health insurance, etc.)	5,376,096	5,792,744	6,198,296	6,633,549
Plus Total Municipal Revenue Offset	2,526,550	2,539,657	2,553,091	2,540,861
Net Municipal Revenue Available	19,340,516	19,994,905	19,359,246	19,495,605
Transfer available municipal revenue to schools	(28,961)			
Free Cash	207,731			
Total Municipal Operating Budget Revenue Available	19,519,286	19,994,905	19,359,246	19,495,605
LEVEL Service Department Requests	19,519,286	20,246,436	21,056,293	21,898,545
Surplus/Deficit	0	(251,531)	(1,697,047)	(2,402,941)
Modified Level Services Department Requests		20,588,150	21,411,676	22,268,143
Surplus/Deficit		(593,245)	(2,052,430)	(2,772,538)
Gross School Allocation	44,824,181	46,961,212	46,469,257	47,648,622
Less Total School Fixed Costs (health insurance, etc.)	8,033,547	8,201,896	8,819,357	9,484,939
Total School Revenue Available	36,790,634	38,759,316	37,649,900	38,163,683
Transfer available municipal revenue to schools	28,961			
Free Cash	500,000			
Total School Operating Budget Revenue Available	37,319,595			
LEVEL SERVICE Department Requests	37,319,595	39,973,778	41,572,729	43,235,638
Surplus/Deficit	-	(1,214,462)	(3,922,829)	(5,071,956)
Modified Level Services Department Requests		40,679,524	42,306,705	43,998,973
Surplus/Deficit		(1,920,208)	(4,656,805)	(5,835,291)

Next Steps

- Municipal and School departments are refining FY 2025 budget requests as well as identifying needs for FY 2026 and FY 2027.
- Capital Improvement Planning Committee continues to develop the FY 2025 Capital plan and determine longer range needs.
- The Financial Planning Team is meeting weekly to determine the range of funds needed for an operating override that would satisfy the Town's needs for at least three years.
 - Discussions take into consideration the likely request for additional debt exclusion funding for the Fire Station reconstruction project.
 - The average single family home is currently valued at \$811,899. For informational purposes, each \$1,000,000 in override dollars requested increases the taxes of the average single family home in North Reading by \$170.50. An amount to be requested has not been determined yet.
- School Committee budget hearing is scheduled for Monday, April 8th.
- A joint Select Board / School Committee / Finance Committee/ Capital Improvement Planning Committee meeting is scheduled for Wednesday, April 10th.
- Select Board is expected to sign Town Meeting warrant, including budget recommendations, on Monday, May 6th.
- Town Meeting is Monday, June 10th

Massachusetts Department of Revenue Division of Local Services Proposition 2 1/2 Referendum Calculator

<https://dls.gateway.dor.state.ma.us/reports/rdPage.aspx?rdReport=Analysis.TaxImpactCalc>



DLS
DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

Data Analytics and Resources Bureau
Estimated Impact on Property Taxes with a
Prop 2 1/2 Referendum Question Approval

Data current as of 04/01/2024

Select a Municipality:[i](#)

Enter Amount to Adjust by

North Reading

	Residential & Open Space (RO)	Commercial, Industrial and Personal Property (CIP)	Total
FY 2024 # of Parcels	5,610	833	6,443
FY 2024 Assessed Value	4,149,482,511	558,949,038	4,708,431,549
FY 2024 Tax Levy	54,814,854	7,383,717	62,198,571

RO Tax Rate	CIP Tax Rate
13.21	13.21

Proposed Tax Rate Impact Per \$1,000:	0.21
Proposed New Tax Rate Per \$1,000 (Estimated New):	13.42
FY 2024 Average Single Family Assessed Value (Current):	811,899
FY 2024 Average Single Family Tax Bill (Current):	10,725
FY 2024 Average Single Family Tax Bill Impact (Estimated New):	170.50

Assessed Value	Current Estimated Tax Bill	Proposed Estimated Tax Bill	Estimated Tax Bill Impact
250,000	3,302.50	3,355.00	52.50
350,000	4,623.50	4,697.00	73.50
450,000	5,944.50	6,039.00	94.50
550,000	7,265.50	7,381.00	115.50
650,000	8,586.50	8,723.00	136.50
750,000	9,907.50	10,065.00	157.50
850,000	11,228.50	11,407.00	178.50
950,000	12,549.50	12,749.00	199.50
1,050,000	13,870.50	14,091.00	220.50
1,150,000	15,191.50	15,433.00	241.50
1,250,000	16,512.50	16,775.00	262.50
1,350,000	17,833.50	18,117.00	283.50
1,450,000	19,154.50	19,459.00	304.50
1,550,000	20,475.50	20,801.00	325.50