



16 Lowell St
Reading, MA 01867-2693

(781) 942-9037

Accounting Department

il: rfoley@ci.reading.ma.us

(781) 942-9004

To: Dr. Patrick A. Schettini, Superintendent of Schools
From: Richard P. Foley, Town Accountant
Date: May 20, 2005
RE: Transfer under Article 6

On March 14, 2005 the School Committee voted to request that Town Meeting vote to transfer \$850,000 from the School Department's Budget to provide additional funding for the Barrows and Reading Memorial High School Building Projects. This vote was sufficient to trigger Town Meeting's approval under Article 6 on April 28, 2005. However, to book this transfer, I need the School Committee to vote to transfer the \$850,000 from a specific segment of the School Department's Budget.

Contrary to what was reported by Town Meeting members, the Special Needs segment of the School Department's Budget has no funds available to transfer to the school building projects. On September 20, 2004 the Town received \$80,522 as the final Circuit Breaker Funds payment for Fiscal Year 2004. The Town also anticipates receiving \$1,107,402 (\$276,851 quarterly) in Circuit Breaker Funds for Fiscal Year 2005. These funds must be used to offset Fiscal Year 2005 special needs expenditures. This is consistent with the Bulletin issued by the Massachusetts Department of Revenue Division of Local Services dated March 4, 2004,

Adding the Circuit Breaker Funds of \$1,187,924 to the Special Needs segment of the School Department's Budget of \$7,521,883 equals \$8,709,807. This amount is slightly less than the anticipated special needs expenditures in Fiscal Year 2005.

The Regular Day segment of the School Department's Budget is currently projecting a surplus at the end of the Fiscal Year. It is the only segment of the School Department's Budget that is available to fund the building projects.

Please do not hesitate to contact me if I may be of further assistance.