

**OFFICE OF THE
TOWN MANAGER**



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Town of Shrewsbury
MASSACHUSETTS 01545-5398

April 17, 2009

To: Board of Selectmen
Finance Committee

From: Daniel J. Morgado

Re: Fiscal Projection #3

Enclosed are updated fiscal projections based upon the latest budget information.

The primary adjustment involves State Aid which I have revised upward based upon the House Ways and Means Committee filing of April 15th.

You will note that the degree of reduction of State Aid below FY 2009, is not as severe as I proposed in my initial budget filing. This results in additional funding that may be available for FY 2010.

I use the word "may" since the House Ways and Means budget filing has a \$1 Billion funding hole. The House Ways and Means budget uses the consensus revenue forecast of \$19.530 Billion which has long been considered by all as being overly optimistic. The Massachusetts Taxpayers Foundation in December indicated a potential shortfall of \$930 Million. Representative Murphy, the Chairman of House Ways and Means acknowledged that his Committee's budget is at least \$500 Million short on revenue. There seems to be an expectation that this hole will be filled by Federal stimulus, withdrawals from the Commonwealth's rainy day fund or new taxes.

Additional funding has also become available resulting from reductions in the Public Buildings (\$20,000), Unemployment Compensation (\$250,000) and General Insurance (\$20,000) budgets. The excellent work of the School Committee and the Shrewsbury Educators Association in reaching a contract agreement has resulted in a reduction in the number of school layoffs that now allows the Unemployment Compensation Account to be reduced. The Public Buildings reduction is due to the new contractual cleaning contract being awarded for Floral Elementary and Sherwood Middle Schools and the General Insurance account resulting from discussions with our insurers.

I have included a comparison sheet so that you can track the various changes.

There are still a few issues that still need to mature over the next few days involving the entire storm debris matter and what we can expect to be our Charter School Assessment for FY 2010.

I am available to answer any questions.

**FIGURE ONE
FISCAL PROJECTION THREE
FISCAL YEAR 2010**

Ref No.	REVENUE	FY 2009 ACTUAL	FY 2010 PROJECTED	DIFFERENCE
1	TAXATION	\$48,060,756	\$ 45,408,868	\$1,032,011
2	NEW GROWTH		\$ 250,000	
3	EXEMPTED TAX LEVY		\$ 3,433,899	
4	STATE AID	\$23,360,943	\$ 22,232,902	(\$1,128,041)
5	SBAB PAYMENT	\$3,488,853	\$ 3,488,853	\$0
6	OVERESTIMATES	\$0	\$ -	\$0
7	SCHEDULE A RECEIPTS	\$11,978,000	\$ 11,094,000	(\$884,000)
8	SOLID WASTE ENTERPRISE	\$800,000	\$ 804,000	\$4,000
9	FREE CASH	\$2,999,999	\$ 1,900,000	(\$1,099,999)
	OTHER AVAILABLE FUNDS			
10	SALE OF CEMETERY LOTS	\$19,000	\$ 18,000	(\$1,000)
11	SEWER SURPLUS	\$2,834,092	\$ 3,313,131	\$479,039
12	SEWER CONSTRUCTION	\$610,000	\$ 452,417	(\$157,583)
13	LIGHT REVENUE	\$472,770	\$ 457,640	(\$15,130)
14	CATV REVENUE	\$453,750	\$ 432,775	(\$20,975)
15	OTHER FUNDS (CHAPTER 90)	\$723,655	\$ 725,558	\$1,903
16	ACCOUNT TRANSFER	\$536,334	\$ 558,364	\$22,031
17	STABILIZATION	\$0	\$ 510,000	\$510,000
18	TITLE V LOAN REPAYMENTS	\$15,128	\$ 15,128	\$0
19	WATER SYSTEM IMPROVEMENTS	\$0	\$ -	\$0
20	WATER CONVERSATION FUND	\$200,000	\$ 200,000	\$0
21	CEMETERY TRUST FUNDS	\$30,000	\$ -	(\$30,000)
22	SPECIAL FUNDS - COAL ASH	\$392,237	\$ -	(\$392,237)
23	SALE OF PROPERTY	\$0	\$ -	\$0
24	HIGHWAY IMPROVEMENTS	\$0	\$ -	\$0
25	BOND INTEREST RESERVE	\$500,000	\$ 500,000	\$0
26	FREE CASH (REDUCE LEVY)	\$500,000	\$ 500,000	\$0
27	MUNICIPAL LIGHT (REDUCE LEVY)	\$150,384	\$ 150,384	\$0
28	CATV REVENUE (REDUCE LEVY)	\$556,355	\$ 626,307	\$69,952
	TOTAL REVENUE	\$98,682,256	\$ 97,072,227	(\$1,610,029)
	CHARGES			
29	TAX TITLE	\$0	\$ -	\$0
30	COURT JUDGEMENTS	\$0	\$ -	\$0
31	OVERLAY DEFICITS	\$0	\$ -	\$0
32	CHERRY SHEET OFFSETS	\$81,742	\$ 75,178	(\$6,564)
33	CMRPC	\$7,437	\$ 7,623	\$186
34	STATE AND COUNTY CHARGES	\$1,502,535	\$ 1,846,631	\$344,096
35	OVERLAY	\$583,630	\$ 650,000	\$66,370
	TOTAL CHARGES	\$2,175,344	\$ 2,579,432	\$404,088
	TOTAL AVAILABLE FOR TOWN MEETING APPROPRIATION	\$96,506,912	\$ 94,492,795	(\$2,014,117)
36	ESTIMATED TAX RATE	\$9.68	\$9.84	Actual Tax Rate will be impacted by FY 2010 revaluation

PROJECTION NOTES
FY 2010

No.	Item	Computation	Notes	Information Source/Comment
1	Levy Limit	\$ 44,301,335 \$ 1,107,533	Fy 09 levy limit 21/2% increase	Form filed by BOA with Fy 09 Tax Recap Sheet
		\$ 45,408,868	Fy 10 levy limit	
2	New Growth	\$ 250,000	Estimate Fy 10	Estimate of 4/13/2009
		\$ 525,143	Fy 09 New Growth	Form filed by BOA with Fy 09 Tax Recap Sheet
		\$ 561,235	Fy 08 New Growth	Form filed by BOA with Fy 08 Tax Recap Sheet
		\$ 997,304	Fy 07 New Growth	Form filed by BOA with Fy 07 Tax Recap Sheet
		\$ 548,711	Fy 06 New Growth	Form filed by BOA with Fy 06 Tax Recap Sheet
		\$ 551,544	Fy 05 New Growth	Form filed by BOA with Fy 05 Tax Recap Sheet
		\$ 563,179	Fy 04 New Growth	Form filed by BOA with Fy 04 Tax Recap Sheet
		\$ 804,735	Fy 03 New Growth	Based on FY 03 LA 13; This does not match DOR Levy Form
		\$ 879,895	Fy 02 New Growth	Form filed by BOA with Fy 02 Tax Recap Sheet
		\$ 1,419,357	Fy 01 New Growth	Form filed by BOA with Fy 01 Tax Recap Sheet
		\$ 833,094	Fy 00 New Growth	Form filed by BOA with Fy 00 Tax Recap Sheet
		\$ 1,122,922	Fy 99 New Growth	Form filed by BOA with Fy 00 Tax Recap Sheet
		\$ 713,090	Fy 98 New Growth	Form filed by BOA with Fy 99 Tax Recap Sheet
		\$ 726,315	Fy 97 New Growth	"At a Glance" report dated 2/2/99
3	Exempted Tax Levy	\$ 577,717 \$ (585,681) \$ (2,903,172) \$ 225,408 \$ 178,380 \$ 4,996,625 \$ 167,750 \$ 597,967 \$ 596,433 \$ 152,077 \$ (500,000) \$ (69,605)	90% of Floral Street School Debt Service SBAB Reimbursement - Floral Street SBAB Reimbursement - High School (Revised by SBA March 2008) Open Space Bond HS School Land Bond New High School Open Space Bond #2 Oak Middle School Fire Facilities Project Allen Property BAN Costs Bond Interest Reserve Line Item #25) Bond Premium for Allen BAN that will be run through Free Cash and be part of FY 10 certification	See Figure Six
		\$ 3,433,899	Total Exempted Debt Service	
4	State Aid	\$ 22,232,902	Projected for FY 2010 as of 4/16/2009	See Figure Four

PROJECTION NOTES
FY 2010

5	SBAB	\$	585,681	Floral Street	
		\$	2,903,172	High School	
		\$	3,488,853	Total SBAB	
6	Overestimates	\$	-	No Overestimated Projected	
7	Schedule A	\$	11,094,000	Projected Local Receipts	See Figure Three
8	Solid Waste Enterprise	\$	804,000	Estimate as of 4/13/2009	
				Bag Revenue (\$65,000/month) \$780,000	
				Sticker/Bin Revenue (\$2,000) \$24,000	
				\$804,000	
9	Free Cash	\$	1,900,000	7/1/08 Balance \$4,597,946 (4,197,946 balance after transfer)	
10	Sale of Lots	\$	18,000		
11	Sewer Surplus	\$	3,313,131		
	Balance as of 3/31/2009			\$3,135,440 Operating Budget	
				\$27,691 Debt Service	
				\$150,000 Capital Budget(\$100 K I&I Program/\$50 K Building Demolition)	
				\$160,282 Indirect Costs	
				\$5,333,688	
				\$3,473,413	
				SAY \$3,313,131	
				Tax Levy Subsidy is \$160,282 (4.1%)	
12	Sewer Construction	\$	452,417		
	Balance as of 1/16/2009			\$81,256 Rolfe Avenue Grinder Pump -585600	
	Sewer Construction Acct			\$45,228 Hill Street Pump Station - 585740	
	\$2,040,996			\$50,000 Cherry Street Pump Station - 585750	
				\$275,933 Sewer Replacement Rte 9 - 585790	
				\$452,417	
13	Light Revenue	\$	76,890	1996 (2005) Town Hall	See Figure Six
		\$	156,750	2001 Light Plant Upgrade	
		\$	224,000	2008 Light Plant Upgrade	
		\$	457,640	Total Debt Service Budget FY 10	

**PROJECTION NOTES
FY 2010**

14	CATV Revenue	\$	432,775	Total Debt Service Budget FY 10	See Figure Six
15	Chapter 90	\$	725,558	See letter of April 1, 2008	
16	Account Transfers	Amount	Account		
		\$44,053	585540 Re-Seam School Roofs		Public Buildings
		\$11,892	585660 Replace Roof - Coolidge		Public Buildings
		\$11,440	585670 Replace Roof - Police		Public Buildings
		\$11,400	585900 Re-seam MOB Roof		Public Buildings
		\$36,550	585610 Fire Headquarters		Public Buildings
		\$40,550	585594 Power Wash & Repoint Beal		Public Buildings
		\$930	580490 Replace/Upgrade Radio Sys		Police
		\$1,181	585952 Replace Video Equipment		Police
		\$7,183	571120 STM Prelim Study Fire		Fire
		\$61,772	570890 Whitney Street		Engineering
		\$93,439	585760 Holden/Grafton/Reservoir		Engineering
		\$20,000	570820 Radio Systems		Highway
		\$13,670	585340 Street Sweeper		Highway
		\$7,575	585870 Resurface Garage Roof		Highway
		\$90,000	585998 Replace Snow Blower Attach		Highway
		\$6,730	585957 Softball Lights		Parks
		\$100,000	571220 Facilities Study		Public Buildings
		\$0	Water Account Closeouts (TBD)		
		\$	558,364	Total Account Transfers	
17	Stabilization	\$	510,000	Balance as of 1/16/2009 \$626,694	
18	Total V Loan Repayments	\$	15,128	Balance as of 11/20/2008 \$107,918	See Figure Six
				Title V Loan #1 \$4,831.00	
				Title V Loan #2 \$5,568.00	
				Title V Loan #3 \$4,729.00	
				\$15,128.00	
19	Water System Improvements	\$	-	Balance as of 1/16/2009 \$1,584,160	
20	Water Conservation Fund	\$	200,000	Balance as of 1/16/2009 \$280,570	\$150,000 for New Meters; \$50,000 Controls (Contained within the Budget)
21	Cemetery Trust Funds	\$	-	No Project in FY 2010	
22	Special Funds - Coal Ash	\$	-	Account has been exhausted	

PROJECTION NOTES
FY 2010

23	Sale of Property	\$	-	Account has been exhausted	
24	Highway Improvements	\$	-	Balance as of 10/29/2008 \$671,166	
25	Bond Interest Reserve	\$	500,000	Balance as of 1/16/2009 \$688,093	
		\$	500,000	Fy 09	FY 08 Recap Sheet
		\$	500,000	Fy 08	FY 07 Recap Sheet
		\$	800,000	Fy 07	FY 06 Recap Sheet
		\$	-	Fy 06	FY 05 Recap Sheet
		\$	-	Fy 05	FY 04 Recap Sheet
		\$	-	Fy 04	FY 03 Recap Sheet
		\$	821,732	Fy 03	
26	Free Cash (Reduce Levy)	\$	500,000	Fy 10 (\$69,605 is a Bond Premium Pass Through)	
		\$	500,000	Fy 09	FY 09 Recap Sheet; \$76,152 was a bond premium
		\$	500,000	Fy 08	FY 08 Recap Sheet; \$48,590 was a bond premium
		\$	500,000	Fy 07	FY 07 Recap Sheet; \$87,944 was a bond premium
		\$	500,000	Fy 06	FY 06 Recap Sheet; \$141,098 was a bond premium
		\$	500,000	Fy 05	FY 05 Recap Sheet; \$176,892 was a bond premium
		\$	728,416	Fy 04	FY 04 Recap Sheet; \$228,416 was a bond premium
		\$	2,885,000	Fy 03	FY 03 Recap Sheet; \$2,385,000 was a bond premium
		\$	435,000	Fy 02	FY 02 Recap Sheet
		\$	1,130,000	Fy 01	FY 01 Recap Sheet
		\$	1,130,000	Fy 00	FY 00 Recap Sheet
27	Municipal Light (PILOT)	\$	150,384	Fy 10	Actual
		\$	150,384	Fy 09	FY 09 Recap Sheet
		\$	189,358	Fy 08	FY 08 Recap Sheet
		\$	115,441	Fy 07	FY 07 Recap Sheet
		\$	121,995	Fy 06	FY 06 Recap Sheet
		\$	115,606	Fy 05	FY 05 Recap Sheet
		\$	118,531	Fy 04	FY 04 Recap Sheet
		\$	113,132	Fy 03	FY 03 Recap Sheet
		\$	112,244	Fy 02	FY 02 Recap Sheet
		\$	118,519	Fy 01	FY 01 Recap Sheet
		\$	111,886	Fy 00	FY 00 Recap Sheet
28	CATV (PILOT)	\$	626,307	Fy 10	Actual
		\$	556,355	Fy 09	FY 09 Recap Sheet
		\$	492,491	Fy 08	FY 08 Recap Sheet
		\$	454,691	Fy 07	FY 07 Recap Sheet

PROJECTION NOTES
FY 2010

		430,056	Fy 06	FY 06 Recap Sheet
		386,504	Fy 05	FY 05 Recap Sheet
		334,056	Fy 04	FY 04 Recap Sheet
		283,927	Fy 03	FY 03 Recap Sheet
		250,000	Fy 02	FY 02 Recap Sheet
		250,000	Fy 01	FY 01 Recap Sheet
		250,000	Fy 00	Fy 00 Recap Sheet
29	Tax Title	-		
30	Court Judgments	-		
31	Overlay Deficits	-		
32	Cherry Sheet Offsets	75,178	Fy 10 (Estimate)	Estimated
		81,742	Fy 09	FY 09 Recap Sheet
		81,348	Fy 08	FY 08 Recap Sheet
		73,331	Fy 07	FY 07 Recap Sheet
		73,909	Fy 06	FY 06 Recap Sheet
		67,387	Fy 05	FY 05 Recap Sheet
		61,412	Fy 04	FY 04 Recap Sheet
		62,215	Fy 03	FY 03 Recap Sheet
		62,793	Fy 02	FY 02 Recap Sheet
		59,915	Fy 01	FY 01 Recap Sheet
		58,321	Fy 00	Fy 00 Recap Sheet
33	CMRPC	7,623	Fy 10	Actual
		7,437	Fy 09	FY 09 Recap Sheet
		7,256	Fy 08	FY 08 Recap Sheet
		7,079	Fy 07	FY 07 Recap Sheet
		6,906	Fy 06	FY 06 Recap Sheet
		6,737	Fy 05	FY 05 Recap Sheet
		6,574	Fy 04	FY 04 Recap Sheet
		6,414	Fy 03	FY 03 Recap Sheet
		4,777	Fy 02	FY 02 Recap Sheet
		4,661	Fy 01	FY 01 Recap Sheet
		4,547	Fy 00	Fy 00 Recap Sheet
34	State & County Charges	1,846,631	Fy 10 (Estimate)	Estimated
		1,502,535	Fy 09	FY 09 Recap Sheet
		1,150,859	Fy 08	FY 08 Recap Sheet
		882,906	Fy 07	FY 07 Recap Sheet

**FIGURE FOUR
STATE AID AND CHARGES
FISCAL YEAR 2003 TO 2010**

Line Item	Fiscal Year 2010	Fiscal Year 2010	Fiscal Year 2010	Fiscal Year 2010	Fiscal Year 2009	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year
	Town Manager Revised	House Ways & Means	House 1	Town Manager Original	Revised	Original	2008 Actual	2007 Actual
REVENUE								
A. EDUCATION								
1. Chapter 70	\$18,866,811	\$18,866,811	\$18,866,811	\$18,866,811	\$18,866,811	\$18,866,811	\$17,419,669	\$15,898,949
2. School Transportation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3. School Construction (Removed in FY 2006)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5. Charter School Tuition Reimbursement	\$539,381	\$539,381	\$246,165	\$539,381	\$539,381	\$539,381	\$351,651	\$222,350
5. Tuition State Wards	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6. Charter School Capital Facility Reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8. School Lunch (Offset)	\$31,073	\$33,698	\$33,698	\$31,073	\$31,073	\$31,073	\$33,298	\$26,597
Sub-Total	\$19,437,265	\$19,439,890	\$19,146,674	\$19,437,265	\$19,437,265	\$19,437,265	\$17,804,618	\$16,147,896
B. GENERAL GOVERNMENT								
1. Lottery, Beano & Charity Games	\$2,346,866	\$2,346,866	\$2,477,218	\$1,097,912	\$2,859,417	\$3,168,140	\$3,168,140	\$3,107,117
2. Additional Assistance	\$0	\$0	\$393,928	\$68,836	\$269,738	\$298,861	\$298,861	\$298,861
3. Highway Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6. Police Career Incentive	\$157,078	\$0	\$132,861	\$157,078	\$157,078	\$157,078	\$143,439	\$159,050
8. Veteran's Benefits	\$30,806	\$30,806	\$30,806	\$29,272	\$29,272	\$29,272	\$17,277	\$13,048
9. Exemptions (Vets, Blind, Surviving)	\$91,799	\$91,799	\$91,799	\$67,515	\$67,515	\$67,515	\$70,048	\$31,591
10. Exemptions (Elderly)	\$0	\$0	\$0	\$22,798	\$22,798	\$22,798	\$22,804	\$22,782
11. State Owned Land	\$124,983	\$124,983	\$124,983	\$129,345	\$129,345	\$129,345	\$120,634	\$107,973
12. Public Libraries	\$44,105	\$44,105	\$44,105	\$50,669	\$50,669	\$50,669	\$48,050	\$46,734
Sub-Total	\$2,795,637	\$2,638,559	\$3,295,700	\$1,623,425	\$3,585,832	\$3,923,678	\$3,889,253	\$3,787,156
Total State Aid	\$22,232,902	\$22,078,449	\$22,442,374	\$21,060,690	\$23,023,097	\$23,360,943	\$21,693,871	\$19,935,052
CHARGES								
County Tax	\$49,947	\$49,947	\$25,729	\$49,947	\$49,947	\$49,947	\$49,947	\$49,947
Mosquito Control	\$59,303	\$59,303	\$59,303	\$63,000	\$59,166	\$59,166	\$57,811	\$56,482
Mosquito Control (Underestimate)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Air Pollution Districts	\$9,608	\$9,608	\$9,608	\$9,600	\$9,434	\$9,434	\$9,220	\$9,076
RMV Non-Renewal Surcharge	\$21,520	\$21,520	\$21,520	\$21,780	\$21,780	\$21,780	\$20,240	\$20,240
WRTA Assessment	\$74,028	\$74,028	\$74,028	\$72,000	\$69,072	\$69,072	\$75,438	\$68,366
Special Education	\$17,661	\$17,661	\$17,661	\$12,816	\$12,816	\$12,816	\$0	\$0
MBTA	\$139,262	\$139,262	\$139,262	\$145,000	\$141,794	\$141,794	\$142,329	\$132,034
School Choice Tuition	\$75,302	\$75,302	\$75,302	\$82,500	\$78,710	\$78,710	\$61,947	\$99,364
Charter School Tuition	\$1,400,000	\$1,400,000	\$945,581	\$1,400,000	\$1,059,816	\$1,059,816	\$734,787	\$447,240
Sub-Total	\$1,846,631	\$1,846,631	\$1,367,994	\$1,856,643	\$1,502,535	\$1,502,535	\$1,150,859	\$882,749

**FIGURE FOUR
STATE AID AND CHARGES
FISCAL YEAR 2003 TO 2010**

Line Item	Fiscal Year 2010 House Ways & Means		Fiscal Year 2010 House 1		Fiscal Year 2010 Town Manager Original		Fiscal Year 2009 Revised		Fiscal Year 2009 Original		Fiscal Year 2008 Actual		Fiscal Year 2007 Actual	
	Town Manager Revised	House 1	House Ways & Means	House 1	Town Manager Original	Town Manager Original	Revised	Original	Original	2008 Actual	2008 Actual	2007 Actual	2007 Actual	
Overestimate - Mosquito Control	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Overestimate - Special Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$157)	
Overestimate - Regional Transit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Sub-Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$157)	
Total Net Charges	\$1,846,631	\$1,367,994	\$1,846,631	\$1,367,994	\$1,856,643	\$1,856,643	\$1,502,535	\$1,502,535	\$1,502,535	\$1,150,859	\$1,150,859	\$882,906	\$882,906	
School Lunch Offset	\$31,073	\$33,698	\$33,698	\$33,698	\$31,073	\$31,073	\$31,073	\$31,073	\$31,073	\$33,298	\$33,298	\$26,597	\$26,597	
Library Offset	\$44,105	\$44,105	\$44,105	\$44,105	\$50,669	\$50,669	\$50,669	\$50,669	\$50,669	\$48,050	\$48,050	\$46,734	\$46,734	
Total Off-Sets	\$75,178	\$77,803	\$77,803	\$77,803	\$81,742	\$81,742	\$81,742	\$81,742	\$81,742	\$81,348	\$81,348	\$73,331	\$73,331	
Line Item	Fiscal Year 2010 Projected	Fiscal Year 2010 Projected	Fiscal Year 2010 Projected	Fiscal Year 2010 Projected	Fiscal Year 2010 Projected	Fiscal Year 2010 Projected	Fiscal Year 2009 Actual	Fiscal Year 2009 Actual	Fiscal Year 2009 Actual	Fiscal Year 2008 Actual	Fiscal Year 2008 Actual	Fiscal Year 2007 Actual	Fiscal Year 2007 Actual	
"Education" Local Aid	\$19,437,265	\$19,439,890	\$19,439,890	\$19,146,674	\$19,437,265	\$19,437,265	\$19,437,265	\$19,437,265	\$19,437,265	\$17,804,618	\$17,804,618	\$16,147,896	\$16,147,896	
"General Government" Local Aid	\$2,795,637	\$2,638,559	\$2,638,559	\$3,295,700	\$1,623,425	\$1,623,425	\$3,585,832	\$3,923,678	\$3,923,678	\$3,889,253	\$3,889,253	\$3,787,156	\$3,787,156	
Charges and Offsets	\$1,921,809	\$1,924,434	\$1,924,434	\$1,445,797	\$1,938,385	\$1,938,385	\$1,584,277	\$1,584,277	\$1,584,277	\$1,232,207	\$1,232,207	\$956,237	\$956,237	
Total	\$20,311,093	\$20,154,015	\$20,154,015	\$20,996,577	\$19,122,305	\$19,122,305	\$21,438,820	\$21,776,666	\$21,776,666	\$20,461,664	\$20,461,664	\$18,978,815	\$18,978,815	
	\$1,188,788	\$1,031,710	\$1,031,710	\$1,874,272			Indicates amount after "9C" reduction was made							
"General Government" Less Charges	\$949,006	\$791,928	\$791,928	\$1,927,706	(\$233,218)	(\$233,218)	\$2,083,297	\$2,421,143	\$2,421,143	\$2,738,394	\$2,738,394	\$2,904,407	\$2,904,407	

**FIGURE THREE
SCHEDULE A RECEIPTS
FISCAL YEAR 2000 TO 2010**

ITEM	CURRENT PROJECTED FY 10	OVER (UNDER)	PROJECTED FY 09	COLLECTED AS OF 3/31/09	PROPOSED FY 09	ACTUAL FY 08	ACTUAL FY 07	ACTUAL FY 06	ACTUAL FY 05	ACTUAL FY 04	ACTUAL FY 03
MOTOR VEHICLE EXCISE	\$4,250,000	\$0	\$4,500,000	\$3,991,016	\$4,500,000	\$4,872,855	\$4,411,326	\$4,688,251	\$4,680,209	\$4,260,729	\$4,438,140
OTHER EXCISE	\$54,000	(\$5,400)	\$54,600	\$42,631	\$60,000	\$61,823	\$60,720	\$49,047	\$47,454	\$44,571	\$62,128
PENALTIES AND INTEREST	\$220,000	\$58,000	\$228,000	\$168,436	\$170,000	\$205,595	\$185,248	\$217,472	\$220,875	\$203,838	\$168,815
PAYMENT IN LIEU OF TAXES	\$33,000	\$5,425	\$33,425	\$33,425	\$28,000	\$30,987	\$28,471	\$28,152	\$27,057	\$29,515	\$29,908
CHARGES FOR SERVICES - WATER	\$3,300,000	(\$204,000)	\$3,346,000	\$2,626,398	\$3,550,000	\$3,500,366	\$3,138,007	\$2,939,701	\$2,827,012	\$2,750,427	\$2,687,023
CHARGES FOR SERVICES - ASH DISPOSAL	\$780,000	(\$18,448)	\$809,552	\$629,551	\$828,000	\$768,626	\$573,251	\$580,000	\$570,000	\$961,582	\$1,088,492
FEES	\$100,000	\$901	\$100,901	\$79,901	\$100,000	\$116,104	\$108,154	\$97,333	\$118,150	\$138,184	\$198,556
RENTALS	\$12,000	\$358	\$12,358	\$9,358	\$12,000	\$12,871	\$12,462	\$12,702	\$15,698	\$12,764	\$13,238
DEPARTMENTAL REVENUE - SCHOOLS	\$40,000	\$0	\$40,000	\$45	\$40,000	\$38,869	\$45,768	\$43,848	\$40,501	\$0	\$0
DEPARTMENTAL REVENUE - LIBRARIES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEPARTMENTAL REVENUE - CEMETERIES	\$25,000	\$5,000	\$55,000	\$40,360	\$50,000	\$59,774	\$81,348	\$42,297	\$31,380	\$34,820	\$31,905
OTHER DEPARTMENTAL REVENUE	\$225,000	\$29,389	\$254,389	\$184,389	\$225,000	\$279,873	\$255,636	\$295,018	\$227,967	\$337,487	\$328,916
LICENSE AND PERMITS**	\$400,000	(\$32,693)	\$517,307	\$407,307	\$550,000	\$621,311	\$609,097	\$1,237,994	\$373,429	\$423,937	\$385,023
SPECIAL ASSESSMENTS	\$30,000	(\$8,141)	\$21,859	\$11,859	\$30,000	\$35,538	\$30,131	\$35,150	\$31,575	\$21,584	\$47,422
FINES AND FORFEITS	\$200,000	(\$13,540)	\$236,460	\$182,460	\$250,000	\$308,415	\$296,276	\$271,803	\$186,372	\$310,446	\$298,028
INVESTMENT INCOME	\$1,100,000	(\$173,969)	\$1,126,031	\$820,031	\$1,300,000	\$1,780,717	\$1,621,437	\$1,126,738	\$932,675	\$1,229,492	\$1,561,045
MISCELLANEOUS RECURRING	\$0	\$0	\$0	\$31,291	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISCELLANEOUS NON-RECURRING	\$125,000	\$125,000	\$175,000	\$146,127	\$50,000	\$292,926	\$190,576	\$150,070	\$172,413	\$185,840	\$247,705
MEDICAID REIMBURSEMENT	\$185,000	\$15,000	\$200,000	\$160,600	\$185,000	\$341,212	\$197,470	\$107,257	\$51,139	\$49,779	\$185,266
SUPPLEMENTAL TAX PROGRAM	\$15,000	(\$33,000)	\$17,000	\$16,603	\$50,000	\$48,840	\$147,927	\$47,040	\$169,937	\$178,455	\$89,088
ESTIMATE	\$11,094,000	(\$250,118)	\$11,727,882	\$9,581,788	\$11,978,000	\$13,376,702	\$11,993,305	\$11,969,873	\$10,723,843	\$11,173,450	\$11,850,698
OVER(UUNDER)						\$11,260,800	\$11,400,000	\$10,388,000	\$10,415,000	\$10,244,000	\$9,521,090
PERCENT OVER(UUNDER)						18.8%	5.2%	15.2%	3.0%	9.1%	24.5%

FY 2003 total includes a bond premium of \$247,705 and coal ash revenue of \$364,000

FY 2006 total includes permit fees for the Charles River Labs & Avalon Shrewsbury Projects

**FIGURE EIGHT
FREE CASH
FISCAL YEAR 1990 TO 2010**

FISCAL YEAR END	BALANCE AS OF 7/1	AMOUNT APPROPRIATED	FOLLOWING YEAR BALANCE	GAIN/(LOSS)
2009	\$3,560,100 ***			
2008	\$4,597,946	\$2,400,000	\$3,560,100	(\$1,037,846)
2007	\$4,850,038	\$3,500,000	\$4,597,946	(\$252,092)
2006	\$4,137,833	\$2,500,000	\$4,850,038	\$712,205
2005	\$1,930,113	\$3,000,000	\$4,137,833	\$2,207,720
2004	\$2,832,695	\$2,500,000	\$1,930,113	(\$902,582)
2003	\$3,616,392	\$2,880,000	\$2,832,695	(\$783,697)
2002	\$6,958,805	\$6,113,416	\$3,616,392	(\$3,342,413)
2001	\$4,087,506	\$2,077,612	\$6,958,805	\$2,871,299
2000	\$2,884,606	\$1,468,606	\$4,087,506	\$1,202,900
1999	\$5,588,576	\$3,928,000	\$2,884,606	(\$2,703,970)
1998	\$4,611,834	\$3,010,784	\$5,588,576	\$976,742
1997	\$4,555,647	\$3,418,656	\$4,611,834	\$56,187
1996	\$2,996,394	\$1,300,000	\$4,555,647	\$1,559,253
1995	\$3,909,803	\$3,294,500	\$2,996,394	(\$913,409)
1994	\$2,672,855	\$1,864,000	\$3,909,803	\$1,236,948
1993	\$3,039,269	\$2,030,500	\$2,672,855	(\$366,414)
1992	\$2,275,622	\$1,122,000	\$3,039,269	\$763,647
1991	\$1,560,672	\$867,000	\$2,275,622	\$714,950
1990	\$1,269,570	\$850,000	\$1,560,672	\$291,102

*** Note: The projected Free Cash balance for July 1, 2009, does meet the objective set by the Board of Selectmen on September 22, 2008, that seeks to maintain a Free Cash and Stabilization balance of no less than 4.0% of the total operating budget that is to be adopted at the May 2009 Annual Town Meeting.

Indicates balance influenced by bond premium that was run through Free Cash in the amount of \$2,385,000

\$400,000 STM 11/17/2008*
\$1,500,000 ATM/STM Warrant
\$500,000 Reduction of Tax Levy
\$2,400,000
* Transferred to Water System Improvements

\$2,000,000 Turn Back Municipal & Unclassified
\$0 Turn Back School
(\$200,000) Excess Schedule A
(\$337,846) Excess State Aid
(\$100,000) Excess Real Estate
\$1,362,154

FIGURE NINE
TRIAL RECAPITULATION - FISCAL YEAR 2010
Based on Projection Number Three - House Ways Means

REVENUE

TAXATION	\$45,408,868
NEW GROWTH	\$250,000
EXEMPTED TAX LEVY	\$3,433,899
STATE AID	\$22,232,902
SBAB PAYMENT	\$3,488,853
OVERESTIMATES	\$0
SCHEDULE A RECEIPTS	\$11,094,000
FREE CASH*	\$1,900,000
OTHER AVAILABLE FUNDS	
Sale of Cemetery Lots	\$18,000
Sewer Surplus	\$3,313,131
Sewer Construction	\$452,417
Light Revenue	\$457,640
CATV Revenue	\$432,775
Chapter 90	\$725,558
Stabilization	\$510,000
Improvement of Public ways	\$0
Title V Loan Repayments	\$15,128
Water Conservation Fund	\$200,000
Account Transfer	\$558,364
Cemetery Trust Funds	\$0
Special Funds - Coal Ash	\$0
Solid Waste Enterprise	\$804,000
FREE CASH (REDUCE LEVY)	\$500,000
MUNICIPAL LIGHT (REDUCE LEVY)	\$150,384
CATV REVENUE (REDUCE LEVY)	\$626,307
BOND INTEREST RESERVE	\$500,000

Total Revenue \$97,072,226

\$49,092,767 Taxation
\$22,232,902 State Aid
\$3,488,853 SBAB Payment
\$11,094,000 Local Receipts
\$1,900,000 Free Cash
\$7,987,013 Other Funds
\$500,000 Free Cash (Levy)
\$150,384 Light (Levy)
\$626,307 CATV (Levy)
\$97,072,226

CHARGES

ART

#

CHERRY SHEET OFFSETS	\$75,178
CMRPC	\$7,623
STATE AND COUNTY CHARGES	\$1,846,631
OVERLAY	\$650,000
NOVEMBER 17, 2008 SPECIAL TOWN MEETING	\$400,000
ATM/STM RESERVE	\$300,000
MEDICAL EXPENSES POLICE AND FIRE	\$1,269
FY 2009 DEFICITS	\$560,000
OPERATING BUDGET	\$86,236,475
TRANSFER TO SCHOOL DEPT FOR CROSSING GUARDS	\$25,000
SOLID WASTE ENTERPRISE	\$1,714,280
CAPITAL BUDGET	
P Replace Marked Cruiser	\$28,000
P Replace Marked Cruiser	\$28,000
P Replace Marked/Unmarked Cruiser	\$28,000
PB Paton School - Remove and replace floor coverings	\$0
PB Replace 1997 Pickup	\$0
P Replace Unmarked Cruiser	\$0
H Construct new salt shed	\$350,000
H Street Reconstruction	\$150,000
H Replace All Wheel Drive Dump w/ Plow (#29)	\$0
H Replace Superintendent Vehicle (2005)	\$0
F Replace Engine #3**	\$510,000
S Station Improvements	\$452,417
S Sewer I & I Removal Project	\$100,000
W Water Main Replacement	\$0
W Painting & Inspection - Oak Street Tank	\$0
W/S Building Demolition	\$100,000
W Leak Detection	\$0
CEMETERY IMPROVEMENTS	\$18,000
BILLS OF PRIOR YEAR	\$0
STORM DRAINS	\$0

\$ 2,579,432 Charges

\$5,412,291 General Government
\$6,896,315 Public Safety
\$2,629,497 Retirement
\$7,588,559 Public Works
\$426,881 Human Services
\$1,429,087 Culture & Recreation
\$43,801,695 School Department
\$8,768,221 Debt and Interest
\$9,283,929 Unclassified (Op Sprt)
\$86,236,475

Solid Waste Enterprise
\$1,157,758 Collection
\$507,456 Disposal
\$143,616 Expenses
\$1,808,830

Capital Budget
\$584,000 From Taxation
\$552,417 From Sewer Use*
\$510,000 From Stabilization
\$100,000 From Water Revenue*
\$1,746,417 * Including Acct Transfers

**FIGURE NINE
TRIAL RECAPITULATION - FISCAL YEAR 2010
Based on Projection Number Three - House Ways Means**

SIDEWALKS	\$0
CONSTRUCTION/EXTENSION OF SEWERS	\$0
GENERAL WATER IMPROVEMENTS	\$850,000
CHAPTER 90 FUNDING	\$725,558
COUNSELING AND EDUCATIONAL SERVICES	\$36,000
CEMETERY STABILIZATION FUND	\$0
Total Charges	\$95,192,431
Surplus/(Deficit)	\$1,879,795

Warrant Articles	
\$362,269	From Taxation
\$960,000	From Free Cash
\$850,000	From Water Revenue*
\$0	From Sewer Revenue*
\$743,558	From Other Funds
\$2,915,827	* Including Acct Transfers

Indicates capital budget items that are to be proposed as funding allows. See Figure Ten-A.

* Funding recommendations will need to be modified in order to maintain a Free Cash balance of not less than 4.0% of the Operating Budget as of July 1, 2009 per the Board of Selectmen's directive of September 22, 2008.

** Replacement of Engine #3 will take place only if all three stations are to be staffed in FY 2010.

\$2,579,432	Charges
\$86,236,475	Budget
\$1,746,417	Capital Budget
\$1,714,280	Solid Waste Enterprise
\$2,915,827	Warrant Articles
\$95,192,431	

TRIAL RECAPITULATION - FISCAL YEAR 2010
Comparison of Various Projections

	Fiscal Projection #1	Fiscal Projection #2	Fiscal Projection #3	Variance #2 to #3	Comment
REVENUE					
TAXATION	\$45,408,868	\$45,408,868	\$45,408,868	\$0	
NEW GROWTH	\$201,925	\$201,925	\$250,000	\$48,075	Estimate has been revised.
EXEMPTED TAX LEVY	\$3,433,899	\$3,433,899	\$3,433,899	\$0	
STATE AID	\$21,060,689	\$21,060,689	\$22,232,902	\$1,172,213	Adjusted to reflect House WM.
SBAB PAYMENT	\$3,488,853	\$3,488,853	\$3,488,853	\$0	
OVERESTIMATES	\$0	\$0	\$0	\$0	
SCHEDULE A RECEIPTS	\$11,405,000	\$11,405,000	\$11,094,000	(\$311,000)	Adjusted to reflect rate of collections.
FREE CASH*	\$2,500,000	\$1,900,000	\$1,900,000	\$0	
OTHER AVAILABLE FUNDS				\$0	
Sale of Cemetery Lots	\$18,000	\$18,000	\$18,000	\$0	
Sewer Surplus	\$3,350,631	\$3,313,131	\$3,313,131	\$0	
Sewer Construction	\$450,000	\$450,000	\$452,417	\$2,417	Adjusted to actual.
Light Revenue	\$457,640	\$457,640	\$457,640	\$0	
CATV Revenue	\$432,775	\$432,775	\$432,775	\$0	
Chapter 90	\$725,558	\$725,558	\$725,558	\$0	
Stabilization	\$510,000	\$510,000	\$510,000	\$0	
Improvement of Public ways	\$0	\$0	\$0	\$0	
Title V Loan Repayments	\$15,128	\$15,128	\$15,128	\$0	
Water Conservation Fund	\$200,000	\$200,000	\$200,000	\$0	
Account Transfer	\$527,814	\$517,814	\$558,364	\$40,550	Closeout of Beal project.
Cemetery Trust Funds	\$0	\$0	\$0	\$0	
Special Funds - Coal Ash	\$0	\$0	\$0	\$0	
Solid Waste Enterprise	\$840,000	\$840,000	\$804,000	(\$36,000)	Adjusted to reflect rate of sales.
FREE CASH (REDUCE LEVY)	\$500,000	\$500,000	\$500,000	\$0	
MUNICIPAL LIGHT (REDUCE LEVY)	\$150,384	\$150,384	\$150,384	\$0	
CATV REVENUE (REDUCE LEVY)	\$626,307	\$626,307	\$626,307	\$0	
BOND INTEREST RESERVE	\$500,000	\$500,000	\$500,000	\$0	
CHARGES					
ART #					
	\$96,803,471	\$96,155,971	\$97,072,226	\$916,255	
CHERRY SHEET OFFSETS	\$81,742	\$81,742	\$75,178	(\$6,564)	Adjusted to reflect House WM.
CMRPC	\$7,623	\$7,623	\$7,623	\$0	
STATE AND COUNTY CHARGES	\$1,856,643	\$1,856,643	\$1,846,631	(\$10,012)	Adjusted to reflect House WM.
OVERLAY	\$650,000	\$650,000	\$650,000	\$0	
NOVEMBER 17, 2008 SPECIAL TOWN MEETING	\$400,000	\$400,000	\$400,000	\$0	

TRIAL RECAPITULATION - FISCAL YEAR 2010
Comparison of Various Projections

ATM/STM RESERVE	\$300,000	\$300,000	\$300,000	\$0	
MEDICAL EXPENSES POLICE AND FIRE	\$2,000	\$2,000	\$1,269	(\$731)	Adjusted to actual.
FY 2009 DEFICITS	\$750,000	\$750,000	\$560,000	(\$190,000)	Revised estimate.
OPERATING BUDGET	\$87,286,377	\$86,526,975	\$86,236,475	(\$290,500)	See individual departmental budgets for most recent modifications.
TRANSFER TO SCHOOL DEPT FOR CROSSING GUARDS	\$25,000	\$25,000	\$25,000	\$0	
SOLID WASTE ENTERPRISE	\$1,808,830	\$1,808,830	\$1,714,280	(\$94,550)	Adjusted to reflect new contracts.
CAPITAL BUDGET				\$0	
P Replace Marked Cruiser	\$28,000	\$28,000	\$28,000	\$0	
P Replace Marked Cruiser	\$28,000	\$28,000	\$28,000	\$0	
P Replace Marked/Unmarked Cruiser	\$28,000	\$28,000	\$28,000	\$0	
PB Paton School - Remove and replace floor coverings	\$0	\$0	\$0	\$0	
PB Replace 1997 Pickup	\$0	\$0	\$0	\$0	
P Replace Unmarked Cruiser	\$0	\$0	\$0	\$0	
H Construct new salt shed	\$350,000	\$350,000	\$350,000	\$0	
H Street Reconstruction	\$150,000	\$150,000	\$150,000	\$0	
H Replace All Wheel Drive Dump w/ Plow (#29)	\$0	\$0	\$0	\$0	
H Replace Superintendent Vehicle (2005)	\$0	\$0	\$0	\$0	
F Replace Engine #3**	\$510,000	\$510,000	\$510,000	\$0	
S Station Improvements	\$450,000	\$450,000	\$452,417	\$2,417	Adjusted to actual.
S Sewer I & I Removal Project	\$100,000	\$100,000	\$100,000	\$0	
W Water Main Replacement	\$675,000	\$675,000	\$0	(\$675,000)	Project out to bid and adjustment will be made after bid opening.
W Painting & Inspection - Oak Street Tank	\$300,000	\$0	\$0	\$0	
W/S Building Demolition	\$100,000	\$100,000	\$100,000	\$0	
W Leak Detection	\$100,000	\$100,000	\$0	(\$100,000)	Funding is not necessary.
CEMETERY IMPROVEMENTS	\$18,000	\$18,000	\$18,000	\$0	
BILLS OF PRIOR YEAR	\$1,000	\$1,000	\$0	(\$1,000)	Adjusted to actual.
STORM DRAINS	\$0	\$0	\$0	\$0	
SIDEWALKS	\$0	\$0	\$0	\$0	
CONSTRUCTION/EXTENSION OF SEWERS	\$0	\$0	\$0	\$0	
GENERAL WATER IMPROVEMENTS	\$0	\$370,000	\$850,000	\$480,000	This is the value of projected water revenue less expenses for FY 2010. Waiting on water main bid.
CHAPTER 90 FUNDING	\$725,558	\$725,558	\$725,558	\$0	
COUNSELING AND EDUCATIONAL SERVICES	\$36,000	\$36,000	\$36,000	\$0	
CEMETERY STABILIZATION FUND	\$0	\$0	\$0	\$0	
Total Charges	\$96,767,773	\$96,078,371	\$95,192,431	(\$885,940)	
Surplus/(Deficit)	\$35,698	\$77,600	\$1,879,795	\$1,802,195	

**Budget Summary
Fiscal Year 2010**

	Fiscal Year 2009 Budget	Town Manager Fiscal Year 2010 Original Recommendation	Town Manager Fiscal Year 2010 Revised Recommendation	Change From Original	Difference FY 2009 to FY 2010	Percent
PERSONNEL BOARD	\$154,383	\$3,600	\$3,600	\$0	(\$150,783)	-97.67%
SELECTMEN	\$22,763	\$22,533	\$22,533	\$0	(\$230)	-1.01%
TOWN MANAGER	\$328,730	\$319,575	\$319,575	\$0	(\$9,155)	-2.78%
FINANCE COMMITTEE	\$281,345	\$281,455	\$281,455	\$0	\$110	0.04%
ACCOUNTANT	\$193,600	\$193,064	\$193,064	\$0	(\$536)	-0.28%
ASSESSORS	\$195,943	\$188,012	\$212,012	\$24,000	\$16,069	8.20%
TREASURER-COLLECTOR	\$370,355	\$348,650	\$348,650	\$0	(\$21,705)	-5.86%
TOWN COUNSEL	\$56,400	\$56,400	\$56,400	\$0	\$0	0.00%
MIS	\$404,281	\$413,667	\$413,667	\$0	\$9,386	2.32%
TOWN CLERK	\$172,650	\$116,184	\$116,184	\$0	(\$56,466)	-32.71%
ELECTION AND REGISTRATION	\$103,928	\$70,871	\$70,871	\$0	(\$33,057)	-31.81%
CONSERVATION COMMISSION	\$6,550	\$6,550	\$6,550	\$0	\$0	0.00%
PLANNING BOARD	\$3,300	\$2,900	\$2,900	\$0	(\$400)	-12.12%
BOARD OF APPEALS	\$670	\$680	\$680	\$0	\$10	1.49%
PUBLIC BUILDINGS	\$3,523,793	\$3,473,150	\$3,364,150	(\$109,000)	(\$159,643)	-4.53%
POLICE DEPARTMENT	\$4,250,153	\$4,019,393	\$4,008,893	(\$10,500)	(\$241,260)	-5.68%
FIRE DEPARTMENT	\$2,688,534	\$2,567,576	\$2,563,456	(\$4,120)	(\$125,078)	-4.65%
BUILDING INSPECTOR	\$240,152	\$241,147	\$241,147	\$0	\$995	0.41%
WEIGHTS & MEASURES	\$3,000	\$3,000	\$3,000	\$0	\$0	0.00%
CIVIL DEFENSE	\$2,244	\$2,244	\$2,244	\$0	\$0	0.00%
FORESTRY	\$72,515	\$77,575	\$77,575	\$0	\$5,060	6.98%
PENSIONS	\$2,629,497	\$2,629,497	\$2,629,497	\$0	\$0	0.00%
TOWN ENGINEER	\$499,417	\$437,071	\$437,071	\$0	(\$62,346)	-12.48%
HIGHWAYS	\$1,608,161	\$1,683,958	\$1,659,458	(\$24,500)	\$51,297	3.19%
STREET LIGHTING	\$148,943	\$162,258	\$162,258	\$0	\$13,315	8.94%
SEWER	\$2,771,628	\$3,172,940	\$3,135,440	(\$37,500)	\$363,812	13.13%
WATER	\$1,995,272	\$2,165,937	\$2,094,437	(\$71,500)	\$99,165	4.97%
CEMETERIES	\$124,700	\$99,895	\$99,895	\$0	(\$24,805)	-19.89%
HEALTH	\$244,699	\$172,207	\$172,207	\$0	(\$72,492)	-29.62%
COUNCIL ON AGING	\$260,569	\$199,703	\$199,703	\$0	(\$60,866)	-23.36%
VETERAN'S SERVICES	\$53,983	\$54,471	\$54,471	\$0	\$488	0.90%
COMMISSION ON DISABILITIES	\$500	\$500	\$500	\$0	\$0	0.00%
LIBRARY	\$1,176,400	\$1,015,378	\$1,015,378	\$0	(\$161,022)	-13.69%
PARKS AND RECREATION	\$481,396	\$432,747	\$413,709	(\$19,038)	(\$67,687)	-14.06%
SCHOOLS	\$45,865,649	\$43,801,695	\$43,801,695	\$0	(\$2,063,954)	-4.50%
INTEREST AND MATURING DEBT	\$9,211,307	\$8,768,221	\$8,768,221	\$0	(\$443,086)	-4.81%
Unemployment Compensation Insurance	\$250,000	\$500,000	\$250,000	(\$250,000)	\$0	0.00%
Group Health and Life Insurance	\$6,940,000	\$7,500,000	\$7,100,000	(\$400,000)	\$160,000	2.31%
Medicare	\$655,000	\$700,000	\$680,000	(\$20,000)	\$25,000	3.82%
Printing/Postage/Stationary	\$121,027	\$121,347	\$121,347	\$0	\$320	0.26%
Gasoline and Oil	\$511,392	\$497,744	\$390,000	(\$107,744)	(\$121,392)	-23.74%
Radio Maintenance	\$10,425	\$10,421	\$10,421	\$0	(\$4)	-0.04%
WAREP Payment	\$0	\$0	\$0	\$0	\$0	
Memorial Day	\$3,195	\$3,205	\$3,205	\$0	\$10	0.31%
General Insurance	\$640,000	\$660,000	\$640,000	(\$20,000)	\$0	0.00%
Non-Contributory Pensions	\$0	\$0	\$0	\$0	\$0	
Out of State Travel	\$0	\$0	\$0	\$0	\$0	
Employee Assistance Program	\$4,000	\$4,000	\$4,000	\$0	\$0	0.00%
Telephone System	\$5,000	\$5,000	\$5,000	\$0	\$0	0.00%
Bills of Prior Year	\$275	\$0	\$0	\$0	(\$275)	
Ambulance Services	\$79,956	\$79,956	\$79,956	\$0	\$0	0.00%
UNCLASSIFIED	\$9,220,270	\$10,081,673	\$9,283,929	(\$797,744)	\$63,659	0.69%
TOTAL	\$89,367,680	\$87,286,377	\$86,236,475	(\$1,049,902)	(\$3,131,205)	-3.50%

**Budget Summary
Fiscal Year 2010**

	Fiscal Year 2009 Budget	Town Manager Fiscal Year 2010 Original Recommendation	Town Manager Fiscal Year 2010 Revised Recommendation	Change From Original	Difference FY 2009 to FY 2010	Percent
General Government	\$17,892,935	\$16,885,343	\$16,742,185	(\$143,158)	(\$1,150,750)	-6.43%
Water & Sewer	\$4,766,900	\$5,338,877	\$5,229,877	(\$109,000)	\$462,977	9.71%
Education	\$45,865,649	\$43,801,695	\$43,801,695	\$0	(\$2,063,954)	-4.50%
Fixed Costs	\$20,842,196	\$21,260,462	\$20,462,718	(\$797,744)	(\$379,478)	-1.82%
	\$89,367,680	\$87,286,377	\$86,236,475	(\$1,049,902)	(\$3,131,205)	-3.50%
Budget Less Education	\$43,502,031	\$43,484,682	\$42,434,780	(\$1,049,902)	(\$1,067,251)	-2.45%

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 Article published Apr 16, 2009

Apr 16, 2009

State stares at huge cuts
 Local aid down 32%

By John J. Monahan TELEGRAM & GAZETTE STAFF
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BOSTON — Cities and towns would lose 32 percent of their nonschool aid, more than 50 state programs including community policing and anti-gang programs and funding for hundreds of other programs and services would be slashed under a fiscal 2010 budget proposal unveiled yesterday by House Democrats.

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- Lawmaker vows to cash in on gambling

While lawmakers are bracing for protests and calls to raise taxes to prevent a proposed \$1.8 billion reduction in state programs, Senate President Therese Murray, D-Plymouth, resurrected the debate over casino gambling yesterday, saying she believes the Legislature may approve casinos this fall to boost state revenues.

Speaking to the Boston Chamber of Commerce, Ms. Murray mimicked a cash register sound, saying “cha-ching” as she told business leaders the Senate is ready to pull the lever to bring casino gambling to Massachusetts more than ever, now that state revenues have collapsed from the recession.

House budget writers who have ruled out casino and slot parlor proposals until the budget is finished, said they are counting on federal stimulus money to level fund state aid to local schools. But they said nonschool aid will be cut back dramatically in their \$27.44 billion spending plan that is \$532 million less than the budget proposed by Gov. Deval L. Patrick in January and \$700 million less than the current state budget.

State Rep. Robert Rice Jr., D-Gardner, said the budget calls for the deepest local aid reductions in memory and would mean widespread layoffs at the local level.

“I’m expecting communities will not be able to cope with these cuts without severe pain. I think these cuts dwarf the cuts from 2002,” Mr. Rice said. “Cities and towns are already cut to the bone. These cuts are going to affect basic services, including public safety.”

He said he does not know whether he would support additional taxes, although House Democrats expect amendments to be filed this week for possible increases in sales, income and other taxes. “I am absolutely not a supporter of tax increases. It is very difficult to tax your way out of a problem in a recession,” Mr. Rice said, because most taxpayers are already making do with less.

State Rep. Vincent A. Pedone, D-Worcester, said he does not think House members will go along with any broad-based tax hikes until the budget is approved and the spending plan reflects new realities. “This budget uses federal stimulus money to soften the blow in some areas, but we are sending a very strong and clear message that we cannot sustain the level of services we currently provide,” he said.

The budget plan includes no further draw-downs from the state rainy day fund, and relies on \$1.46 billion in new federal economic stimulus funding.

“We cut across the board. We cut all sorts of programs. We cut local aid statewide. Are we happy about it? No,” said House Ways and Means Chairman Charles A. Murphy, D-Arlington. If legislators agree to raise revenues in the budget process, he said, “so be it.”

Mr. Murphy acknowledged the budget is built on expected state tax revenues of \$19.5 billion during the next fiscal year, an amount higher than the \$19 billion currently expected in total taxes in the current fiscal year.

Michael J. Widmer, executive director of the Massachusetts Taxpayers Association, said he is projecting even less revenue will come into the state treasury next year than the current year, and that the House budget plan is overestimating state revenues for next year by about \$1 billion.

If revenues do come in lower than planned, he said, it could force the state to keep cutting the budget as it chases revenues lower through the course of fiscal 2010, or raise taxes to make up the difference.

"It is a pared down budget and a realistic budget that does not include any new taxes, any raid of the rainy day account or earmarks, and therefore it is a responsible approach," said Rep. Karyn E. Polito, R-Shrewsbury, a member of the Ways and Means Committee.

"There is a steep cut to local aid, but there is also (federal) stimulus money for education and it will be up to municipalities to allocate resources appropriately within their own district to best serve both the school side and the municipal side of their budget," she said.

Ms. Polito said cities and towns next year could reduce their own local contributions to school operations to free up money for other local needs such as police, fire and public works, anticipating that local public schools would make up for the reduction with federal stimulus dollars.

But Geoffrey Beckwith, executive director of the Massachusetts Municipal Association, said the local aid cuts would be devastating to local services. "They are taking an ax to local services," he said, calling for new taxing authority for local communities and a restoration of the local aid cuts before the budgets are approved.

"If this local aid cut goes through cities and towns will be forced to eliminate thousands of positions," Mr. Beckwith said. He predicted that that will result in larger class sizes, roads left unrepaired, libraries with reduced hours or closed altogether, as well as fewer police and firefighters.

The budget eliminates all \$50 million in funding for local police Quinn Bill bonuses, which will leave many communities with contract commitments to make up the difference.

The House plan also raises state employee health care contributions to 30 percent to save \$135 million, cuts \$424 million in local aid to cities and towns, and imposes a 40 percent cut in funding for Prescription Advantage, a prescription drug assistance program used by 64,000 seniors and disabled individuals.

Other proposed cuts include \$152 million from Health and Humans Service programs, \$21 million from community policing programs; \$2,175,232 from the WPI School of Excellence for Worcester high school students; \$5,525,000 for Cummings School of Veterinary Medical at Tufts University in Grafton; \$7.7 million for community health center services, including \$40,000 for Dismas House at the Worcester County House of Correction; \$21 million for regional Department of Children and Families management; and \$250,000 for the state's Natural Heritage and Endangered Species Program.

It also calls for a 5 percent cut to district attorney budgets, and up to 10 percent from county sheriff budgets.

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