

TOWN ADMINISTRATOR FISCAL YEAR 2007 BUDGET MESSAGE

January 9, 2006

The Honorable Board of Selectmen and the Residents of Natick it is with honor I submit the Town Administrator's Fiscal Year 2007 Budget.

The Fiscal Year 2007 Budget was developed with a set of revenue assumptions that are similar to Fiscal Year 2006. The FY2007 Budget assumes the commitment to local government on behalf of the Commonwealth has stabilized but not returned to the levels of 2002

The Fiscal Year 2006 budget assumes that we will receive 3.5% or \$386,141 more from the Commonwealth than we did in the current fiscal year. In the FY03 to FY06 period the total decline in State Aid to Natick has been approximately \$2 million dollars from the FY02 high point. We continue to navigate this decline by using sources of revenues that are not considered to be recurring, primarily overlay surplus and "free cash". In addition all town operations have been examined for savings and reductions. It is a testimony to the organization's flexibility and the willingness on the part of our employees to participate in the preservation of services for the public in this time of diminished resources.

REVENUE SUMMARY:

- ◆ The Property Tax Levy is increased by the statutory limits as set by Proposition 2 1/2 - \$2.1 million dollars.
- ◆ New Growth is estimated at \$500,000 for FY07 as compared to FY06 actual growth of \$651,000. This item was lowered to reflect the weaker general economy.
- ◆ The Debt Exclusion for the Wilson Middle School is \$1,269,571 reflecting the annual debt costs associated with the project. This amount is \$271,106 less than in FY06.
- ◆ State Aid has been increased by 3.5% or \$386,141. This represents a stabilization of State Aid but does not move us significantly closer to the pre-FY2002 state commitment to cities and towns.
- ◆ Estimated Receipts are calculated to be \$11.6 million dollars, a \$552,000 increase over FY06 estimates. The majority of this increase is due to anticipated building permit fees from the Natick Mall expansion.
- ◆ Free Cash usage is projected to be \$3.5 million dollars, leaving a balance of \$1.2 million dollars for the FY08 budget. This is consistent with our fiscal practices for past several years. There is still a concern that we are too reliant on this variable source of revenue.
- ◆ The stabilization account is being used as projected to support existing debt. Usage in FY06 is \$775,000. We anticipate using \$400,000 in FY07.
- ◆ Overlay Surplus; funds that are available after all abatement applications for multiple tax years have been processed, will be used in FY07 in the amount of \$500,000 a \$175,000 decline from FY06.

Total revenue increases from \$91,114,472 in FY06 to \$92,900,104 in FY07. This represents a \$1,785,632 increase, a 2.07% increase.

EXPENDITURE SUMMARY:

As we began preparing the FY07 Budget it was communicated to all departments that based on revenue and expenditure projections a 3% increase in operational budgets was the best we could expect for departmental operations.

Our goal was an overall 3% increase in operational budgets, some departments increase by more than 3% and some by less or actually decreases from current FY06 levels.

It should be noted that there is not a departmental request that is without merit. Our dilemma for FY07 is that we have a series of revenue and expenditure constraints that require us to manage to a very tight bottom line. As planning for the FY07 budget progressed it was apparent that certain line items that are not part of the General Government or School operational budgets will increase at a far greater rate than our revenue streams. Those items include insurances, retirement funding and state and county assessments. These increases coupled with less flexibility in our stabilization and overlay accounts created the need to limit the growth in operational budgets to 3%.

The FY07 budget is a no frills maintenance budget. As we project forward the next several years we will have to make a determination as to whether we desire to continue providing the current level of services we offer or to reduce them. In order to continue the current level of services we will need to seek additional revenue sources. If that is not requested or approved by the citizenry then we must plan to strategically downsize our operations.

If we must downsize our delivery of services it will be my recommendation to protect three core services: Education, Public Safety and Public Works. All other services and programs will be under substantial pressure provide the current level of service to the public, and some services may be reduced to the point of elimination.

In addition to protecting the three core services listed above we must continue to maintain the significant investment the community has made in infrastructure. To that end the FY07 budget has approximately \$1.024 million dollars allocated for capital purposes. This amount represents approximately 20% of the identified recurring capital needs. It is apparent that based on our current revenue constraints we will not be able to fully address our capital needs over time and that we need to identify funding sources to do so.

Listed below are expenditure activities of note:

- ◆ The FY07 General Government Budget (all operating departments except the School Department) increases by \$731,688 or 2.98%. This includes increases for fuel and heating costs that exceed the overall 2.98% increase.
- ◆ The Education Budget (includes Natick Public School System and Keefe Technical School) increase 3% or \$1,110,214. It should be noted that the School Department has requested a 5.9% increase as compared to the 3% recommended in this budget. The \$1 million dollar difference between what the department has requested and what is being recommended will lead to a vigorous discussion in the ensuing months.

- ◆ The employee insurance portion of the budget has increase by 13.66% or \$1,385,398 due to anticipated health insurance premium increases.
- ◆ We are funding a \$400,000 supplement for this winter's snow removal activity.
- ◆ The Debt Service portion of the Budget declines from \$8 million dollars in FY06 to \$7.6 million dollars in FY07.
- ◆ The reserve fund returns to a \$250,000 dollar allocation from a \$550,000 allocation in FY06. The FY06 the reserve fund has been augmented to pay for increased fuel costs that are occurring in FY06.
- ◆ The Contributory Retirement System's appropriation increases by 4.18% as required by PERAC, the state agency that regulates the retirement funding schedule.
- ◆ Capital Spending: The FY07 budget has \$1,024,000 allocated for capital spending, \$618,000 in direct cash expenditure and \$406,000 dollars leveraged thru the use of declining debt and grants. The FY07 capital expenditures will provide \$250,000 for School Department capital needs. An additional \$368,000 of cash expenditure has been set aside for General Government capital needs to purchase police cruisers and radios, a dam safety study, various pieces of public works equipment and vehicles, road repairs and a fire alarm study. Declining debt will be utilized to replace a fire engine at the Fire Department.

The entire expenditure side of the budget increases 2.02% or \$1,839,108.

The Fiscal Year 2007 Budget is in balance.

As we move forward with the Fiscal Year 2007 budget deliberations it will become clear that we have constructed a very lean budget that at best maintains our current level of services. It will also become apparent that we can not continue to offer the level of service we do within the existing revenue and expenditure framework. We must utilize the next year to make some decisions regarding the level of services this government will offer the citizens of Natick.

It is an honor to serve the residents of Natick. The employees of the Town will continue to do their best to guide the organization. Thank you.

Sincerely,

Philip E. Lemnios
Town Administrator

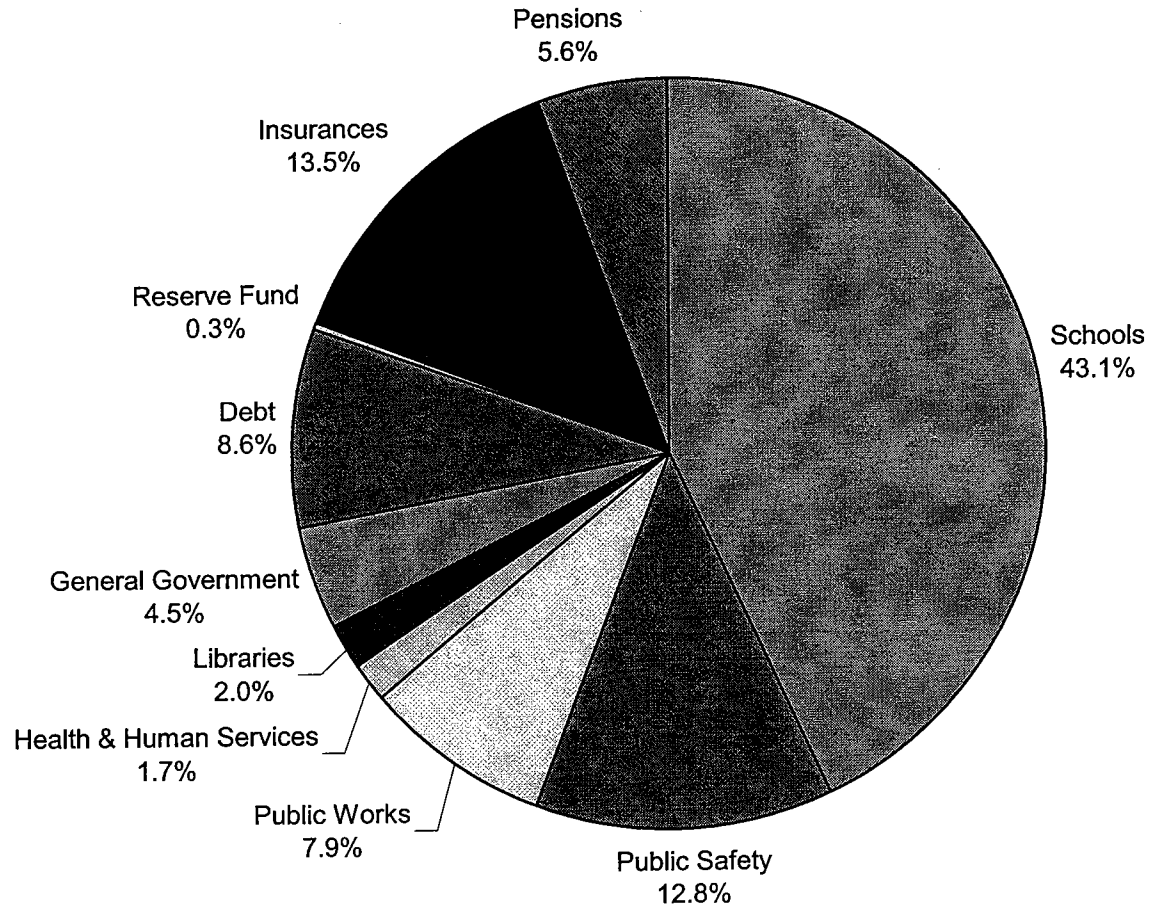
FY07 REVENUE AND EXPENDITURE SUMMARY

4-Jan-06

Revenue Summary		FY06-Final	FY07	Dollar Change	% Change
1	Real Estate/Property Taxes				
2	Base Tax Levy	57,585,301	59,676,120	\$ 2,090,819	3.63%
3	Statutory 2 1/2 Increase	1,439,633	1,491,903	\$ 52,270	3.63%
4	Growth in Tax Base	651,000	500,000	\$ (151,000)	-23.20%
5	Debt Exclusion Override	1,540,677	1,269,571	\$ (271,106)	-17.60%
6	Total Tax Levy	\$ 61,216,611	\$ 62,937,594	\$ 1,720,983	2.81%
7	Intergovernmental Resources (State Aid)				
8	Education Items	4,900,991	5,097,031	\$ 196,040	4.00%
9	SBAB Reimbursement existing Projects	1,369,707	1,369,707	\$ -	0.00%
10	General Government Items	4,752,536	4,942,637	\$ 190,101	4.00%
11	Projected Net State Aid	\$ 11,023,234	\$ 11,409,375	\$ 386,141	3.50%
12	Local Receipts				
13	Estimated Receipts	11,050,001	11,602,501	\$ 552,500	5.00%
14	Intergovernmental Transfer	2,209,146	2,350,634	\$ 141,488	6.40%
15	Available Funds (Free Cash)	3,996,614	3,500,000	\$ (496,614)	-12.43%
16	Stabilization Fund	775,000	400,000	\$ (375,000)	-48.39%
17	Overlay Surplus	675,000	500,000	\$ (175,000)	-25.93%
18	Other Available Funds	195,000	200,000	\$ 5,000	2.56%
19	Released Appropriations	129,016	-	\$ (129,016)	-100.00%
20	Total Local Receipts	\$ 19,029,777	\$ 18,553,135	\$ (476,642)	-2.50%
21	TOTAL RECEIPTS	\$ 91,269,622	\$ 92,900,104	\$ 1,630,482	1.89%

Expenditure Summary		FY06-Final	FY07	Dollar Change	% Change
22	General Government	24,563,525	25,295,213	\$ 731,688	2.98%
23	Natick School Budget	35,837,412	36,912,534	\$ 1,075,122	3.00%
24	Keefe Tech Assessment	1,169,728	1,204,820	\$ 35,092	3.00%
25	Non-union-Wage Settlements	100,000	100,000	\$ -	0.00%
26	School Bus Transportation subsidy	189,633	195,322	\$ 5,689	3.00%
27	Commission on Disabilities	5,500	5,500	\$ -	0.00%
28	Insurance	10,139,942	11,525,340	\$ 1,385,398	13.66%
29	Property Insurance	415,000	448,200	\$ 33,200	8.00%
30	Contributory Retirement Fund	4,600,461	4,792,830	\$ 192,369	4.18%
31	Non-Contrib. Pensions	170,383	158,749	\$ (11,634)	-6.83%
32	Debt & Interest	8,029,019	7,610,908	\$ (418,111)	-5.21%
33	Reserve Fund	550,000	250,000	\$ (300,000)	-54.55%
34	Capital Improvements	1,023,500	618,955	\$ (404,545)	-39.53%
35	Pending Wage Settlements	243,898	-	\$ (243,898)	-100.00%
36	Senior/Community Center	250,000	-	\$ (250,000)	-100.00%
37	LFNR Omnibus Art 1	15,000	-	\$ (15,000)	-100.00%
38		\$ 87,303,001	\$ 89,118,371	\$ 1,815,370	2.08%
39	Other				
40	State & County Assessments	1,318,837	1,371,590	\$ 52,753	4.00%
41	Cherry Sheet Offsets	360,714	375,143	\$ 14,429	4.00%
42	Tax Title	5,000	5,000	\$ -	0.00%
43	Overlay	1,150,000	1,200,000	\$ 50,000	4.35%
44	Unpaid Bills from Previous Fiscal Year	-	-	\$ -	
45	Snow Removal Supplement	493,444	400,000	\$ (93,444)	-18.94%
46	Golf Course Deficit	430,000	430,000	\$ -	0.00%
		\$ 3,757,995	\$ 3,781,733	\$ 23,738	0.63%
48	TOTAL EXPENDITURES	\$ 91,060,997	\$ 92,900,104	\$ 1,839,108	2.02%
49	NET EXCESS / (DEFICIT)	\$ 208,625	\$ (0)		

FY07 PERCENTAGE SHARE



FY07 Departmental Budget Summary

Department	FY06 Budget	FY07 Budget	Dollar Difference	Percent Change
School	\$ 35,837,412	\$ 36,912,534	\$ 1,075,122	3.0%
Reg. Technical School	\$ 1,169,728	\$ 1,204,820	\$ 35,092	3.0%
Sub-Total:	\$ 37,007,140	\$ 38,117,354	\$ 1,110,214	3.0%
Emergency Mgmt	\$ 1,100	\$ 4,000	\$ 2,900	263.6%
Fire	\$ 5,830,257	\$ 6,126,806	\$ 296,549	5.1%
Police	\$ 4,789,968	\$ 4,977,836	\$ 187,868	3.9%
Street Lighting	\$ 192,000	\$ 192,000	\$ -	0.0%
PW Admin	\$ 374,343	\$ 309,181	\$ (65,163)	-17.4%
PW Bldg. Maint.	\$ 1,336,556	\$ 1,453,451	\$ 116,895	8.7%
PW Engineering	\$ 356,478	\$ 362,117	\$ 5,640	1.6%
PW Equipment Maint	\$ 885,836	\$ 1,024,817	\$ 138,981	15.7%
PW Highway Maint/Sanitation/Recycling	\$ 2,976,468	\$ 2,963,103	\$ (13,366)	-0.4%
PW Land Facilities	\$ 648,865	\$ 668,338	\$ 19,473	3.0%
Bd. Of Health	\$ 338,823	\$ 341,049	\$ 2,225	0.7%
COA	\$ 219,245	\$ 238,416	\$ 19,171	8.7%
Bus Service	\$ 195,740	\$ 201,909	\$ 6,169	3.2%
Parks and Rec	\$ 527,886	\$ 542,917	\$ 15,031	2.8%
Human Services	\$ 42,311	\$ 44,083	\$ 1,772	4.2%
Veterans Services	\$ 161,495	\$ 166,060	\$ 4,565	2.8%
Morse Library	\$ 1,577,940	\$ 1,628,191	\$ 50,251	3.2%
Bacon Free Library	\$ 104,898	\$ 108,828	\$ 3,930	3.7%
Assessing	\$ 403,678	\$ 406,207	\$ 2,529	0.6%
Board of Selectmen	\$ 600,923	\$ 581,171	\$ (19,752)	-3.3%
Community Development	\$ 631,611	\$ 614,539	\$ (17,072)	-2.7%
Finance Committee	\$ 16,100	\$ 10,000	\$ (6,100)	-37.9%
Information Systems	\$ 854,802	\$ 857,195	\$ 2,393	0.3%
Parking Enforcement	\$ 116,599	\$ 119,628	\$ 3,029	2.6%
Personnel Board	\$ 1,000	\$ 1,000	\$ -	0.0%
Registrar of Voters	\$ 46,146	\$ 56,721	\$ 10,575	22.9%
Weights & Measures	\$ 14,022	\$ 14,022	\$ -	0.0%
Town Clerk	\$ 211,360	\$ 221,802	\$ 10,442	4.9%
Town Treasurer	\$ 190,254	\$ 194,590	\$ 4,336	2.3%
Town Collector	\$ 342,253	\$ 304,197	\$ (38,056)	-11.1%
Town Comptroller	\$ 293,567	\$ 300,005	\$ 6,438	2.2%
Legal Services	\$ 271,500	\$ 251,500	\$ (20,000)	-7.4%
Town Report	\$ 6,000	\$ 6,000	\$ -	0.0%
Arts Council	\$ 700	\$ 700	\$ -	0.0%
Comm. for the Disabled	\$ 1,300	\$ 1,335	\$ 35	2.7%
Historical Comm	\$ 1,000	\$ 1,000	\$ -	0.0%
Historic Distric Comm	\$ 500	\$ 500	\$ -	0.0%
Sub-Total:	\$ 24,563,525	\$ 25,295,213	\$ 731,688	3.0%
Debt Service	\$ 7,845,269	\$ 7,610,908	\$ (234,361)	-3.0%
Employee Insurance	\$ 10,139,942	\$ 11,525,340	\$ 1,385,398	13.7%
Property Insurance	\$ 415,000	\$ 448,200	\$ 33,200	8.0%
Reserve Fund	\$ 550,000	\$ 250,000	\$ (300,000)	-54.5%
Contributory Retirement	\$ 4,600,461	\$ 4,792,830	\$ 192,369	4.2%
Non-Contributory Retirement	\$ 170,383	\$ 158,749	\$ (11,634)	-6.8%
Sub-Total:	\$ 23,721,055	\$ 24,786,027	\$ 1,064,972	4.5%
Total:	\$ 85,291,720	\$ 88,198,594	\$ 2,906,874	3.4%

1/9/2006

FY07 BUDGET ANALYSIS

Total Budget		\$ 92,900,104
Less	Unclassified	
	Debt	\$ (7,610,908)
	Health Insurance	\$ (11,525,340)
	Property/Liability Insurance	\$ (448,200)
	Reserve Fund	\$ (250,000)
	Retirement	\$ (4,792,830)
	Non-Contrib Ret.	\$ (158,749)
	Capital Improvements	\$ (618,955)
		<u>\$ (25,404,982)</u>
Less	Other Assessments	
	Overlay Reserve	\$ (1,200,000)
	State Assessments	\$ (1,371,590)
	Cherry Sheet Off-Sets	\$ (375,143)
	Golf Course Deficit	\$ (430,000)
	Snow Supplement	\$ (400,000)
	Tax Title Forclosure	\$ (5,000)
		<u>\$ (3,781,733)</u>
Operating Budget		\$ 63,713,389
Less	School	\$ (36,912,534)
	Police	\$ (4,977,836)
	Fire	\$ (6,126,806)
	Public Works	\$ (6,112,669)
	Libraries	\$ (1,737,019)
		<u>\$ (55,866,864)</u>
Balance Remaining For All Other Functions:		<u>\$ 7,846,525</u>

**TOWN OF NATICK
LEVY LIMIT SUMMARY
FISCAL YEARS 2001 - 2007**

Components	Fiscal Year 2001 Levy Actual	Fiscal Year 2002 Levy Actual	Fiscal Year 2003 Levy Actual	Fiscal Year 2004 Levy Actual	Fiscal Year 2005 Levy Actual	Fiscal Year 2006 Levy Actual	<i>Fiscal Year 2007 Levy Estimated</i>
Prior Year Levy Limit	46,895,817	49,430,917	51,491,942	53,521,724	55,616,682	57,585,301	59,676,120
Proposition 2 1/2% Levy Increase	1,172,395	1,235,773	1,287,299	1,338,043	1,390,417	1,439,633	1,491,903
New Construction Growth	935,705	825,252	742,483	756,915	578,202	651,186	500,000
Operational Override	427,000	-	-	-	-	-	-
Net Levy Increase	2,535,100	2,061,025	2,029,782	2,094,958	1,968,619	2,090,819	1,991,903
Levy Limit	49,430,917	51,491,942	53,521,724	55,616,682	57,585,301	59,676,120	61,668,023
Debt Exclusion Levy	-	86,498	639,000	317,000	1,313,405	1,540,676	1,269,571
Total Tax Levy	49,430,917	51,578,440	54,160,724	55,933,682	58,898,706	61,216,796	62,937,594

**Debt Exclusion Calculation
Fiscal Year 2007**

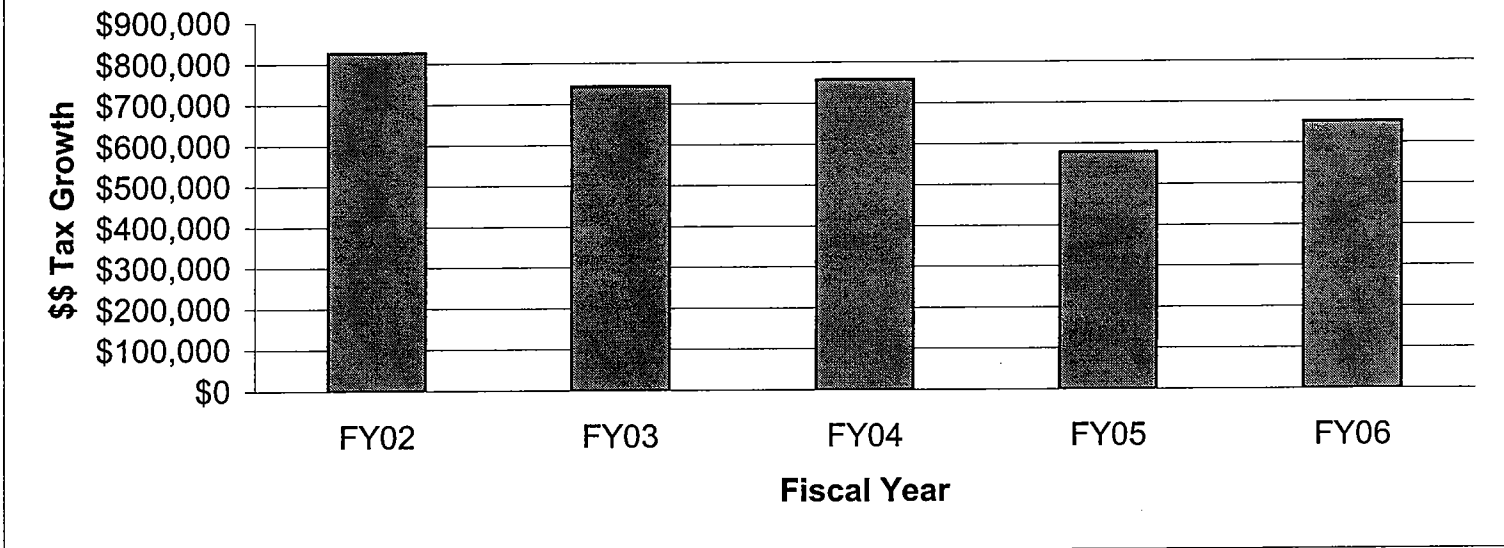
Year	Project	Issue Amount	Interest Rate	Fiscal Year 2006			Fiscal Year 2007		
				Balance	Principal	Interest	Balance	Principal	Interest
2004	Wilson Middle School	\$ 9,850,000	4.14319%	\$ 9,850,000	\$ 495,000	\$ 381,900.00	\$ 9,355,000	\$ 495,000	\$ 372,000.00
2004	Wilson Middle School	\$ 1,300,000	4.14574%	\$ 1,300,000	\$ 65,000	\$ 50,456.25	\$ 1,235,000	\$ 65,000	\$ 49,156.25
2004	Kennedy Middle School	\$ 1,000,000	3.29857%	\$ 1,000,000	\$ 100,000	\$ 30,750.00	\$ 900,000	\$ 100,000	\$ 28,750.00
2004	Wilson Middle School (BAN's)	\$ 4,000,000	4.25000%	\$ -	\$ -	\$ 551,250.00	\$ -	\$ -	\$ 170,000.00

Total Debt Service	\$	1,674,356		\$	1,279,906
Premium	\$	(139,663)		\$	(15,000)
Issue Costs	\$	16,631		\$	15,000
Premium GOB's	\$	(10,648)		\$	(10,335)
Debt Exclusion	\$	1,540,677		FY2007 Estimate	\$ 1,269,571

FIVE (5) YEAR CONSTRUCTION GROWTH HISTORY
Fiscal Years FY2002 - FY2006

	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Estimated Fiscal Year 2007
Residential New Value	32,360,400	44,518,800	24,863,700	28,134,700	53,860,500	44,910,200
Commercial New Value	32,416,120	14,314,980	36,574,117	28,719,000	7,572,124	4,990,000
Total Taxable Valuation	4,084,707,645	4,394,385,885	5,498,901,660	5,551,953,330	6,104,716,810	6,646,986,371
Tax Rate / \$1,000 Assessed Valuation	\$12.62	\$12.32	\$10.17	\$10.60	\$10.02	
Residential Tax Growth	\$412,271	\$561,827	\$306,321	\$286,130	\$570,921	\$450,000
Commercial Tax Growth	\$412,981	\$180,656	\$450,594	\$292,072	\$80,265	\$50,000
Total Tax Growth	\$825,252	\$742,483	\$756,915	\$578,202	\$651,186	\$500,000
Total Tax Levy	\$51,549,010	\$54,138,834	\$55,923,830	\$58,850,705	\$61,169,262	\$62,937,594

Five (5) Year Construction Growth



NATICK STATE AID SUMMARY

1/9/2006

	FY02	FY03	FY04	FY05	FY06	FY07 Proposed	Dollar Change	Percentage Change
A. EDUCATION								
Distributions and Reimbursements								
1 Chapter 70	\$ 4,931,682	\$ 4,931,682	\$ 3,945,346	\$ 3,945,346	\$ 4,176,646	\$ 4,343,712	\$ 167,066	4.0%
2 School Transportation	\$ 175,168	\$ 155,205	\$ -	\$ -	\$ -	\$ -	\$ -	
3 School Construction	\$ 1,475,035	\$ 1,475,035	\$ 1,460,284	\$ 1,369,707	\$ 1,369,707	\$ 1,369,707	\$ -	0.0%
4 Retired Teachers' Pensions							\$ -	
5 Charter School Tuition Reimbursement			\$ 5,610	\$ 289,686	\$ 364,320	\$ 378,893	\$ 14,573	4.0%
6 Charter School Capital Reimbursement				\$ 28,196	\$ 45,040	\$ 46,842	\$ 1,802	4.0%
Off-Set Items-Reserve for Direct Expenditure								
6 Racial Equity	\$ 261,164	\$ 272,465	\$ 247,382	\$ 283,721	\$ 296,865	\$ 308,740	\$ 11,875	4.0%
8 School Lunch	\$ 16,086	\$ 17,067	\$ 17,375	\$ 17,184	\$ 18,120	\$ 18,845	\$ 725	4.0%
9 Aid to Reduce Class Size							\$ -	
Sub-Total, All Education Items	\$ 6,859,135	\$ 6,851,454	\$ 5,675,997	\$ 5,933,840	\$ 6,270,698	\$ 6,466,738	\$ 196,040	3.1%
B. GENERAL GOVERNMENT								
Distributions and Reimbursements								
1 Lottery, Beano & other Charity Games	\$ 2,435,049	\$ 2,207,372	\$ 2,069,792	\$ 2,069,792	\$ 2,336,643	\$ 2,430,109	\$ 93,466	4.0%
2 Additional Assistance	\$ 2,444,348	\$ 2,071,591	\$ 1,942,474	\$ 1,942,474	\$ 1,942,474	\$ 2,020,173	\$ 77,699	4.0%
3 Highway Fund	\$ 50,241						\$ -	
4 Local Share of Racing Taxes							\$ -	
5 Regional Public Libraries							\$ -	
6 Police Career Incentive	\$ 167,389	\$ 193,498	\$ 198,346	\$ 209,187	\$ 203,798	\$ 211,950	\$ 8,152	4.0%
7 Urban Renewal Projects							\$ -	
8 Veterans Benefits	\$ 15,714	\$ 47,759	\$ 26,370	\$ 30,945	\$ 50,456	\$ 52,474	\$ 2,018	4.0%
9 Exemptions: Vets, Blind & Surviving Spouse	\$ 42,980	\$ 43,468	\$ 43,124	\$ 40,918	\$ 40,605	\$ 42,229	\$ 1,624	4.0%
10 Exemptions: Elderly	\$ 40,487	\$ 37,667	\$ 35,593	\$ 35,140	\$ 26,606	\$ 27,670	\$ 1,064	4.0%
11 State Owned Land	\$ 100,227	\$ 66,587	\$ 53,308	\$ 83,414	\$ 106,225	\$ 110,474	\$ 4,249	4.0%
11A Mitigation Account (FY05 Only)				\$ 200,185	\$ -	\$ -	\$ -	
Off-Set Items-Reserve for Direct Expenditure								
12 Public Libraries	\$ 42,989	\$ 36,091	\$ 39,616	\$ 44,958	\$ 45,729	\$ 47,558	\$ 1,829	4.0%
Sub-Total, All General Government	\$ 5,339,424	\$ 4,704,033	\$ 4,408,623	\$ 4,657,013	\$ 4,752,536	\$ 4,942,637	\$ 190,101	4.0%
C. TOTAL ESTIMATED RECEIPTS FOR FISCAL YEAR	\$ 12,198,559	\$ 11,555,487	\$ 10,084,620	\$ 10,590,853	\$ 11,023,234	\$ 11,409,375	\$ 386,141	3.5%
Dollar Change From Previous Year		\$ (643,072)	\$ (1,470,867)	\$ 506,233	\$ 432,381	\$ 386,141		
PerCentage Change		-5.27%	-12.73%	5.02%	4.29%	3.50%		

**Massachusetts Department of Revenue
Division of Local Services
Municipal Databank/Local Aid Section**

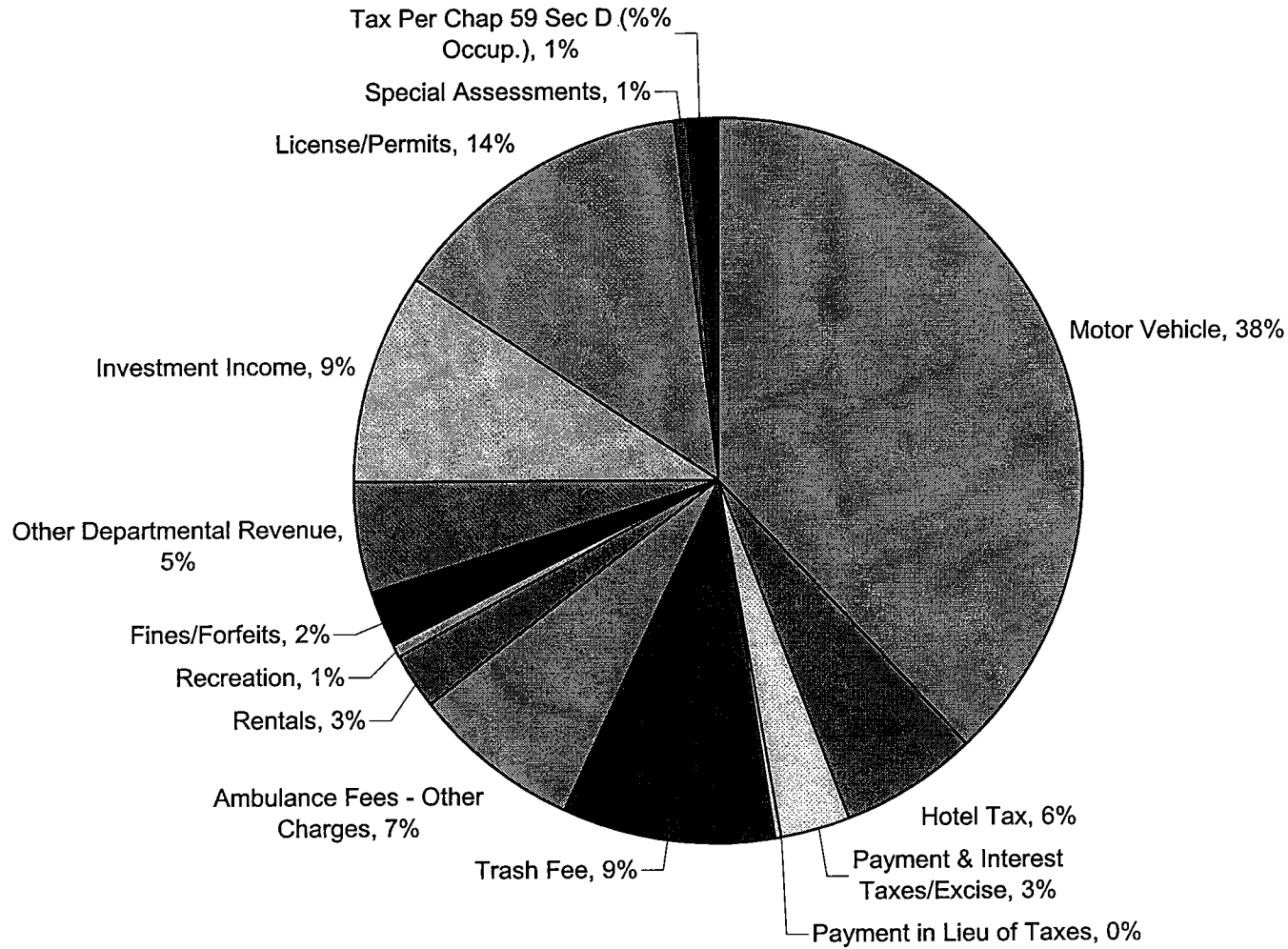
Net Cherry Sheet State Aid: Fiscal Year's 1981 - 2007

Municipality	Receipts	Assessments	Net	%% Change	
NATICK					
	FY1981	4,061,561	1,544,030	2,517,531	
	FY1982	4,968,150	1,613,657	3,354,493	33.2%
	FY1983	5,668,562	1,443,820	4,224,742	25.9%
	FY1984	5,874,359	1,355,815	4,518,544	7.0%
	FY1985	6,655,132	1,372,409	5,282,723	16.9%
	FY1986	6,999,288	965,399	6,033,889	14.2%
	FY1987	8,018,747	957,695	7,061,052	17.0%
	FY1988	8,609,621	994,798	7,614,823	7.8%
	FY1989	8,919,035	659,388	8,259,647	8.5%
	FY1990	7,510,169	700,485	6,809,684	-17.6%
	FY1991	7,217,108	749,786	6,467,322	-5.0%
	FY1992	6,098,055	782,205	5,315,850	-17.8%
	FY1993	6,354,096	794,137	5,559,959	4.6%
	FY1994	6,602,744	880,960	5,721,784	2.9%
	FY1995	6,871,644	886,590	5,985,054	4.6%
	FY1996	7,270,092	895,660	6,374,432	6.5%
	FY1997	7,719,148	912,960	6,806,188	6.8%
	FY1998	7,998,361	900,644	7,097,717	4.3%
	FY1999	9,308,406	932,164	8,376,242	18.0%
	FY2000	10,135,000	977,458	9,157,542	9.3%
	FY2001	11,036,046	908,033	10,128,013	10.6%
	FY2002	12,198,559	862,301	11,336,258	11.9%
	FY2003	11,996,836	815,192	11,181,644	-1.4%
	FY2004	10,085,607	840,678	9,244,929	-17.3%
	FY2005	10,590,853	1,113,717	9,477,136	2.5%
	FY2006	11,023,234	1,325,161	9,698,073	2.3%
**Projected	FY2007	11,409,375	1,378,167	10,031,208	3.4%

ESTIMATED RECEIPT HISTORY
FISCAL YEAR 2001 THROUGH FISCAL YEAR 2007

Receipt	Actual Receipts					3Yr Average FY03 - FY05	FY06	Estimated FY07
	FY01	FY02	FY03	FY04	FY05			
Motor Vehicle	\$ 3,744,668	\$ 4,156,493	\$ 3,681,214	\$ 4,449,072	\$ 4,461,799	\$ 4,197,362	\$ 4,400,000	\$ 4,400,000
Hotel Tax	\$ 629,801	\$ 751,424	\$ 653,061	\$ 614,400	\$ 698,805	\$ 655,422	\$ 690,000	\$ 725,000
Payment & Interest Taxes/Excise	\$ 301,198	\$ 340,906	\$ 388,315	\$ 474,926	\$ 350,478	\$ 404,573	\$ 350,000	\$ 365,000
Payment in Lieu of Taxes	\$ 12,440	\$ 12,290	\$ 12,208	\$ 35,846	\$ 32,055	\$ 26,703	\$ 30,000	\$ 32,000
Trash Fee			\$ 1,621,500	\$ 1,328,176	\$ 1,117,266		\$ 1,100,000	\$ 1,100,000
Other Charges for Services								
Police Special Duty Service Charges	\$ 42,682	\$ 35,031	\$ 33,664	\$ -	\$ -	\$ 11,221		
Ambulance Fees - Other Charges	\$ 480,529	\$ 722,513	\$ 752,436	\$ 798,901	\$ 847,224	\$ 799,520	\$ 800,000	\$ 850,000
Rentals	\$ 214,760	\$ 244,181	\$ 300,325	\$ 296,098	\$ 299,813	\$ 298,745	\$ 300,000	\$ 300,000
Recreation	\$ 107,060	\$ 113,330	\$ 82,681	\$ 86,872	\$ 69,579	\$ 79,711	\$ 70,000	\$ 70,000
Other Departmental Revenue								
Fines/Forfeits	\$ 442,436	\$ 384,134	\$ 313,205	\$ 327,264	\$ 275,781	\$ 305,416	\$ 275,000	\$ 275,000
Other Departmental Revenue	\$ 372,005	\$ 396,338	\$ 464,256	\$ 674,895	\$ 586,328	\$ 575,160	\$ 520,000	\$ 575,000
Investment Income	\$ 1,262,268	\$ 812,780	\$ 785,377	\$ 763,857	\$ 729,349	\$ 759,528	\$ 950,000	\$ 1,100,000
License/Permits	\$ 1,058,870	\$ 807,221	\$ 927,158	\$ 1,133,843	\$ 1,336,919	\$ 1,132,640	\$ 1,325,000	\$ 1,570,500
Special Assessments	\$ 62,968	\$ 196,725	\$ 276,072	\$ 231,414	\$ 117,905	\$ 208,464	\$ 75,000	\$ 75,000
Miscellaneous Non-Recurring								
Additional Lottery aid	\$ 381,067		\$-	\$-	\$-	\$ -		
Tax Per Chap 59 Sec D (% Occup.)	\$ 81,621	\$ 112,177	\$ 358,948	\$ 107,551	\$ 239,040	\$ 235,180	\$ 165,000	\$ 165,000
Total Estimated Receipts:	\$ 9,194,372	\$ 9,085,542	\$ 10,650,421	\$ 11,323,114	\$ 11,162,340	\$ 11,045,292	\$ 11,050,000	\$ 11,602,500

FY07 ESTIMATED RECEIPTS DISTRIBUTION



**Massachusetts Department of Revenue
Division of Local Services
Municipal Databank/Local Aid Section**

Stabilization Fund & Free Cash as a Percentage of the Budget

Municipality	DOR Code	FY Budget &		Free Cash	Free Cash as % of Budget	FY Stabilization	Stabilization Fund	Stabilization Fund as % of Budget
		Free Cash	Total Budget					
NATICK	198	1994	52,636,126	804,603	1.53	1993	1,064,237	2.02
	198	1995	55,705,273	1,442,721	2.59	1994	16,775	0.03
	198	1996	59,009,032	1,675,191	2.84	1995	17,458	0.03
	198	1997	62,734,652	2,131,823	3.40	1996	1,057,490	1.69
	198	1998	68,109,313	2,728,405	4.01	1997	2,509,544	3.68
	198	1999	72,791,084	3,450,176	4.74	1998	4,018,340	5.52
	198	2000	75,694,320	3,431,756	4.53	1999	5,008,704	6.62
	198	2001	82,010,563	3,913,775	4.77	2000	5,723,421	6.98
	198	2002	92,884,723	3,584,494	3.86	2001	6,024,265	6.49
	198	2003	89,671,309	4,337,157	4.84	2002	5,975,205	6.66
	198	2004	92,586,901	4,620,048	4.99	2003	5,464,106	5.90
	198	2005	96,456,189	5,313,708	5.51	2004	4,798,985	4.98

**TOWN OF NATICK
FISCAL YEAR 2007 - ENTERPRISE FUND
ESTIMATED REVENUE and EXPENDITURE SUMMARY**

WATER & SEWER ENTERPRISE FUND

Expenditure Summary	FY06	FY07	FY06 - FY07 \$\$ Difference	FY06 - FY07 %% Change
Operational Budget	6,637,055	6,954,924	317,869	4.79%
Insurance	341,082	391,305	50,223	14.72%
Pension Total	162,961	184,946	21,985	13.49%
Debt & Interest	1,768,721	1,790,410	21,689	1.23%
In-Kind Services	2,209,496	2,350,634	141,138	6.39%
Capital Equipment	198,000	0	(198,000)	-100.00%
Reserve	200,000	200,000	0	0.00%
TOTAL WATER & SEWER EXPENDITURES	\$11,517,315	\$11,872,219	354,904	3.08%
Revenue Summary				
Water & Sewer Fees	10,909,315	10,800,000	(109,315)	-1.00%
Water & Sewer Retained Earnings	608,000	1,072,219	464,219	76.35%
TOTAL WATER & SEWER RECEIPTS	\$11,517,315	\$11,872,219	354,904	3.08%
NET EXCESS / (DEFICIT)	\$0	\$0	\$0	

GOLF COURSE ENTERPRISE FUND

Expenditure Summary	FY06	FY07	FY06 - FY07 \$\$ Difference	FY06 - FY07 %% Change
Operational Budget	559,819	577,719	17,900	3.20%
Insurance	16,917	18,378	1,461	8.64%
Pension Total	5,639	5,893	254	4.50%
Debt & Interest	329,588	338,240	8,652	2.63%
In-Kind Services	2,500	2,500	0	0.00%
Reserve	0	25,000	25,000	
TOTAL GOLF COURSE EXPENDITURES	\$914,463	\$967,730	53,267	5.82%
Revenue Summary				
Golf Course Fees	484,463	512,730	28,267	5.83%
Golf Course Retained Earnings	0	25,000	25,000	100.00%
General Fund Appropriation	430,000	430,000	0	0.00%
TOTAL GOLF COURSE RECEIPTS	\$914,463	\$967,730	\$53,267	5.82%
NET EXCESS / (DEFICIT)	\$0	\$0	\$0	