

TOWN ADMINISTRATOR FISCAL YEAR 2008 BUDGET MESSAGE

January 8, 2007

To the Honorable Board of Selectmen and the Residents of Natick it is with honor I submit the Town Administrator's Fiscal Year 2008 Budget.

The Fiscal Year 2008 Budget was developed with a set of revenue assumptions that are similar to Fiscal Year 2007. The FY2008 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 2008 budget assumes that we will receive 3.25% or \$340,385 more from the Commonwealth than we did in the current fiscal year. In the FY03 to FY07 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, creativity 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 \$618,214 dollars for FY08.
- ◆ The Debt Exclusion for the Wilson Middle School is \$960,274 reflecting the annual debt costs associated with the project. This amount is \$71,136 less than in FY07 and significantly less than originally projected in large part due to lower interest rates and conservative forecasting practices.
- ◆ State Aid has been increased by 3.25% or \$340,385. 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 \$12.6 million, a \$1.3 increase over FY07 estimates. The majority of this increase (\$1 million) is due to anticipated building permit fees from the Natick Mall expansion.
- ◆ Free Cash usage is projected to be \$4.13 million. This action will exhaust our free cash balance. It is a necessary step in order to preserve service levels but puts us in a perilous position in FY09.
- ◆ The stabilization account is being used as projected to support existing debt. Usage in FY07 is \$400,000. We anticipate using \$250,000 in FY08.
- ◆ Overlay Surplus; funds that are available after all abatement applications for multiple tax years have been processed, will be used in FY08 in the amount of \$250,000; \$500,000 was used from this source in the FY07 budget.

Total revenue decreases from \$109,485,412 in FY07 to \$109,328,473 in FY08. This represents a decrease of \$246,939, or a .23% decline.

EXPENDITURE SUMMARY:

As we began preparing the FY08 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 budgets. Departmental submittals were held to a 0% percent increase with a 3% reserve being set aside for labor settlements. As such you will note that all departmental budgets with the exception of the School Department's budget are at or below their FY07 appropriation level.

The School Department is requesting a 7.7% increase in their budget. This represents a \$2,870,495 increase over FY07's appropriation. At this point in time the best that can be offered the School Department is a 3% increase. The difference between the School Department's requested budget and the Town Administrator's recommended budget is \$1,748,119. There are no resources available to surmount this difference unless they are to be taken from other departments. If taken from other Department's those operations will be diminished beyond usefulness.

It is my recommendation that the Board of Selectmen authorize a Proposition 2 ½ override as a means of providing funding to the School Department beyond the 3% increase that can be supported within the existing revenue stream. This is the only mechanism available that protects general government services while providing an opportunity for the School Department to directly plead with the voting public for their requested resources.

Our dilemma for FY08 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 FY08 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, utilities 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.

The FY08 budget is a no frills budget. There will be positions that will be left vacant when the current employee retires, there will be again a very limited approach to capital efforts and there will be no room for unforeseen events.

Listed below are expenditure activities of note:

- ◆ The FY08 General Government Budget (all operating departments except the School Department) increases by \$540,790 or 2.23%. This is the combined change for operating costs and projected labor costs increases.
- ◆ The Education Budget (includes Natick Public School System and Keefe Technical School) increase 3% or \$1,122,376.
- ◆ Municipal Energy costs have been isolated into a singular budget. This will increase transparency in this budgetary area and identify long-term trends more readily in what has become a more volatile cost center.

- ◆ The employee insurance portion of the budget has increase by 9% or \$1,078,304. The health insurance portion of this budget has been increased by 13%.
- ◆ We are funding a \$325,000 supplement for this winter's snow removal activity.
- ◆ The Debt Service portion of the Budget declines from \$7.5 million dollars in FY07 to \$7.2 million dollars in FY08.
- ◆ The Contributory Retirement System's appropriation increases by 9.6% or \$461,448 dollars as required by PERAC, the state agency that regulates the retirement funding schedule.
- ◆ Capital Spending: The FY08 budget has \$1,000,000 allocated for capital spending. The details of the items associated with this spending will be forth coming in several weeks as requests are fine tuned for presentation. Items that will be requested include replacement of several public works vehicles, police cruisers, continued investment in school technology and limited infrastructure items. This capital allocation is still dramatically lower than what is necessary to adequately address our needs. There will need to be an assessment made for FY09 to determine a strategy to stabilize our capital funding.

Examples of cost containment areas in various departments are listed below they include:

DEPARTMENT	IMPACT OF LEVEL FUNDED BUDGET
Fire Department	<ul style="list-style-type: none"> • Leave Lt. position unfilled after 1/1/08 retirement • Reduce various overtime categories by approx. \$21,000, reducing frequency of dive team trainings and management staff meetings; requiring alternative funding sources for Holiday lighting
Police Department	<ul style="list-style-type: none"> • Vacancy of a Sergeant position left unfilled • Vacancy of a Patrol Officer position left unfilled • Overtime reduction of \$4,000 (15 patrol shifts) • Resulting impacts may include reassignment of Narcotics Detectives to other duties and reassignment of Traffic Safety Officer to patrol
Department of Public Works	<ul style="list-style-type: none"> • Many budget reductions, such as decreases in funding for office supplies, are manageable if they are not sustained into future years • Reduced funding for inspections and testing may affect timely completion of these tasks • Reduced funding for custodial services and supplies will reduce the frequency of several specific maintenance activities, e.g. window cleaning, floor refinishing and carpet cleaning. • Engineering consultation services funding is reduced, limiting the ability to complete design and related services that may be needed for various projects • Reduced funding in the LFNR budget will reduce by 1/3 the frequency of mowing and maintenance at certain fields and parks

	<ul style="list-style-type: none"> • One position will be eliminated within the DPW; it is difficult to predict at this time which division will be affected due to the union's "bumping" rights. This loss of personnel will effect emergency services such as snow plowing.
Veterans' Services	<ul style="list-style-type: none"> • Food/Clothing/Fuel Assistance funding eliminated • Transportation funding eliminated
Council on Aging	<ul style="list-style-type: none"> • Fewer taxi vouchers • Mileage reimbursement for volunteers eliminated • Wellness program funding reduced by approx. 50%
Board of Health	<ul style="list-style-type: none"> • The increasing demands on the operations of this office indicate the need for additional staff, yet such is not possible with a level funded budget; in fact funding for operational expenses has been reduced
Parks and Recreation	<ul style="list-style-type: none"> • The position of Special Needs Director will be eliminated in Spring of 2008; responsibilities will be assigned to existing staff • Program registration fees will be increased by \$1 per program
Morse Institute Library	<ul style="list-style-type: none"> • Funding is reduced for purchase of new materials • Fines and fees are increased • Sunday hours will be reduced from 4 hours to 3 • Season in which library is closed on Sundays will begin after Patriot's Day instead of Memorial Day • Funding for computer maintenance/replacement will be reduced by over \$8,000
Bacon Free Library	<ul style="list-style-type: none"> • Inadequate staffing to cover desk while events are occurring; may necessitate reduction of events • Reduced funding for new materials • Purchase of new computers delayed
Town Administrator/ Selectmen	<ul style="list-style-type: none"> • Funding for office support staff, and thus the work hours, is reduced, challenging the office's ability to adequately and timely respond to the needs of the community and the Board of Selectmen. These challenges are heightened during particularly busy times and when other staff are on vacation • Training and education funds are reduced 50%
Assessing Department	<ul style="list-style-type: none"> • Reduction in the overtime budget from \$5000 to \$3000 will limit staff's ability to work extra hours to keep up with work loads during busy times, and will restrict opportunities to offer evening appointments to taxpayers. • Reductions in the Tax Mapping line item will challenge the department's ability to maintain current mapping information as required by DOR, and may cause setbacks in the Town's ongoing efforts to enhance its mapping/GIS programs • Reductions in the Communication Postage budget will limit the department's ability to mail exemption and abatement applications and other materials, although these are all available on the town's website.

The entire expenditure side of the budget decreases by .14% or \$156,940.

The Fiscal Year 2008 Budget is in balance.

As we move forward with the Fiscal Year 2008 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. In order to continue the current level of services we will need to seek additional revenue sources in FY09. If that is not requested or approved by the citizenry then we must plan to strategically downsize our operations. We have a very short period of time to determine what is at risk and to educate the general public as to their choices.

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,

A handwritten signature in black ink, appearing to read 'Philip E. Lennios', followed by a long horizontal line extending to the right.

Philip E. Lennios
Town Administrator

Revenue Summary		Final Fall FY07	Proposed FY08	Dollar Change	FY08 vs % Change
Real Estate/Property Taxes					
1	Base Tax Levy	59,682,611	61,821,370	2,138,759	3.58%
2	Statutory 2 1/2 Increase	1,492,065	1,545,534	53,469	3.58%
3	Growth in Tax Base	646,694	618,214	(28,480)	-4.40%
4	Debt Exclusion Override	1,031,410	960,274	(71,136)	-6.90%
5	Sub-Total Tax Levy	\$ 62,852,780	\$ 64,945,392	2,092,612	3.33%
Intergovernmental Resources (State Aid)					
6	Education Items	5,230,308	5,400,293	169,985	3.25%
7	SBAB Reimbursement existing Projects	1,369,707	1,369,707	-	0.00%
8	General Government Items	5,243,065	5,413,465	170,400	3.25%
9	Sub-Total State Aid	\$ 11,843,080	\$ 12,183,465	340,385	2.87%
Local Receipts					
10	Estimated Receipts	11,375,755	12,678,725	1,302,970	11.45%
11	Intergovernmental Transfer	2,350,634	2,422,273	71,639	3.05%
12	Available Funds (Free Cash)	4,563,719	4,135,000	(428,719)	-9.39%
13	Stabilization Fund	400,000	250,000	(150,000)	-37.50%
14	Overlay Surplus	500,000	250,000	(250,000)	-50.00%
15	Other Available Funds	505,500	323,167	(182,333)	-36.07%
16	Mitigation Funds	541,250	-	(541,250)	-100.00%
17	Released Appropriations For Article 16	280,000	-	(280,000)	-100.00%
18	Enterprise Revenue - Golf	\$535,886	\$536,009	123	0.02%
19	Golf Retained Earnings	\$0	\$90,000	\$90,000	
20	Enterprise Revenue - Water & Sewer	\$8,467,563	\$9,514,442	1,046,879	12.36%
21	Water & Sewer Retained Earnings	\$5,269,245	\$2,000,000	(3,269,245)	-62.04%
22	Sub-Total Local Receipts	\$ 34,789,552	\$ 32,199,616	\$(2,679,936)	-7.70%
23	TOTAL RECEIPTS	\$ 109,485,412	\$ 109,328,473	\$ (246,939)	-0.23%

Expenditure Summary		Final Fall FY07	Proposed FY08	Dollar Change	FY08 vs % Change
24	General Government	24,227,134	24,044,944	(182,191)	-0.75%
25	Wage Increases		722,980	722,980	
26	Energy Budget	1,054,254	1,450,680	396,426	37.60%
27	Natick School Budget	37,412,534	38,534,910	1,122,376	3.00%
28	Keefe Tech Assessment	1,204,965	1,204,965	0	0.00%
29	Article 7: School Technology Plan	400,000	-	(400,000)	-100.00%
29	School Bus Transportation subsidy	195,322	195,322	-	0.00%
30	Commission on Disabilities	5,900	-	(5,900)	-100.00%
31	Insurance	11,926,677	13,004,981	1,078,304	9.04%
32	Property Insurance	448,200	459,400	11,200	2.50%
33	Contributory Retirement Fund	4,792,830	5,254,278	461,448	9.63%
34	Non-Contrib. Pensions	158,749	145,109	(13,640)	-8.59%
35	Debt & Interest	7,520,908	7,239,697	(281,211)	-3.74%
36	Reserve Fund	250,000	250,000	-	0.00%
37	Enterprise- Golf	535,886	626,009	90,123	16.82%
38	Enterprise- Water & Sewer	9,661,897	10,314,442	652,545	6.75%
39	Capital Improvements-Water & Sewer	4,074,911	1,200,000	(2,874,911)	-70.55%
40	Capital Improvements	1,271,347	1,000,000	(271,347)	-21.34%
41	Article 15- Strategic Planning	150,000	-	(150,000)	-100.00%
42	Article 16- School Technology	182,000	-	(182,000)	-100.00%
43	Article 24 Gazebo	25,000	-	(25,000)	-100.00%
44	Article 6-STM-Rail Trail	107,250	-	(107,250)	-100.00%
45	Released Appropriations Reserved	217,000	-	(217,000)	-100.00%
	Sub-Total Operating & Capital	\$ 105,822,763	\$ 105,647,718	\$ (175,046)	-0.17%
Other					
46	State & County Assessments	1,639,732	1,705,321	65,589	4.00%
47	Cherry Sheet Offsets	62,917	65,434	2,517	4.00%
48	Tax Title	5,000	5,000	-	0.00%
49	Overlay	1,200,000	1,200,000	-	0.00%
50	Unpaid Bills from Previous Fiscal Year	-	-	-	
51	Snow Removal Supplement	325,000	325,000	-	0.00%
52	Golf Course Deficit	430,000	380,000	(50,000)	-11.63%
	Sub-Total Other	\$ 3,662,649	\$ 3,680,755	\$ 18,106	0.49%
53	TOTAL EXPENDITURES	\$ 109,485,412	\$ 109,328,472	\$ (156,940)	-0.14%
54	NET EXCESS / (DEFICIT)	\$ (0)	\$ 0		

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FY08

Department	FY07 Budget	FY08 Budget	Dollar Difference	Percent Change
School	\$ 37,412,534	\$ 38,534,910	\$ 1,122,376	3.0%
Reg. Technical School	\$ 1,204,820	\$ 1,204,820	\$ -	0.0%
Sub-Total:	\$ 38,617,354	\$ 39,739,730	\$ 1,122,376	2.9%
Emergency Mgmt	\$ 4,000	\$ 4,000	\$ -	0.0%
Fire	\$ 5,996,383	\$ 5,996,383	\$ -	0.0%
Police	\$ 4,970,758	\$ 4,962,801	\$ (7,957)	-0.2%
PW Admin	\$ 311,952	\$ 311,952	\$ -	0.0%
PW Bldg. Maint.	\$ 781,591	\$ 781,591	\$ -	0.0%
PW Engineering	\$ 362,117	\$ 362,117	\$ -	0.0%
PW Equipment Maint	\$ 740,938	\$ 714,082	\$ (26,856)	-3.6%
PW Highway Maint/Sanitation/Recycling	\$ 2,961,325	\$ 2,938,904	\$ (22,421)	-0.8%
PW Land Facilities	\$ 668,465	\$ 668,465	\$ -	0.0%
Bd. Of Health	\$ 348,101	\$ 348,101	\$ -	0.0%
COA	\$ 250,611	\$ 250,611	\$ -	0.0%
Bus Service	\$ 196,323	\$ 182,723	\$ (13,600)	-6.9%
Parks and Rec	\$ 541,860	\$ 541,791	\$ (69)	0.0%
Human Services	\$ 44,649	\$ 44,649	\$ -	0.0%
Veterans Services	\$ 167,744	\$ 167,744	\$ -	0.0%
Morse Library	\$ 1,647,040	\$ 1,647,294	\$ 254	0.0%
Bacon Free Library	\$ 110,958	\$ 110,958	\$ -	0.0%
Assessing	\$ 413,418	\$ 414,279	\$ 861	0.2%
Board of Selectmen	\$ 652,403	\$ 582,714	\$ (69,689)	-10.7%
Community Development	\$ 635,884	\$ 623,884	\$ (12,000)	-1.9%
Finance Committee	\$ 14,000	\$ 14,000	\$ -	0.0%
Information Systems	\$ 868,384	\$ 868,384	\$ -	0.0%
Parking Enforcement	\$ 120,778	\$ 120,791	\$ 13	0.0%
Personnel Board	\$ 1,000	\$ 1,000	\$ -	0.0%
Registrar of Voters	\$ 56,878	\$ 49,866	\$ (7,012)	-12.3%
Weights & Measures	\$ 14,412	\$ 14,412	\$ -	0.0%
Town Clerk	\$ 223,936	\$ 220,277	\$ (3,659)	-1.6%
Town Treasurer	\$ 196,562	\$ 196,540	\$ (22)	0.0%
Town Collector	\$ 308,572	\$ 308,536	\$ (36)	0.0%
Town Comptroller	\$ 355,057	\$ 335,057	\$ (20,000)	-5.6%
Legal Services	\$ 251,500	\$ 251,500	\$ -	0.0%
Town Report	\$ 6,000	\$ 6,000	\$ -	0.0%
Arts Council	\$ 700	\$ 700	\$ -	0.0%
Comm. for the Disabled	\$ 1,335	\$ 1,335	\$ -	0.0%
Historical Comm	\$ 1,000	\$ 1,000	\$ -	0.0%
Historic Distric Comm	\$ 500	\$ 500	\$ -	0.0%
Sub-Total:	\$ 24,227,133	\$ 24,044,940	\$ (182,193)	-0.8%
Debt Service	\$ 7,520,908	\$ 7,239,698	\$ (281,210)	-3.7%
Municipal Energy Budget	\$ 1,054,254	\$ 1,450,680	\$ 396,426	37.6%
Employee Insurance	\$ 11,926,677	\$ 13,004,981	\$ 1,078,304	9.0%
Property Insurance	\$ 448,200	\$ 459,400	\$ 11,200	2.5%
Reserve Fund	\$ 250,000	\$ 250,000	\$ -	0.0%
Contributory Retirement	\$ 4,792,830	\$ 5,254,279	\$ 461,449	9.6%
Non-Contributory Retirement	\$ 158,749	\$ 145,109	\$ (13,640)	-8.6%
	\$ 26,151,618	\$ 27,804,147	\$ 1,652,529	6.3%
Total:	\$ 88,996,105	\$ 91,588,817	\$ 2,592,712	2.9%

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FY08 BUDGET ANALYSIS

Total Budget	\$ 109,328,473
Less Unclassified	
Health Insurance	\$ (13,004,981)
Enterprise Funds	\$ (12,140,451)
Debt	\$ (7,239,697)
Retirement	\$ (5,254,278)
Municipal Energy Budget	\$ (1,450,680)
Capital Improvements	\$ (1,000,000)
Property/Liability Insurance	\$ (459,400)
Reserve Fund	\$ (250,000)
Non-Contrib Ret.	\$ (145,109)
	<u>\$ (40,944,596)</u>
Less Other Assessments	
State Assessments	\$ (1,705,321)
Overlay Reserve	\$ (1,200,000)
Golf Course Deficit	\$ (380,000)
Snow Supplement	\$ (325,000)
Cherry Sheet Off-Sets	\$ (65,434)
Tax Title Foreclosure	\$ (5,000)
	<u>\$ (3,680,755)</u>
Operating Budget	\$ 64,703,122
Less	
School	\$ (39,739,875)
Fire	\$ (5,996,383)
Public Works	\$ (5,777,112)
Police	\$ (4,966,801)
Libraries	\$ (1,758,252)
	<u>\$ (58,238,423)</u>
Balance Remaining For All Other Functions:	<u>\$ 6,464,699</u>

Note:

The Balance remaining for all other Departments is not meant to imply that all other remaining functions are discretionary. In fact most of the remaining balances are associated with functions that are required by either state or local by-law.

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**TOWN OF NATICK
LEVY LIMIT SUMMARY
FISCAL YEARS 2002 - 2008**

Components	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	Fiscal Year 2007 Levy Actual	Fiscal Year 2008 Levy Estimated
Prior Year Levy Limit	49,430,917	51,491,942	53,521,724	55,616,682	57,585,301	59,682,611	61,821,370
Proposition 2 1/2% Levy Increase	1,235,773	1,287,299	1,338,043	1,390,417	1,439,633	1,492,065	1,545,534
New Construction Growth	825,252	742,483	756,915	578,202	657,677	646,694	618,214
Operational Override	-	-	-	-	-	-	-
Net Levy Increase	2,061,025	2,029,782	2,094,958	1,968,619	2,097,310	2,138,759	2,163,748
Levy Limit	51,491,942	53,521,724	55,616,682	57,585,301	59,682,611	61,821,370	63,985,118
Debt Exclusion Levy	86,498	639,000	317,000	1,313,405	1,540,676	1,031,410	960,274
Total Tax Levy	51,578,440	54,160,724	55,933,682	58,898,706	61,223,287	62,852,780	64,945,392

**Debt Exclusion Calculation
Fiscal Year 2008**

Budget Projection

Year	Project	Issue Amount	Interest Rate	Fiscal Year 2007		Fiscal Year 2008			
				Outstanding Balance	Principal	Outstanding Balance	Principal	Interest	
2004	Wilson Middle School	\$ 9,850,000	4.14319%	\$ 8,860,000	\$ 495,000	\$ 8,365,000	\$ 495,000	\$ 359,625.00	
2004	Wilson Middle School	\$ 1,300,000	4.14574%	\$ 1,170,000	\$ 65,000	\$ 1,105,000	\$ 65,000	\$ 47,531.25	
2004	Kennedy Middle School	\$ 1,000,000	3.29857%	\$ 800,000	\$ 100,000	\$ 700,000	\$ 100,000	\$ 26,250.00	
2004	Wilson Middle School (BAN's)	\$ 2,603,085	4.25000%	\$ -	\$ -	\$ -	\$ -	\$ -	
				Total Debt Service \$ 1,166,143.73 Premium \$ (8,481.93) Issue Costs \$ 7,260.02 Premium GOB's \$ (10,344.80) SBA Reduction \$ (123,166.61)		Total Debt Service \$ 1,093,406.25 Premium \$ - Issue Costs \$ - Premium GOB's \$ (9,965.41) SBA Reduction \$ (123,166.61)		Debt Exclusion \$ 960,274.23	
				Debt Exclusion \$ 1,031,410.41		Debt Exclusion \$ 960,274.23			
				Perm	\$ 1,109,906.25	Perm	\$ 1,093,406.25		
				Perm Adjust	\$ (133,511.41)	Perm Adjust	\$ (133,132.02)		
					\$ 976,394.84		\$ 960,274.23		
				Temp	\$ 56,237.48	Temp	\$ -		
				Temp Adjust	\$ (1,221.91)	Temp Adjust	\$ -		
					\$ 55,015.57		\$ -		
FY2007 Total Allowable Exclusion				\$ 1,031,410.41	FY2008 Total Allowable Exclusion		\$ 960,274.23		

NATICK STATE AID SUMMARY

	FY03	FY04	FY05	FY06	FY07	FY08 Proposed	Dollar Change
A. EDUCATION							
Distributions and Reimbursements							
1 Chapter 70	\$ 4,931,682	\$ 3,945,346	\$ 3,945,346	\$ 4,176,646	\$ 4,657,789	\$ 4,809,167	\$ 151,378
2 School Transportation	\$ 155,205	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 School Construction	\$ 1,475,035	\$ 1,460,284	\$ 1,369,707	\$ 1,369,707	\$ 1,369,707	\$ 1,369,707	\$ -
4 Retired Teachers' Pensions							
5 Charter School Tuition Reimbursement		\$ 5,610	\$ 289,686	\$ 364,320	\$ 556,269	\$ 574,348	\$ 18,079
6 Charter School Capital Reimbursement			\$ 28,196	\$ 45,040			\$ -
Off-Set Items-Reserve for Direct Expenditure							
6 Racial Equity	\$ 272,465	\$ 247,382	\$ 283,721	\$ 296,865			\$ -
8 School Lunch	\$ 17,067	\$ 17,375	\$ 17,184	\$ 18,120	\$ 16,250	\$ 16,778	\$ 528
9 Aid to Reduce Class Size							\$ -
Sub-Total, All Education Items	\$ 6,851,454	\$ 5,675,997	\$ 5,933,840	\$ 6,270,698	\$ 6,600,015	\$ 6,770,000	\$ 169,985
B. GENERAL GOVERNMENT							
Distributions and Reimbursements							
1 Lottery, Beano & other Charity Games	\$ 2,207,372	\$ 2,069,792	\$ 2,069,792	\$ 2,336,643	\$ 2,756,411	\$ 2,845,994	\$ 89,583
2 Additional Assistance	\$ 2,071,591	\$ 1,942,474	\$ 1,942,474	\$ 1,942,474	\$ 1,942,474	\$ 2,005,604	\$ 63,130
3 Highway Fund							\$ -
4 Local Share of Racing Taxes							\$ -
5 Regional Public Libraries							\$ -
6 Police Career Incentive	\$ 193,498	\$ 198,346	\$ 209,187	\$ 203,798	\$ 216,705	\$ 223,748	\$ 7,043
7 Urban Renewal Projects							\$ -
8 Veterans Benefits	\$ 47,759	\$ 26,370	\$ 30,945	\$ 50,456	\$ 38,425	\$ 39,674	\$ 1,249
9 Exemptions: Vets, Blind & Surviving Spouse	\$ 43,468	\$ 43,124	\$ 40,918	\$ 40,605	\$ 40,343	\$ 41,654	\$ 1,311
10 Exemptions: Elderly	\$ 37,667	\$ 35,593	\$ 35,140	\$ 26,606	\$ 21,586	\$ 22,288	\$ 702
11 State Owned Land	\$ 66,587	\$ 53,308	\$ 83,414	\$ 106,225	\$ 180,454	\$ 186,319	\$ 5,865
11A Mitigation Account (FY05 Only)			\$ 200,185	\$ -	\$ -	\$ -	\$ -
Off-Set Items-Reserve for Direct Expenditure							
12 Public Libraries	\$ 36,091	\$ 39,616	\$ 44,958	\$ 45,729	\$ 46,667	\$ 48,184	\$ 1,517
Sub-Total, All General Government	\$ 4,704,033	\$ 4,408,623	\$ 4,657,013	\$ 4,752,536	\$ 5,243,065	\$ 5,413,465	\$ 170,400
C. TOTAL ESTIMATED RECEIPTS FOR FISCAL YEAR	\$ 11,555,487	\$ 10,084,620	\$ 10,590,853	\$ 11,023,234	\$ 11,843,080	\$ 12,183,465	\$ 340,385
Dollar Change From Previous Year	\$ (643,072)	\$ (1,470,867)	\$ 506,233	\$ 432,381	\$ 819,846	\$ 340,385	
PerCentage Change	-5.27%	-12.73%	5.02%	4.29%	7.44%	2.87%	

ESTIMATED RECEIPT HISTORY
FISCAL YEAR 2002 THROUGH FISCAL YEAR 2008

Receipt	Actual Receipts				
	FY02	FY03	FY04	FY05	FY06
Motor Vehicle	\$ 4,156,493	\$ 3,681,214	\$ 4,449,072	\$ 4,461,799	\$ 4,113,124
Hotel Tax	\$ 751,424	\$ 653,061	\$ 614,400	\$ 698,805	\$ 743,328
Payment & Interest Taxes/Excise	\$ 340,906	\$ 388,315	\$ 474,926	\$ 350,478	\$ 327,111
Payment in Lieu of Taxes	\$ 12,290	\$ 12,208	\$ 35,846	\$ 32,055	\$ 18,557
Trash Fee	\$	\$ 1,621,500	\$ 1,328,176	\$ 1,117,266	\$ 1,076,679
Other Charges for Services					
Police Special Duty Service Charges	\$ 35,031	\$ 33,664	\$	\$	\$ 935,720
Ambulance Fees - Other Charges	\$ 722,513	\$ 752,436	\$ 798,901	\$ 847,224	\$ 284,889
Rentals	\$ 244,181	\$ 300,325	\$ 296,098	\$ 299,813	\$ 71,318
Recreation	\$ 113,330	\$ 82,681	\$ 86,872	\$ 69,579	\$
Other Departmental Revenue					
Fines/Forfeits	\$ 384,134	\$ 313,205	\$ 327,264	\$ 275,781	\$ 298,293
Other Departmental Revenue	\$ 396,338	\$ 464,256	\$ 674,895	\$ 586,328	\$ 1,098,696
Investment Income	\$ 812,780	\$ 785,377	\$ 763,857	\$ 729,349	\$ 1,070,165
License/Permits	\$ 807,221	\$ 927,158	\$ 1,133,843	\$ 1,336,919	\$ 1,689,502
Special Assessments	\$ 196,725	\$ 276,072	\$ 231,414	\$ 117,905	\$ 132,641
Miscellaneous Non-Recurring					
SBA Reimbursement	\$	\$	\$	\$	\$
Tax Per Chap 59 Sec D (% Occup.)	\$ 112,177	\$ 358,948	\$ 107,551	\$ 239,040	\$ 207,586
Total Estimated Receipts:	\$ 9,085,542	\$ 10,650,421	\$ 11,323,114	\$ 11,162,340	\$ 12,067,609

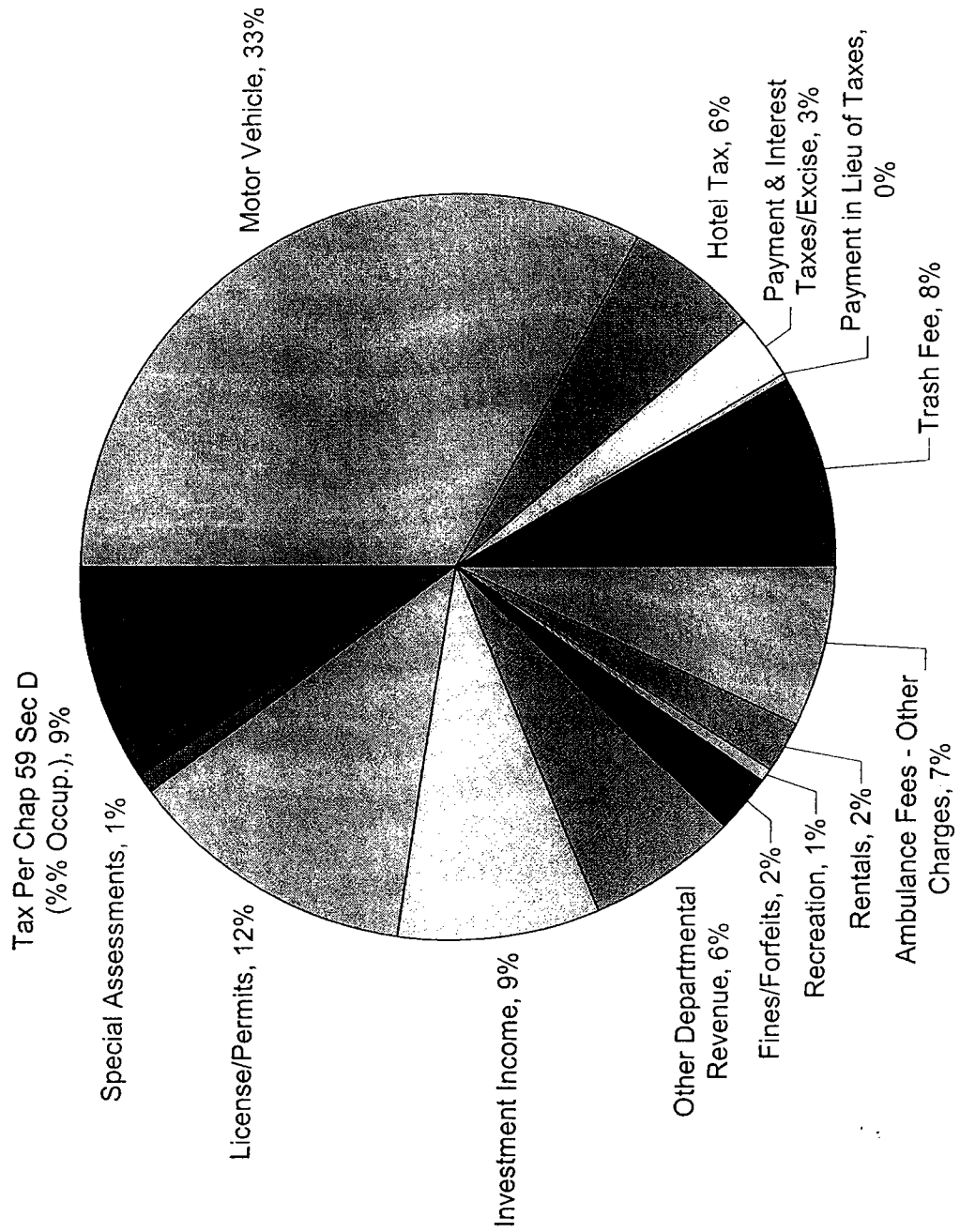
3Yr Average FY04 - FY06
\$ 4,341,332
\$ 685,511
\$ 384,172
\$ 28,819
\$ 860,615
\$ 293,600
\$ 75,923
\$ 300,446
\$ 786,640
\$ 854,457
\$ 1,386,754
\$ 160,653
\$
\$ 184,726
\$ 11,517,688

Estimated FY07
\$ 4,000,000
\$ 725,000
\$ 325,000
\$ 18,255
\$ 1,050,000
\$ 850,000
\$ 275,000
\$ 70,000
\$ 275,000
\$ 672,000
\$ 1,046,834
\$ 1,670,500
\$ 100,000
\$ 123,166
\$ 175,000
\$ 11,375,755

Estimated FY08
\$ 4,750,000
\$ 750,000
\$ 365,000
\$ 18,225
\$ 1,050,000
\$ 900,000
\$ 285,000
\$ 70,000
\$ 300,000
\$ 800,000
\$ 1,100,000
\$ 1,570,500
\$ 120,000
\$ 120,000
\$ 12,676,725

TA 12

FY08 ESTIMATED RECEIPTS DISTRIBUTION



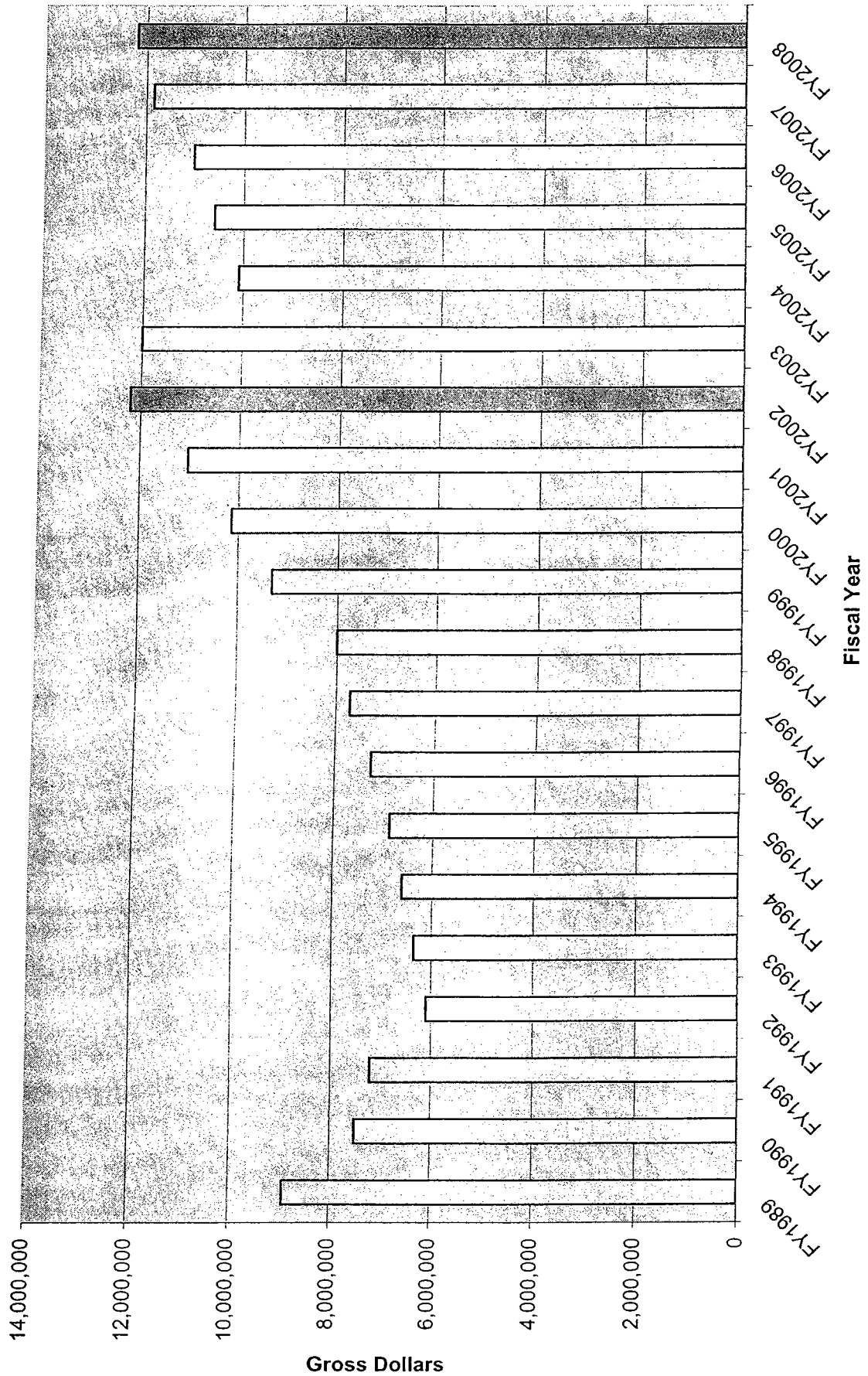
Massachusetts Department of Revenue
 Division of Local Services
 Municipal Databank/Local Aid Section

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%
FY2007	11,843,080	1,702,649	10,140,431	4.6%
FY2008	12,183,465	1,770,755	10,412,710	2.7%

**Projected

State Aid FY89 to FY2008



TOWN OF NATICK
FISCAL YEAR 2008 - ENTERPRISE FUND
ESTIMATED REVENUE and EXPENDITURE SUMMARY

01-05-2007

WATER & SEWER ENTERPRISE FUND

Expenditure Summary	FY07	FY08	FY07 - FY08 \$\$ Difference	FY07 - FY08 %% Change
Operational Budget	7,077,039	7,543,006	465,967	6.58%
Insurance	391,305	470,883	79,578	20.34%
Pension Total	184,946	194,483	9,537	5.16%
Debt & Interest	1,790,410	1,906,070	115,660	6.46%
In-Kind Services	2,350,634	2,422,273	71,639	3.05%
Capital Equipment	4,074,911	1,200,000	(2,874,911)	-70.55%
Reserve	200,000	200,000	-	0.00%
TOTAL WATER & SEWER EXPENDITURES	\$ 16,069,245	\$ 13,936,715	(2,132,530)	-13.27%

Revenue Summary

Water & Sewer Fees	10,800,000	11,936,715	1,136,715	10.53%
Water & Sewer Retained Earnings	5,269,245	2,000,000	(3,269,245)	-62.04%
TOTAL WATER & SEWER RECEIPTS	\$ 16,069,245	\$ 13,936,715	(2,132,530)	-13.27%
NET EXCESS / (DEFICIT)	\$ -	\$ -	\$ -	-

GOLF COURSE ENTERPRISE FUND

Expenditure Summary	FY07	FY08	FY07 - FY08 \$\$ Difference	FY07 - FY08 %% Change
Operational Budget	600,042	611,691	11,649	1.94%
Insurance	18,378	25,079	6,701	36.46%
Pension Total	5,893	12,203	6,310	107.08%
Debt & Interest	338,240	329,536	(8,704)	-2.57%
In-Kind Services	2,500	2,500	-	
Reserve	25,000	25,000	-	
TOTAL GOLF COURSE EXPENDITURES	\$ 990,053	\$ 1,006,009	15,956	1.61%

Revenue Summary

Golf Course Fees	535,886	536,009	123	0.02%
Golf Course Retained Earnings	24,167	90,000	65,833	272.41%
General Fund Appropriation	430,000	380,000	(50,000)	-11.63%
TOTAL GOLF COURSE RECEIPTS	\$ 990,053	\$ 1,006,009	\$ 15,956	1.61%
NET EXCESS / (DEFICIT)	\$ -	\$ -	\$ -	-

ENTERPRISE FUND BUDGET
WATER AND SEWER UTILITIES
Fiscal Year 2008

Effective Date: 01/04/2007
Print Date: 1/8/2007

COMPLETE ALLOCATIONS	PERSONNEL	FRINGE	EXPENSES	TOTAL
WATER SERVICE	\$ 887,506	\$ -	\$ 1,036,800	\$ 1,924,306
SEWER SERVICE	645,635	-	213,500	859,135
MWRA SERVICE	-	-	4,550,782	4,550,782
UTILITY BILLING COLLECTOR	92,582	-	116,200	208,782
RETIREMENT COSTS	-	194,483	-	194,483
HEALTH, MEDICARE, LIFE, INS.	-	470,883	-	470,883
DEBT	-	-	1,906,070	1,906,070
RESERVE	-	-	200,000	200,000
SUBTOTAL - DIRECT	1,625,723	665,366	8,023,352	10,314,441

PERCENTAGE ALLOCATIONS	PERSONNEL	FRINGE	EXPENSES	TOTAL
DPW ADMINISTRATION	\$ 89,775	\$ 36,743	\$ 14,230	\$ 140,748
BUILDING MAINTENANCE	40,587	16,611	57,112	114,310
ENGINEERING SERVICES	210,516	86,159	30,908	327,583
EQUIPMENT MAINTENANCE	179,489	73,460	106,144	359,093
HIGHWAY MAINTENANCE	45,494	18,620	72,062	136,176
POLICE	94,575	38,707	4,681	137,963
FIRE	116,826	47,814	3,102	167,742
STREET LIGHTING	-	-	4,800	4,800
PUBLIC SAFETY	211,401	86,521	12,583	310,505
FINANCIAL / ADMINISTRATIVE	285,007	116,646	153,805	555,458
DEBT SERVICE	-	-	87,440	87,440
PROPERTY INSURANCE	-	-	153,164	153,164
ENERGY	-	-	237,796	237,796
SUBTOTAL - GENERAL FUND	1,062,269	434,760	925,244	2,422,273

TOTAL OPERATING COSTS	2,687,992	1,100,126	8,948,596	12,736,714
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