

30 YEAR CALCULATOR FOR TAX LEVY BILL IMPACT OF PROJECT BOND DEBT EXCLUSIONS, OPERATING OVERRIDES AND NEW GROWTH -- REVENUE PAGE

Overrides and Debt Exclusions under inflated project cost assumptions and WC economic assumptions

Run Date/Time

3/15/2006

10:03

Annual Interest Rate on Bonds:		5.50%	All \$ amounts in millions, except for tax bills. Principal shown above interest for each project.												
	Cost(1)	Issue Year (2)	Term/Type	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Senior Center (3)	6.4	2007	19	0.000	0.000	0.000	0.337	0.337	0.337	0.337	0.337	0.337	0.337	0.337	
Enter 'T' for level total payments				0.000	0.000	0.000	0.352	0.333	0.315	0.296	0.278	0.259	0.241	0.222	
Wellington School (4)	36.0	2009	20	0.000	0.000	0.000	0.000	0.000	1.800	1.800	1.800	1.800	1.800	1.800	
Enter 'T' for level total payments				0.000	0.000	0.000	0.000	0.000	1.980	1.881	1.782	1.683	1.584	1.485	
High School (continuous construction) (4)	60.0	2012	20	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.000	3.000	3.000	
Enter 'T' for level total payments				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.300	3.135	2.970	
Library (5)	20.0	2014	20	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000	
Enter 'T' for level total payments				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.100	
Other Known Minor Projects (6)	60.0	2015	20	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Enter 'T' for level total payments				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Other Unknown Projects	60.0	2017	20	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Enter 'T' for level total payments				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
SubTotal New Capital and Debt Service				0.000	0.000	0.000	0.689	0.670	4.432	4.314	4.197	10.379	10.097	11.914	
Existing Exempt Net Debt Service (per Town Treasurer, as of March 15, 2006)				2.815	2.727	2.630	2.531	2.436	2.337	2.235	2.130	2.023	1.694	2.684	
Major Project Capital Program -- Excluded Debt Service Amounts				2.815	2.727	2.630	3.220	3.106	6.769	6.549	6.326	12.402	11.790	14.599	
Capital Budget Increase in Capital Account OR (7)	2.0	2007		0.000	0.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	
Net override impact to operating	1.0	2007		0.000	0.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Operating Override 1 (first year impact)	3.2	2008		0.000	0.000	0.000	3.181	3.181	3.181	3.181	3.181	3.181	3.181	3.181	
Operating Override 1 (final impact)	1.7	2009		0.000	0.000	0.000	0.000	1.686	1.686	1.686	1.686	1.686	1.686	1.686	
Operating Override 2 (first year impact)	1.7	2010		0.000	0.000	0.000	0.000	0.000	1.697	1.697	1.697	1.697	1.697	1.697	
Operating Override 2 (second year impact)	1.9	2011		0.000	0.000	0.000	0.000	0.000	0.000	1.898	1.898	1.898	1.898	1.898	
Operating Override 2 (third year impact)	2.1	2012		0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.121	2.121	2.121	2.121	
Operating Override 3 (first year impact)	2.4	2013		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.370	2.370	2.370	
Operating Override 3 (second year impact)	2.6	2014		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.648	2.648	
Operating Override 3 (third year impact)	3.0	2015		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.958	
Operating Override 4 (first year impact)	3.3	2016		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Operating Override 4 (second year impact)	3.9	2017		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Operating Override 4 third year impact)	4.0	2018		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Cumulative Override Amounts				0.000	0.000	3.000	6.181	7.867	9.564	11.462	13.583	15.953	18.601	21.559	
Residential New Growth -- Input Growth Rate (%) (8)		0.88%		0.000	0.655	0.440	0.460	0.480	0.461	0.465	0.469	0.473	0.478	0.482	
Commercial New Growth -- Input Growth Rate (%) (9)		2.00%		0.000	0.030	0.035	0.040	0.045	0.051	0.052	0.053	0.054	0.055	0.056	
Net Growth Item 1 (McLean): Input Total/Years Phased (10)	1.5	2010	2017	0.000	0.000	0.000	0.000	0.000	0.188	0.188	0.188	0.188	0.188	0.188	
Net Growth Item 2 (Uplands): Input Total/Years Phased (10)	0	2010	2010	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
New Growth Increments (Shown Annually, not Cumulatively)				0.000	0.685	0.475	0.500	0.525	0.700	0.705	0.710	0.715	0.720	0.725	
2.5% Increase Applied to Prior Year Levy					1.263	1.312	1.432	1.560	1.654	1.755	1.864	1.981	2.108	2.245	
Tax Levy Limit Before Excluded Debt				50.536	52.484	57.272	62.384	66.155	70.205	74.563	79.258	84.324	89.800	95.729	
TOTAL TAX LEVY (Chain computation from 2005)				53.310	55.211	59.902	65.604	69.261	76.974	81.112	85.584	96.726	101.591	110.327	
AVERAGE SINGLE FAMILY TAX BILL				7686	7861	8462	9196	9636	10611	11085	11599	13012	13569	14639	
ANNUAL % BILL INCREASE (% CHANGE IN LEVY BEFORE NEW GROWTH)					2.3%	7.6%	8.7%	4.8%	10.1%	4.5%	4.6%	12.2%	4.3%	7.9%	
Total Impact above 2005 on Single Family Bill					175	776	1510	1950	2925	3399	3913	5326	5883	6953	
COMPOUND RATE OF INCREASE FROM 2005					2.3%	4.9%	6.2%	5.8%	6.7%	6.3%	6.1%	6.8%	6.5%	6.7%	

Model Source: Will Brownsberger, collating/updating prior work of planning committees and staff. Model version date March 09, 2006; reconciled to 5yr Forecast Rev28.

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Overrides and Debt Exclusions under inflated project cost assumptions and WC economic assumptions

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5.3% 5.4%

Analysis of impact on Town Accountant/Warrant Committee Budget Forecast Deficit from March 2006, Rev 28

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
"Exp Redux/Operating Override Required" taken directly from spreadsheet		-0.006	0.008	-3.180	-4.946	<i>note: forecast reflects \$2.0 increased roads spending</i>					
Levy in Budget Forecast (as in spreadsheet, includes \$3m FY2007 override)		55.212	60.338	62.848	64.692						
Less Debt Exclusion Amounts in Budget Forecast		-2.727	-3.067	-3.644	-3.484						
Tax Levy Limit (before Excluded Debt) implied in budget Forecast		52.485	57.271	59.204	61.208						
Increase to Model Tax Levy Limit (b.e.d.) reflecting overrides		-0.001	0.001	3.180	4.947						
Deficit/Surplus Based on Adjusted WC Forecast Expenses and Model Revenues		-0.007	0.009	0.000	0.001						
2008 Forecast Amounts increased by Model Input percentage rate after 08											
Salaries and Wages adjusted as above (forecast estimates 4.2%)	4.2%			38.756	40.384	42.080	43.847	45.689	47.608	49.607	51.691
Health Care (forecast estimates 13%)	13.0%			10.597	11.975	13.531	15.290	17.278	19.524	22.062	24.931
Less: percentage savings from health care cost shift in 09	0.0%				0.000	0.000	0.000	0.000	0.000	0.000	0.000
All other costs (Forecast estimates blended 3.568 growth rate)	3.6%			27.799	28.791	29.818	30.882	31.984	33.125	34.307	35.531
Total Expense Budget excluding Excluded Debt				77.152	81.149	85.429	90.020	94.951	100.257	105.977	112.152
Tax Levy less Debt Exclusion				62.384	66.155	70.205	74.563	79.258	84.324	89.800	95.729
All Other Funds Sources (Forecast estimates 1.5285%)	1.53%			14.769	14.995	15.224	15.457	15.693	15.933	16.176	16.424
Total Revenues other than Debt Exclusion				77.153	81.150	85.429	90.020	94.951	100.257	105.977	112.152
Deficit/Surplus Based on Model Expenses and Model Revenues					0.001	0.000	0.000	0.000	0.000	0.000	0.000
Model Deficit/Surplus as percent of Expenditures					0%	0%	0%	0%	0%	0%	0%

Note that 2009 deficit/surplus serves as proof when noted forecast cost growth rates are used as input.

NOTES TO REVENUE PAGE

- (1) Construction cost estimates only partially reflect inflation, see notes.
 - (2) Issue year may follow construction year by one or two years. BAN interest costs not reflected in model.
 - (3) Possible private contributions and Woodfall road funds not reflected. Reflects expected price based on inflation.
 - (4) Assumes state aid contribution of 40%; amount shown is Belmont contribution. Numbers inflated, but rates uncertain: \$60m for Wellington reflects current estimates of cost and inflation. \$100m for High School assumes 7% inflation over 8 years from 2004 estimate of \$60 million.
 - (5) Library assumes \$20 million 2005 estimate, inflated at 7% per year for 10 years to \$39.4 million with state and private contributions bringing town share to \$20 million.
 - (6) Original Cost estimate of \$6.9 million is code compliance cost from 2000 facilities audit. Largest components are highway yard and police station; also included are skating rink, pool and field house. Plug number of \$60.0 is based on latest cost estimate for highway yard of approximately \$20.0 million.
 - (7) Override amount dedicated to increase in capital budget from current \$2.2 million level
 - (8) Line compounds the specified percentage growth rate to the Residential component of the tax levy from 2005: 50.592 Except that 2006-9 fixed to agree with forecast
 - (9) Line compounds the specified percentage growth rate to the Commercial component of the tax levy from 2005: 2.352 Except that 2006-9 fixed to agree with forecast
- Note that this and prior line both omit a small interaction term. New growth for levy limit is prior year's tax rate applied to new assessed value growth. So tax rate decline from value inflation in excess of 2.5% will operate to slightly reduce the available new growth under proposition 2.5. This assumes exact offset and gives new growth based on value growth.
- (10) Input here estimated revenues net of costs of development. This method omits excess of cost growth over sum of 2.5% and override revenue growth on new base in out years.

2016	2017	2018
0.337	0.337	0.337
0.204	0.185	0.167
1.800	1.800	1.800
1.386	1.287	1.188
3.000	3.000	3.000
2.805	2.640	2.475
1.000	1.000	1.000
1.045	0.990	0.935
3.000	3.000	3.000
3.300	3.135	2.970
0.000	0.000	3.000
0.000	0.000	3.300
17.877	17.374	23.172
1.501	1.455	1.408
19.377	18.829	24.580
2.000	2.000	2.000
1.000	1.000	1.000
3.181	3.181	3.181
1.686	1.686	1.686
1.697	1.697	1.697
1.898	1.898	1.898
2.121	2.121	2.121
2.370	2.370	2.370
2.648	2.648	2.648
2.958	2.958	2.958
3.305	3.305	3.305
0.000	3.920	3.920
0.000	0.000	4.000
24.864	28.784	32.784
0.486	0.490	0.495
0.057	0.058	0.060
0.188	0.188	0.000
0.000	0.000	0.000
0.731	0.736	0.554
2.393	2.554	2.734
102.158	109.368	116.657
121.535	128.197	141.236
16030	16811	18448
9.5%	4.9%	9.7%
8344	9125	10762
6.9%	6.7%	7.0%

2016	2017	2018
53.862	56.124	58.481
28.172	31.834	35.972
0.000	0.000	0.000
36.799	38.112	39.472
118.832	126.070	133.925
102.158	109.368	116.657
16.675	16.929	17.188
118.832	126.298	133.845
0.000	0.228	-0.080
0%	0%	0%