

**PROFORMA ANALYSIS  
LEVEL SERVICE FOR FY05  
BEFORE CONSIDERING POTENTIAL SALARY INCREASES**

<u>REVENUE LINE ITEM</u>	<u>% INCR</u>	<u>FY 04 BUD</u>	<u>% INCR</u>	<u>PRELIM FY05 BUD</u>
PROPERTY TAXES		46,864		48,751
INCR UNDER 2 1/2 <sup>1</sup>	2.5%	1,172	2.5%	1,219
GROWTH		715		400
MCLEAN PROPERTY TAX <sup>2</sup>		0		0
OVERRIDE - OPERATING CAPACITY NOT RAISED		-3		
DEBT EXCLUSION <sup>3</sup>		2,300		2,106
<b>TOTAL PROPERTY TAXES</b>		<b>51,048</b>		<b>52,475</b>
MOTOR VEHICLE EXCISE	0%	2,675	3%	2,755
ADDED INTEREST COST		167		167
PAYMENT IN LIEU OF TAXES <sup>4</sup>		1,178		1,178
<b>TOTAL TAXES &amp; COST</b>		<b>55,068</b>		<b>56,575</b>
FEES & FINES (COURT,PARKING)		412		415
LICENSES & PERMITS (BUILDING)		471		420
DEPARTMENTAL				
LIBRARIES		50	2%	51
CEMETERIES		98	2%	100
RECREATIONAL		548	2%	559
OTHER <sup>5</sup>		601	2%	613
<b>TOTAL DEPARTMENT</b>		<b>1,297</b>		<b>1,323</b>
INTEREST ON INVESTMENT (qtrly billing)		225		300
STATE AID <sup>6</sup>		6,528		5,975
TRANSFERS & OTHER <sup>7</sup>		1,351		1,074
<b>TTL REVENUE BUDGET (EXCLUDING RESTRICTED)<sup>13</sup></b>		<b>65,352</b>		<b>66,082</b>
<b>EXPENSE LINE ITEM</b>				
SALARIES & WAGES - Twn/School (existing contracts w/attrition)		33,556		33,969
HEALTH (ACTIVE & RETIRED) <sup>8</sup>		6,740	16.0%	7,655
RETIREMENT (EXCL TEACHERS)		2,866	6.0%	3,037
SCHOOL NON-SALARIES <sup>9</sup>		3,432	5.0%	3,604
SPECIAL EDUC OUT-OF DIST TUITION	11.6%	2,458	5.0%	2,582
MINUTEMAN VOCATIONAL		597	0.0%	597
MCLEAN SERVICES		0	N/A	0
STATE CHARGES <sup>10</sup>		1,456	2.5%	1,492
TOWN NON-SALARY <sup>11</sup>		3,794		4,113
SOLID WASTE COLLECTION <sup>12</sup>		2,626		2,734
RESERVE FUND	0	400	0.0%	400
OVERLAY RESERVE-ABATEMENT	0	789	0.0%	750
ROAD CAPITAL	0.0%	1,196	0.0%	1,200
OTHER CAPITAL		1,418	0.0%	1,000
<b>SUB-TOTAL CAPITAL</b>		<b>2,614</b>		<b>2,200</b>
COMMITTED DEBT W/O LT/WAT/SEW	ACTUAL	4,019	ACTUAL	3,468
INCLUDES INT ON TEMP BORROWING \$70,000		0		
<b>TOTAL EXPENSE BUDGET (EXCLUDING ENTERPRISE)<sup>13</sup></b>		<b>65,347</b>		<b>66,602</b>
FY02 EXPENSE SAVINGS		5		(520)
REVENUE OVER/(UNDER) EXPENSES:		5		(520)
	rounding			
<b>EXP REDUX/OPERATING O'RIDE REQ'D:</b>		<b>-5</b>		<b>520</b>

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PRELIM  
FY05  
BUD

% INCR      FY 04  
                  BUD                    % INCR

FOOTNOTES BELOW ARE AN INTEGRAL PART OF THE PRO FORMA

1. ASSUMES AT THE LEVY LIMIT. NO ADDITIONAL INCREASE W/O AN OVERRIDE OR EXCLUSION

2 ASSUMES NO MCLEAN, ALEWIFE OR OTHER DEVELOPMENT.

3 DEBT EXCLUSION: CHENERY DEBT	1,090			1,090
	664			616
CHENERY STATE REIMB	-1,089			-865
TOWN HALL	600			600
	682			432
ATHLETIC COMPLEX	245			245
	109			63
Less: Premium on Sale/Bonds	0			-75
NET EXCLUSION	2,300			2,106

4 PMT IN LIEU OF TAXES - MCLEAN/Other	534			528
- LIGHT DEPT	644			650
TOTAL	1178			1178

5 OTHER DEPARTMENTAL REVENUE	601		2%	613
FY04 ESTIMATED RECEIPTS REFLECT FY03 BASE PLUS ADD'L \$20k FOR COA, ADDITIONAL MEDICAID REIMB, & REC FEES				

6 STATE AID:	School Chapter 70	-21%	2825	-7.5%	2613
	School Construction		1089		865
	LOTTERY	-6%	1521	-5%	1445
	ADDITIONAL ASSISTANCE	-13%	827	-5%	786
	ALL OTHER	-15%	266		266
	TOTAL STATE AID		6528		5975

7 TRANSFERS & OTHER	STABILIZATION FUND	33			30
	CAPITAL ENDOWMENT	50			
	WATER DEPT OVERHEAD	100			100
	SEWER OVERHEAD				100
	FREE CASH	183			300
	PARKING FINES	30			30
	CEMETERY INCOME	25			25
	KENDALL & OTHER	405			
	OVERLAY RESERVE	525			489
	TOTAL TRANSFERS & OTHER		1351		1074

8 HEALTH BENEFITS: HEALTH INS HAS BEEN INCREASED \$77,000 IN FY05 DUE TO RETIREMENTS ON THE SCHOOL SIDE & \$50,000 in FY05 for RETIREMENTS ON THE TOWN SIDE  
FY04 had been budgeted at 10% for 1/1/04 and we are projecting 16% for 1/1/05

9 SCHOOL NON-SALARY EXPENSE	UTILITIES	519			
	MAINTENANCE	364			
	TRANSPORTATION	483			
	TEACHING	327			
	PSYCHOLOGICAL SVCS	287			
	CUSTODIAL	297			
	FUEL	209			
	OTHER	946			
	TOTAL SCHOOL NON-SALARY		3432	5.0%	3604

9a SALARY LINE ITEM EXPRESSES ONLY CONTRACTS IN PLACE AS OF 10/7/03 WITH NO ASSUMPTION OF WAGE INCREASES, ONLY STEPS. IT DOES INCLUDE ASSUMPTIONS FOR ATTRITION

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		<u>% INCR</u>	<u>FY 04 BUD</u>	<u>% INCR</u>	<u>PRELIM FY05 BUD</u>
<b>10 STATE CHARGES</b>	<b>MBTA OTHER</b>				
	<b>TOTAL STATE CHARGES</b>	-0.1%	1456	2.5%	1492
<b>11 TOWN NON-SALARY</b>					
	UTILITIES		557	10%	613
	OUTSIDE SERV.		1836	5%	1928
	SUPPLIES		1002	8%	1082
	CAPITAL		80		130
	OTHER (& INSURANCE)		320		361
<b>TOTAL TOWN NON-SALARY</b>			3794		4113
<b>12. SOLID WASTE COLLECTION</b>					
	DISPOSAL		1181		1237
	COLLECTION		1445		1497
	<b>TOTAL SOLID WASTE</b>	0.7%	2626	4.1%	2734
<b>13 SEWER &amp; WATER REVENUE</b>					
	SEWER	17.3%	5,821	3.5%	6,025
	WATER	-7.6%	3,585	8.0%	3,872
	CHAPTER 90-ROAD	-1.5%	134	0.0%	134
<b>SUB-TOTAL ENTERPRISE</b>			9,540		10,031
<b>SEWER &amp; WATER EXPENSES</b>					
	SEWER		5,821		6,025
	WATER		3,585		3,872
	CHAPTER 90-ROAD		134		134
<b>TOTAL RESTRICTED</b>			9,540		10,031

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These salary accounts include: wages, medicare match & all other fringes (except health)

<b>SALARIES &amp; WAGES - TOWN</b>	1.4%	13,332	13,415
FY05 includes \$13,332 from FY04 plus \$133 steps minus \$50 for attrition			
<b>SALARIES &amp; WAGES - SCHOOL (9a)</b>	1.6%	20,224	20,554
FY05 includes \$20,224 from FY04 plus \$450 steps minus \$120 for attrition			

Salaries include associated Medicare, Workers Comp & other direct benefits  
NO CONTRACTS HAVE BEEN SETTLED FOR FY05 & MOST HAVE NOT IN FY04

<b>SUMMARY BASED ON LEVEL SERVICES</b>	
DEFICIT	-520
EACH 1% SALARY INCREASE OVERALL	-340