

THE TOWN OF HOPKINTON'S BUDGET SUMMARY SHEET FOR FISCAL YEAR 2010/2011

The FY 2010/11 total budget is \$23,552,391, which represents an increase of \$ 351,494 -- a 1.05% increase from last fiscal year.

The Municipal expense side of the budget is \$5,452,954, which represents a decrease of \$ 157,822 -- a 2.8% decrease from last fiscal year.

The Education expense side of the budget is \$18,099,437, which represents an increase of \$ 509,306 -- a 2.9% increase from last fiscal year.

The FY 2010/11 property tax rate is projected to be \$15.64, per thousand, compared to the FY 2009/10 property tax rate of \$14.79—an increase of .85 cents, per thousand. This figure represents a 5.7% increase from last fiscal year.

The proposed tax rate increase of \$.85, per thousand, is a result of the following factors:

- 1) A decrease in State Aid to Education;
- 2) An increase in student enrollment of Hopkinton students from 35.89% to 36.63%;
- 3) A new school debt service payment;
- 4) A decrease in State revenue for the Motor Vehicles Phase-out;
- 5) A decrease in town-wide general revenue.

The above decreases are offset by the following sources of tax revenue

- 1) A reduction in municipal expenditures;
- 2) An increase in real estate assessments;
- 3) An increase as a result of motor vehicle taxes being assessed on vehicles valued up to \$6,000;
- 4) An increase in the tax collection rate.

The increase in the overall tax burden from FY 2009/10 to FY 2010/11 is \$1,708,947, mostly because of a reduction of State Aid to Education in the amount of \$458,012 and the anticipated Motor Vehicle Phase Out of \$876,733. This reflects an increase of \$1,334,745.

The overall increase in the tax burden for the Education side of the FY 2010/11 budget is \$ 967,318.

The overall increase in the tax burden for the Municipal side of the FY 2010/11 budget is \$741,629.

The total overall increase in the tax burden for the FY 2010/11 budget is \$ 1,708,947.

JUNE 8TH, 2010 VOTER REFERENDUM

Voters should be aware that if this proposed FY 2010/11 annual budget is rejected on June 8th, 2010, residents will be left with a property tax rate that is higher than the projected \$ 15.64 tax rate, per thousand, because the Town must then revert to the current year's municipal budget that is actually higher than the proposed FY 2010/11 municipal budget. This requirement is mandated by the Town's Home Rule Charter, which does not allow for a second vote on the annual budget.