

2011 MERC PUBLICATION

**2011 Municipal Revenue
and K-12 Enrollment Report
for the
495/MetroWest Region[©]**

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MetroWest Economic
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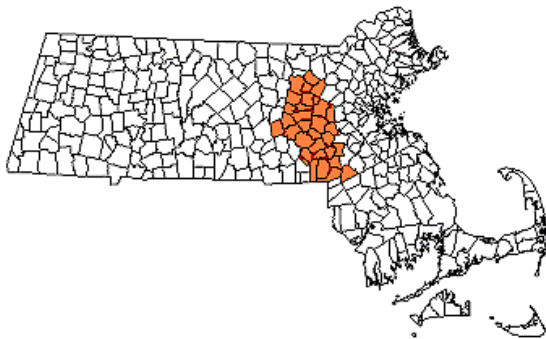
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495/METROWEST REGION - INTRODUCTION

The 495/MetroWest (495/MW) Region includes 32 communities along Interstate Route 495 and Route 9 west of Boston. With a 2010 Census population of 536,939 individuals, the region hosts a well educated and skilled labor force of 293,000 who reside in households with high incomes compared to the state and nation. Over 90,000 students from these households attend public schools in the region. The 495/MW Region is an economically diverse region that generated 278,800 jobs and a total payroll of \$16.9 billion in 2009.

This publication presents municipal revenue and K-12 public school enrollment for the 495/MetroWest Region. In Fiscal Year 2010 municipal revenue for the 32 communities of the 495/MW Region totaled \$1.9 billion, including a tax levy of \$1.2 billion. In 2009 K-12 public school enrollment for the 495/MW Region totaled nearly 92,600 students including vocational school enrollment.

In 2010 a new advocacy group, the 495/MetroWest Development Compact, added five additional communities to the region: Grafton, Plainville, Upton, Westford, and Worcester. Some tables and graphs in the main report and all tables and graphs in Appendix 1 in this publication include information on the 37 communities of the Expanded 495/MetroWest Region.



The MetroWest Economic Research Center (MERC) at Framingham State University creates and maintains economic databases on a number of regional economies in the state. For more information on the data contained in this report please contact MERC.

495/METROWEST REGION - INTRODUCTION

495/MetroWest Region (495/MW)

Acton
Ashland
Bellingham
Berlin
Bolton
Boxborough
Foxborough
Framingham
Franklin
Harvard
Holliston
Hopedale
Hopkinton
Hudson
Littleton
Marlborough
Maynard
Medfield
Medway
Milford
Millis
Natick
Norfolk
Northborough
Sherborn
Shrewsbury
Southborough
Stow
Sudbury
Wayland
Westborough
Wrentham

Expanded 495/MetroWest Region

includes the 32 communities above and five additional communities:

Grafton
Plainville
Upton
Westford
Worcester

495/METROWEST REGION - INTRODUCTION

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495/METROWEST REGION - MUNICIPAL REVENUE

MUNICIPAL REVENUE

Municipalities report budgeted revenue, actual revenue and actual expenditures to the Massachusetts Department of Revenue (DOR), Division of Local Services (DLS) on form Schedule A which includes a tax recapitulation report. The DLS of the DOR prepares many analyses from these reports. The MetroWest Economic Research Center (MERC) at Framingham State University uses the underlying information as well as DLS reports to prepare analyses for the local region.

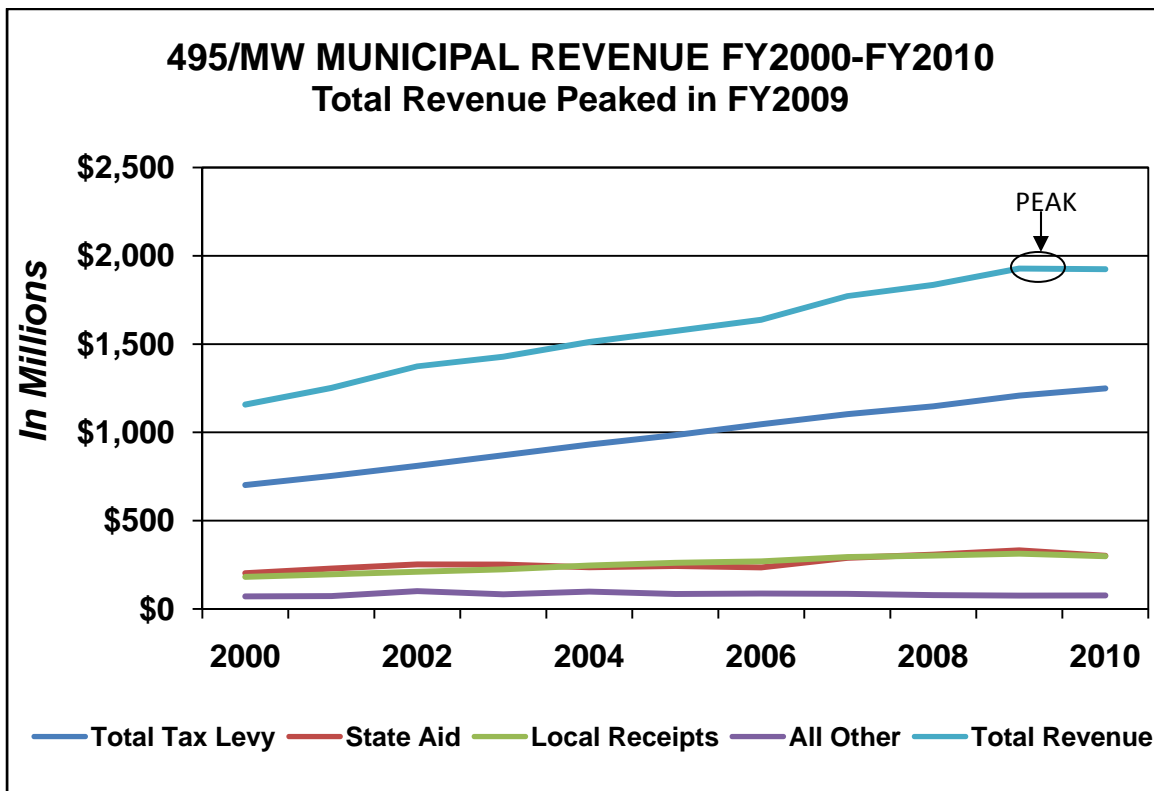
Unless otherwise stated, revenue presented in this report represents budgeted revenue reported to the Massachusetts Department of Revenue, Division of Local Services by the respective municipalities. It consists of the total tax levy, state aid, local receipts and an “all other” category. The tax levy consists of assessments on personal property, industrial, commercial, open space and residential real estate. Personal property includes furnishings of second homes and some inventories and equipment of unincorporated businesses. On-site vehicles of utility companies are generally included in this category as well. State aid is defined as state aid for education and state aid for general government. Local receipts include motor vehicle excise taxes, licenses and charges for services. The “all other” category includes free cash and other available funds. Budgeted revenue and actual revenue differ very little.

Tax levies are subject to limitations imposed by related legislation. In any given year the tax levy cannot exceed 2½ percent of the total assessed value of the property of the community. In addition, the tax levy cannot increase by more than 2 ½ percent of the prior year tax levy limit plus new growth without voter approval of an operating budget override or a debt exclusion override. An operating budget override constitutes a permanent adjustment to the tax levy base that is used for subsequent year calculation limits while a debt exclusion override is in effect only for the life of the bond for which it was approved. It does not become a permanent adjustment to the tax levy base. Individual communities are also able to determine the extent to which property taxes will be borne by residential taxpayers or commercial and industrial (C&I) taxpayers. Some communities choose to tax residential, commercial and industrial property at the same rate while others use split rates. Personal property is generally taxed at C&I rates imposed by the respective community.

With the residential exemption, the tax burden shifts within the residential class from owner-occupied and relatively lower valued properties, to relatively higher valued ones and to those not eligible for the exemption such as vacant land, rental properties and seasonal homes. The small commercial exemption is a similar shift within the class in that it excludes a percentage of the assessed value of each eligible parcel. It covers commercial real property valued at less than \$1 million that is occupied by certified small business (10 or fewer employees).

495/METROWEST REGION – MUNICIPAL REVENUE

Total municipal revenue in the 32 community 495/MetroWest (495/MW) Region rose from \$1,157 million in FY2000 to \$1,925 million in FY2010, an increase of 66%. However, in FY2009 495/MW municipal revenue had reached a historical high of \$1,928 million before declining in FY2010. Over the same period the total tax levy increased from \$702 million to \$1,248 million, a gain of 78%. State aid climbed from \$202 million in FY2000 to its peak of \$332 million in FY2009, before declining to \$301 million in FY2010. Local receipts also peaked in FY2009 at \$313 million before declining in FY2010. The “all other” category which includes available free cash accounted for 4% of municipal revenue of FY2010. It varied between \$71 and \$101 million over the period.



Source: MA Department of Revenue, DLS, and MERC

Fiscal Year	Total Tax Levy	State Aid*	Local Receipts	All Other	Total Revenue
2000	\$702,021,199	\$202,367,440	\$181,792,146	\$70,897,704	\$1,157,078,489
2002	\$810,499,426	\$252,294,293	\$210,727,683	\$100,698,715	\$1,374,220,117
2004	\$931,438,435	\$235,880,224	\$246,187,365	\$98,087,252	\$1,511,593,276
2006	\$1,046,046,088	\$234,760,772	\$270,202,365	\$86,816,109	\$1,637,825,334
2008	\$1,147,571,601	\$307,987,120	\$302,059,745	\$77,938,941	\$1,835,557,407
2009	\$1,207,536,924	\$332,049,184	\$313,316,226	\$74,976,005	\$1,927,878,339
2010	\$1,248,678,245	\$300,918,707	\$298,873,058	\$76,073,680	\$1,924,543,690

*Note: estimated School Construction funding is included in state aid

495/METROWEST REGION – MUNICIPAL REVENUE

In the 32 community 495/MetroWest Region, total municipal revenue increased from \$1.2 billion in FY2000 to \$1.9 billion in FY2010, a gain of \$770 million or 66%. Over the decade the rates of increase varied among the 32 communities. The majority of communities experienced gains in municipal revenue of 50-80%, as shown in the table below. Eight communities registered between 50% and 60%, seven were between 60% and 70% and eight were between 70% and 80%. Municipal revenue in two communities, Maynard and Milford, rose by less than 50%. In contrast, municipal revenue in five communities climbed by 80%-100%, while municipal revenue increases in the two communities of Stow and Southborough exceeded 100%. The corresponding figure for all the 351 communities in the state was 52%.

Growth rates for five additional communities of the Expanded 495/MetroWest Region not included in the table below or on the map on the next page were: Grafton (88%), Plainville (75%), Upton (90%), Westford (90%), and Worcester (43%). These five additional communities are included in the communities of the 495/MetroWest Development Compact.

GROWTH IN 495/MW MUNICIPAL REVENUE, FY2000-FY2010

COMMUNITIES	% Change	Color
Maynard, Milford	<50%	
Bellingham, Framingham, Harvard, Holliston, Hopedale, Marlborough, Millis, Natick	50% - 60%	
Berlin, Franklin, Medway, Norfolk, Shrewsbury, Sudbury, Wrentham	60% - 70%	
Acton, Boxborough, Foxborough, Hudson, Littleton, Medfield, Northborough, Wayland	70% - 80%	
Ashland, Sherborn, Westborough	80% - 90%	
Bolton, Hopkinton	90% - 100%	
Stow, Southborough	>100%	

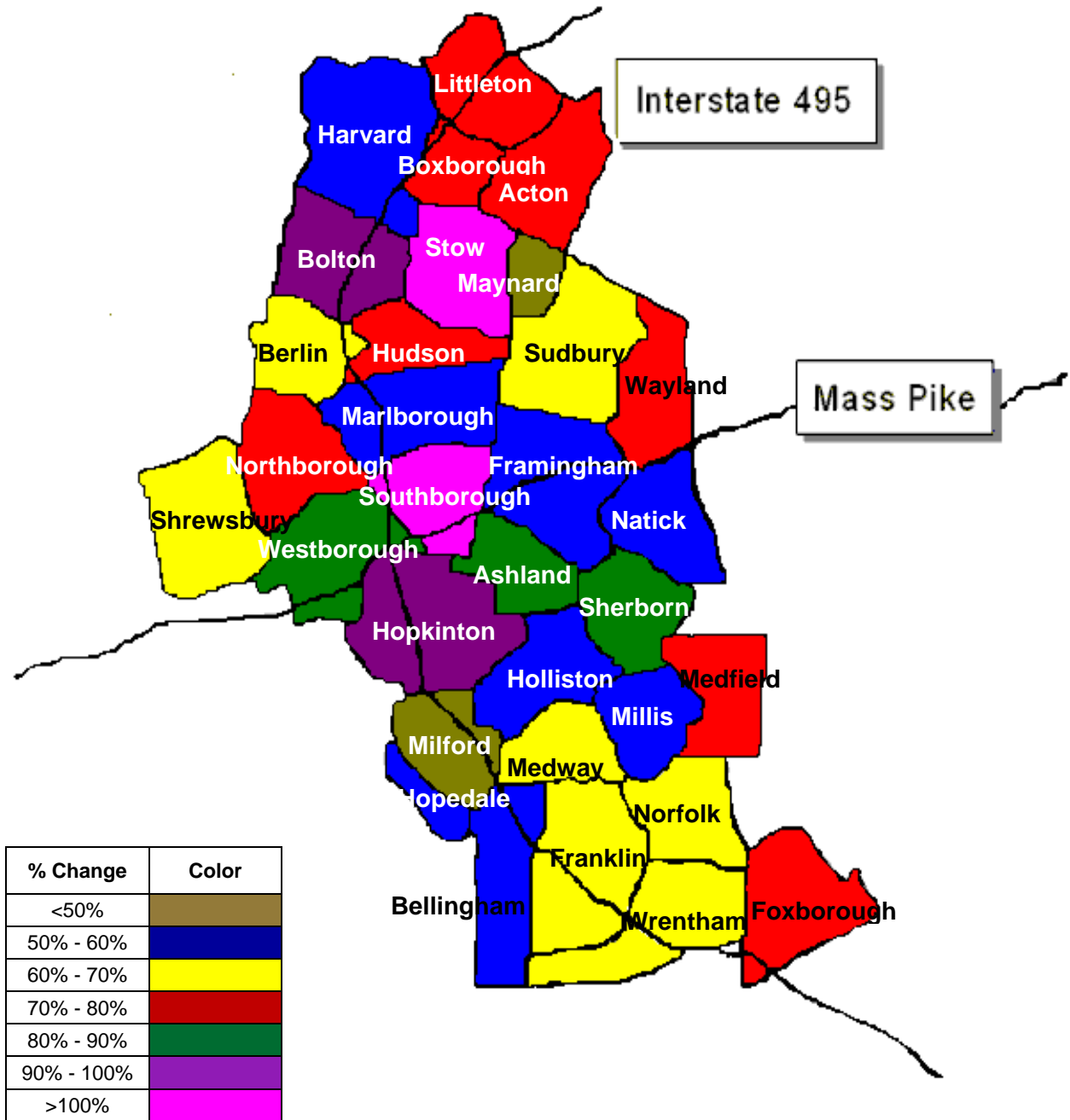
Source: Massachusetts Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

This map graphically represents the data shown in the table on the previous page.

GROWTH IN 495/MW MUNICIPAL REVENUE

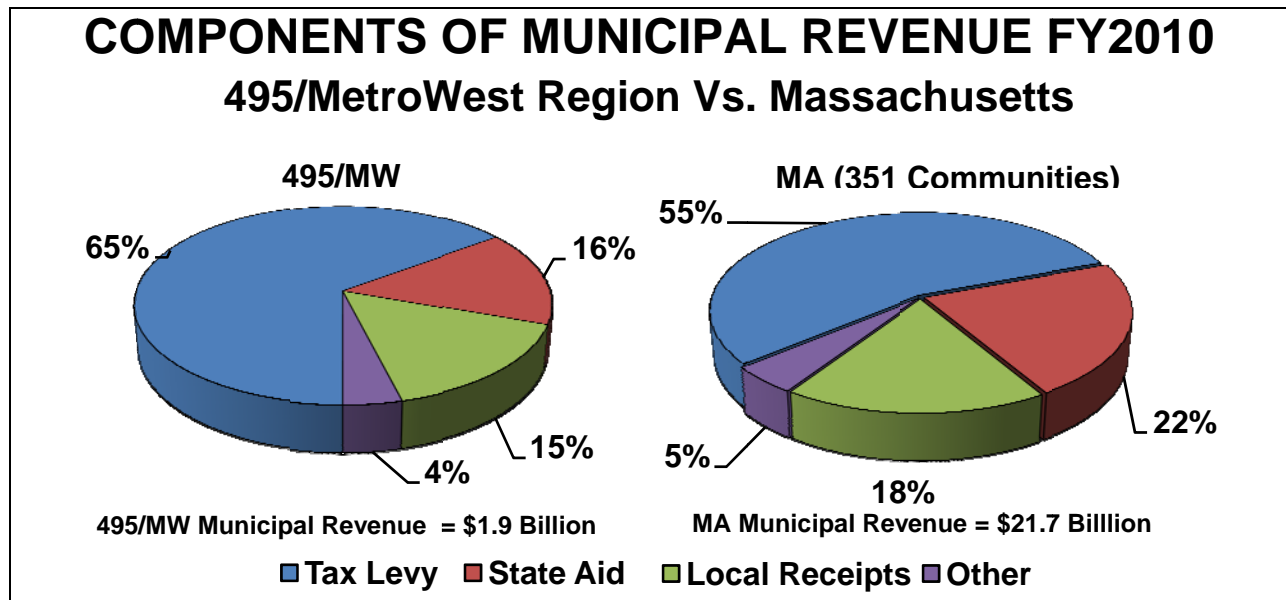
FY2000 – FY2010



Source: Massachusetts Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

Total municipal revenue is comprised of the tax levy, state aid, local receipts and the “all other” category. The pie charts below compare the percentage distribution of FY2010 municipal revenue for the 32 community 495/MetroWest (495/MW) Region with the total for all 351 municipalities in Massachusetts. In FY2010 the tax levy generated a higher share of total municipal revenue in the 495/MW Region, 64.9%, than it did statewide, 55.3%. In contrast, state aid in the 495/MW Region represented a smaller share of total municipal revenue (15.6%) than it did statewide (22.2%). Local receipts and “all other” revenue provided slightly lower shares of total municipal revenue in the 495/MW Region than statewide.



Source: MA Department of Revenue, DLS, and MERC

FY2010 Components	% of Total Municipal Revenue	
	495/MetroWest Region	MA (351 Communities)
Tax Levy	64.9%	55.3%
State Aid	15.6%	22.2%
Local Receipts	15.5%	17.8%
All Other	4.0%	4.6%

495/METROWEST REGION – MUNICIPAL REVENUE

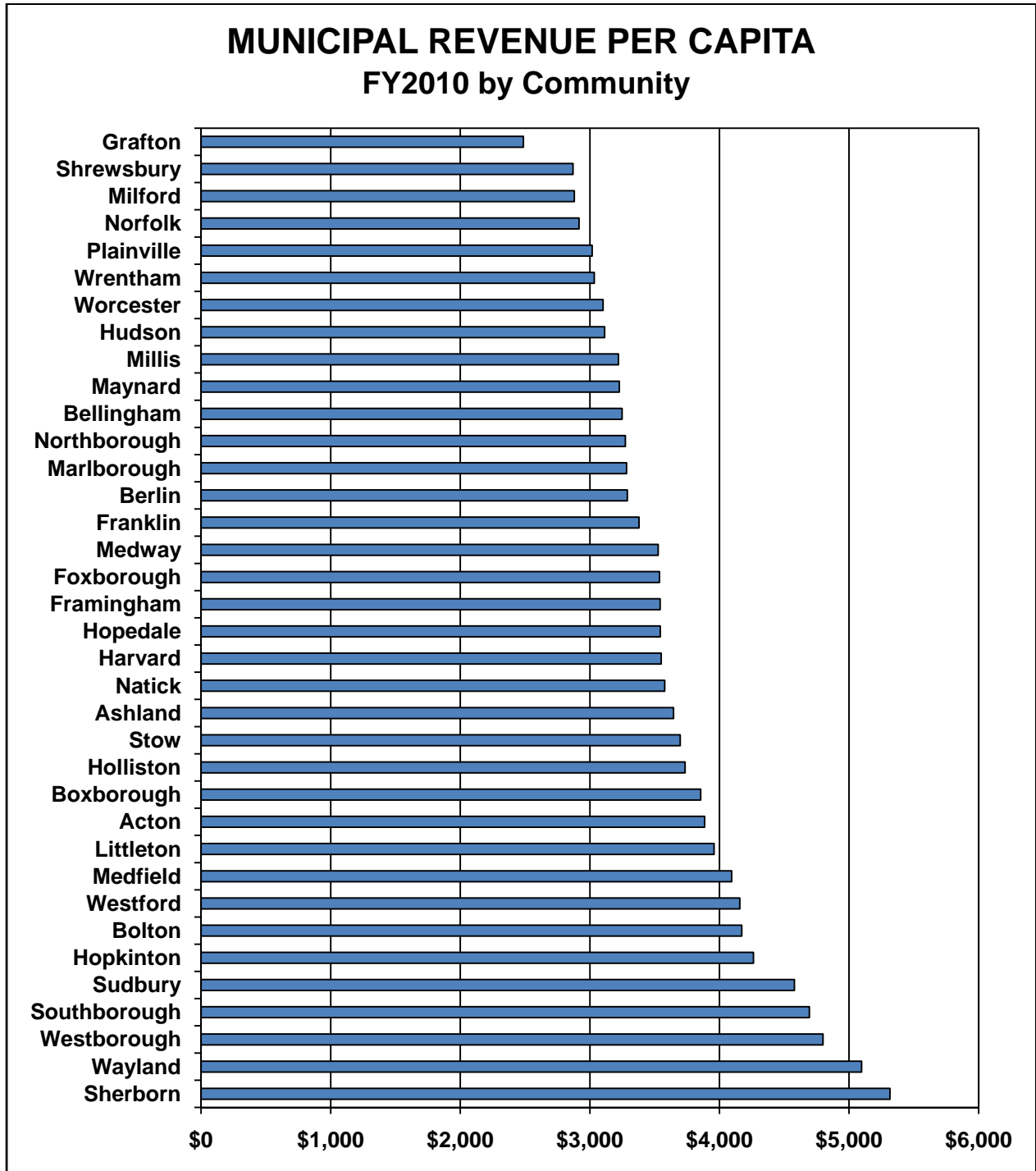
The table lists in alphabetical order the 32 communities in the 495/MW Region and the additional five communities in the Expanded 495/MW Region. FY2010 municipal revenue per capita is calculated by dividing municipal revenue by the 2009 Census population for each community. Values ranged from \$5,315 in Sherborn to \$2,488 in Grafton. For the combined 351 communities statewide, the average municipal revenue per capita was \$3,296.

Municipality	Total Revenue	Population 7/1/2009	Municipal Revenue per Capita
Acton	\$82,498,452	21,234	\$3,885
Ashland	\$56,083,553	15,383	\$3,646
Bellingham	\$51,495,586	15,853	\$3,248
Berlin	\$9,703,914	2,950	\$3,289
Bolton	\$19,210,119	4,604	\$4,172
Boxborough	\$19,948,025	5,174	\$3,855
Foxborough	\$60,436,363	17,087	\$3,537
Framingham	\$237,954,432	67,185	\$3,542
Franklin	\$108,415,552	32,079	\$3,380
Grafton	\$44,278,881	17,800	\$2,488
Harvard	\$21,858,971	6,156	\$3,551
Holliston	\$52,999,320	14,193	\$3,734
Hopedale	\$22,113,661	6,241	\$3,543
Hopkinton	\$62,466,008	14,657	\$4,262
Hudson	\$62,293,517	20,005	\$3,114
Littleton	\$35,529,264	8,975	\$3,959
Marlborough	\$126,293,789	38,469	\$3,283
Maynard	\$34,308,599	10,629	\$3,228
Medfield	\$50,255,048	12,274	\$4,094
Medway	\$45,497,207	12,901	\$3,527
Milford	\$79,537,852	27,616	\$2,880
Millis	\$25,867,641	8,034	\$3,220
Natick	\$115,702,629	32,338	\$3,578
Norfolk	\$32,626,044	11,188	\$2,916
Northborough	\$48,663,323	14,863	\$3,274
Plainville	\$25,011,508	8,289	\$3,017
Sherborn	\$22,776,158	4,285	\$5,315
Shrewsbury	\$97,483,425	33,973	\$2,869
Southborough	\$45,642,032	9,724	\$4,694
Stow	\$24,662,098	6,671	\$3,697
Sudbury	\$81,095,371	17,714	\$4,578
Upton	\$16,906,130	6,722	\$2,515
Wayland	\$68,817,165	13,503	\$5,096
Westborough	\$88,259,020	18,391	\$4,799
Westford	\$94,036,470	22,624	\$4,156
Worcester	\$565,868,894	182,421	\$3,102
Wrentham	\$34,049,552	11,224	\$3,034

Source: MA Department of Revenue, DLS, and MERC, U.S. Census

495/METROWEST REGION – MUNICIPAL REVENUE

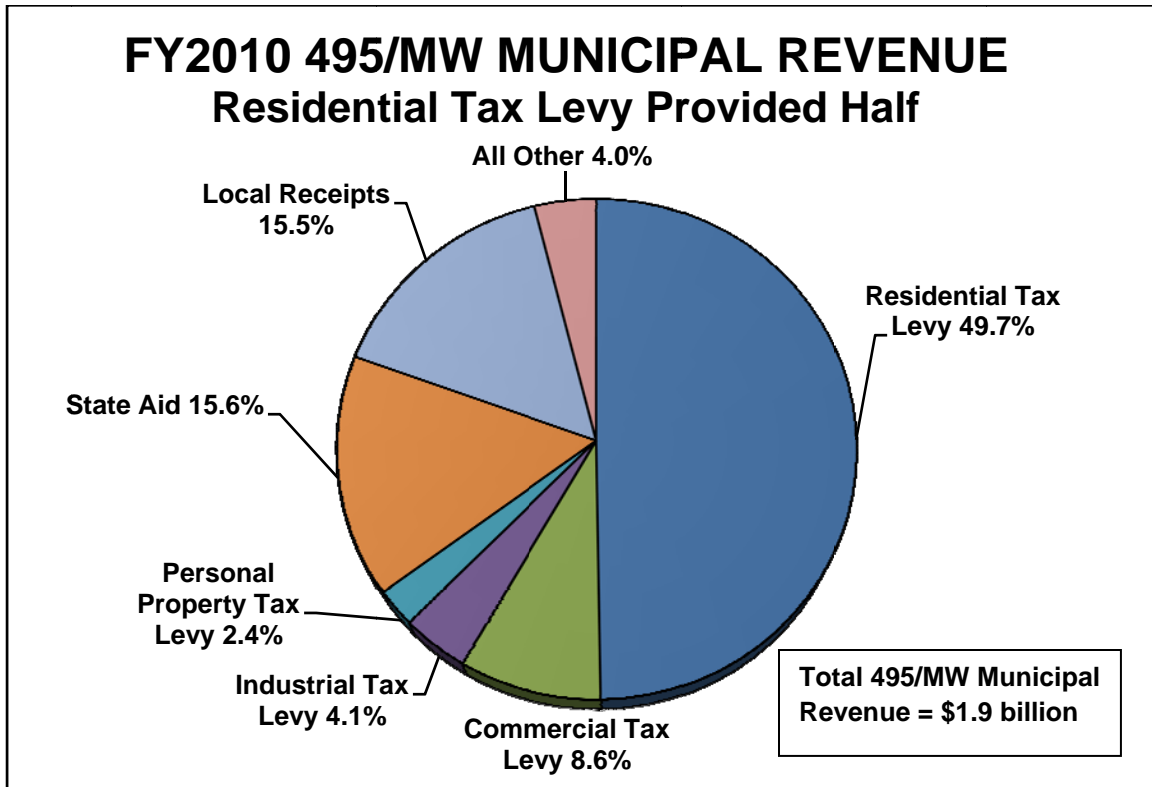
FY2010 municipal revenue per capita was calculated by dividing municipal revenue by the 2009 Census population for each of the 32 communities of the 495/MW region and the additional five communities of the 495/MW Development Compact. The graph below displays the FY2010 municipal revenue per capita ranked by size from a low of \$2,488 in Grafton to a high of \$5,315 in Sherborn.



Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

In FY2010 municipal revenue for the 32 community 495/MetroWest Region totaled \$1,925 million. The total tax levy generated \$1,249 million, or 64.9% of total municipal revenue. The tax levy includes: residential real estate taxes (49.7%), commercial real estate taxes (8.6%), industrial real estate taxes (4.1%), and personal property taxes (2.4%). The residential tax levy alone produced half of the region’s total municipal revenue. State aid (15.6%) and local receipts (15.5%) contributed similar shares. The “all other” category provided the remaining 4%.



Source: Massachusetts Department of Revenue, DLS, and MERC

Revenue Category	Amount	% of Total Revenue
Total Tax Levy	\$1,248,678,245	64.9%
Residential Tax Levy	\$957,146,533	49.7%
Open Space Tax Levy	\$17,540	Negligible
Commercial Tax Levy	\$166,060,929	8.6%
Industrial Tax Levy	\$78,353,171	4.1%
Personal Property Tax Levy	\$47,100,072	2.4%
State Aid	\$300,918,707	15.6%
Local Receipts	\$298,873,058	15.5%
All Other	\$76,073,680	4.0%
Total Revenue	\$1,924,543,690	100.0%

495/METROWEST REGION – MUNICIPAL REVENUE

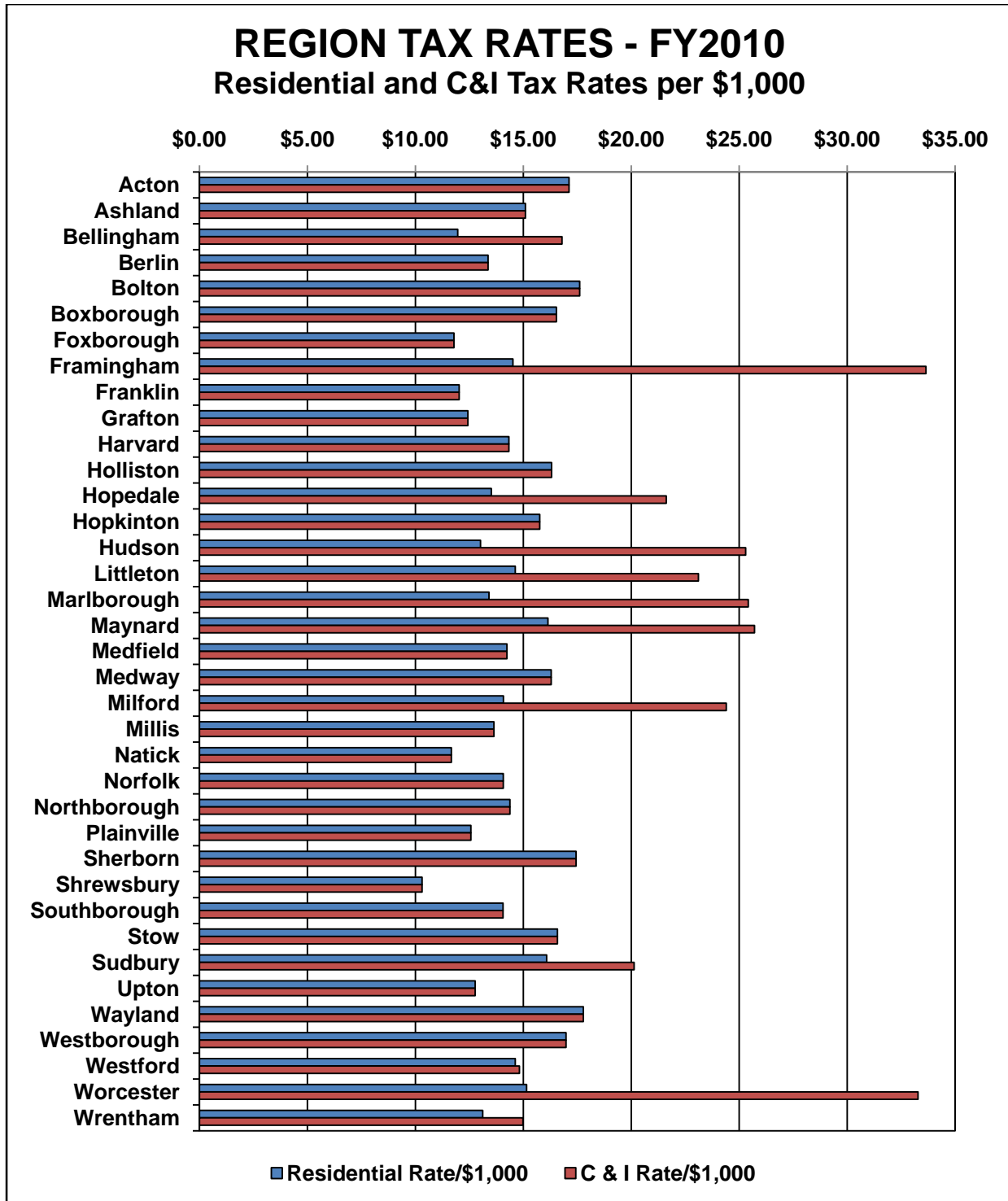
This table provides the FY2010 residential and commercial & Industrial (C&I) tax rates for each of the 32 communities of the 495/MetroWest Region. Residential rates ranged from \$17.78 in Wayland to \$10.31 in Shrewsbury. Commercial & industrial rates ranged from \$33.65 in Framingham to \$10.31 in Shrewsbury. Ten communities had different rates, “split rates”, for residential and C&I property indicated by asterisks below. Total assessed value by community in FY2010 ranged from \$7.9 billion in Framingham to \$559 million in Berlin.

Municipality	Residential Assessed Value	Total Assessed Value	Residential Rate/\$1000	C&I Rate/\$1000
Acton	\$3,257,545,318	\$3,741,421,414	17.12	17.12
Ashland	\$2,006,673,000	\$2,200,543,850	15.10	15.10
Bellingham*	\$1,576,023,742	\$2,206,813,918	11.96	16.79
Berlin	\$419,829,150	\$559,301,500	13.37	13.37
Bolton	\$841,525,762	\$931,523,796	17.61	17.61
Boxborough	\$722,063,119	\$961,330,741	16.53	16.53
Foxborough	\$2,031,070,206	\$2,789,786,250	11.79	11.79
Framingham*	\$5,981,560,227	\$7,934,481,314	14.52	33.65
Franklin	\$3,399,580,062	\$4,354,757,148	12.03	12.03
Harvard	\$1,086,713,988	\$1,138,995,512	14.33	14.33
Holliston	\$1,816,610,457	\$2,061,165,463	16.31	16.31
Hopedale*	\$629,073,717	\$707,054,706	13.52	21.62
Hopkinton	\$2,343,952,130	\$2,814,895,029	15.76	15.76
Hudson*	\$1,891,583,075	\$2,330,973,000	13.02	25.30
Littleton*	\$1,156,864,500	\$1,451,398,874	14.63	23.11
Marlborough*	\$3,159,637,559	\$4,716,118,822	13.41	25.42
Maynard*	\$1,097,382,875	\$1,279,843,525	16.14	25.71
Medfield	\$2,164,473,796	\$2,291,894,139	14.24	14.24
Medway	\$1,440,202,396	\$1,638,646,140	16.29	16.29
Milford*	\$2,423,094,792	\$3,074,937,774	14.08	24.40
Millis	\$961,376,851	\$1,066,155,430	13.64	13.64
Natick	\$5,025,308,180	\$6,595,636,170	11.67	11.67
Norfolk	\$1,401,251,920	\$1,501,202,458	14.07	14.07
Northborough	\$1,952,052,700	\$2,478,455,470	14.38	14.38
Sherborn	\$1,064,520,747	\$1,114,417,642	17.44	17.44
Shrewsbury	\$4,183,776,708	\$4,762,631,162	10.31	10.31
Southborough	\$1,764,192,507	\$2,200,552,897	14.06	14.06
Stow	\$1,067,468,095	\$1,170,108,445	16.58	16.58
Sudbury*	\$3,719,642,603	\$4,003,661,467	16.08	20.13
Wayland	\$2,871,312,611	\$3,020,718,290	17.78	17.78
Westborough	\$2,055,747,190	\$3,392,442,851	16.98	16.98
Wrentham*	\$1,440,753,977	\$1,764,415,790	13.12	14.98

Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

The FY2010 residential rates in blue and the commercial & industrial rates (C&I) in red are shown alphabetically for each of the 32 communities of the 495/MetroWest Region and the additional five communities of the Expanded 495/MW Region.



Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

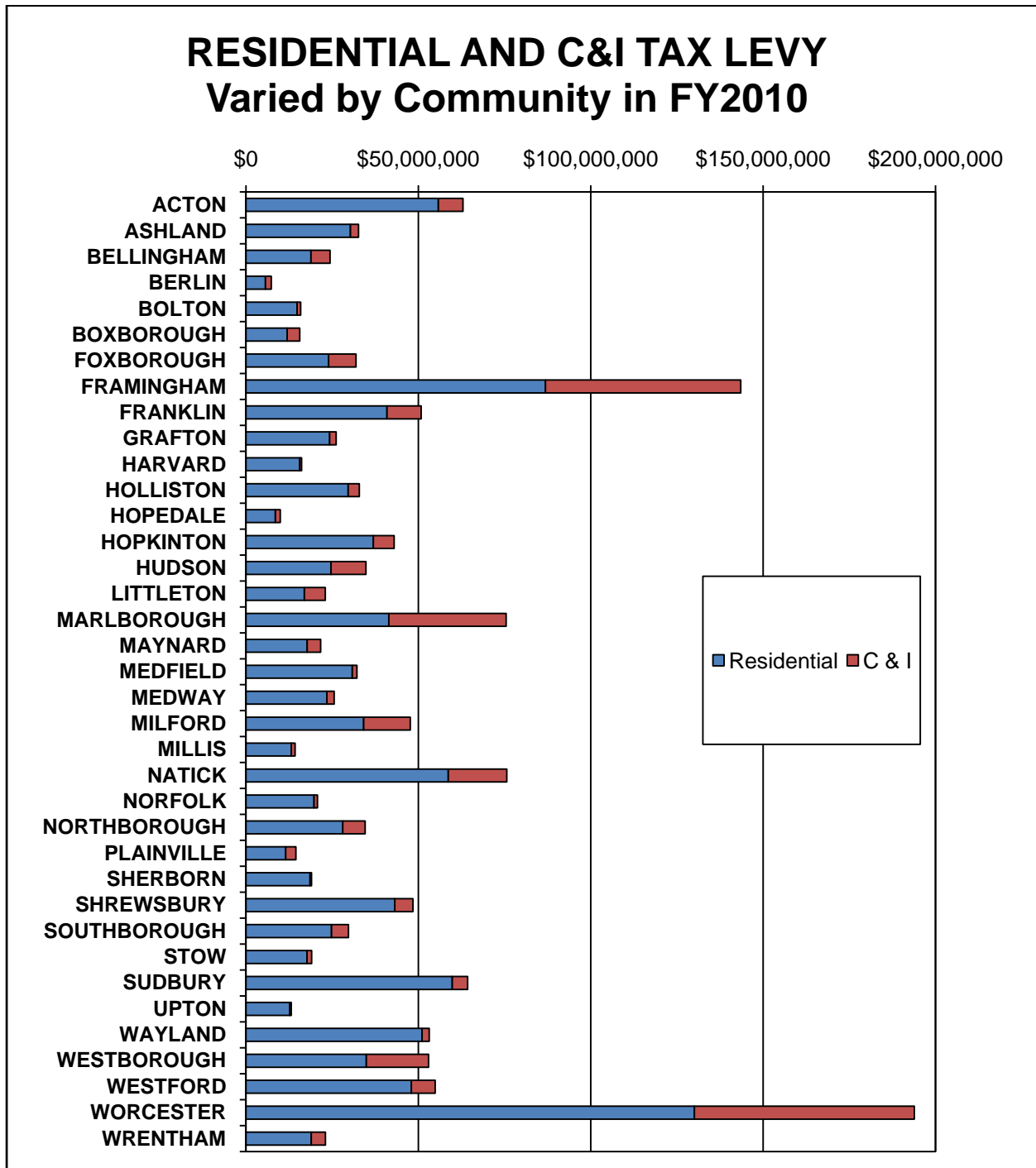
The FY2010 residential tax levy and the commercial & industrial tax levy and their respective shares of municipal revenue differ among the 37 communities.

Municipality	Residential Tax Levy	% of Municipal Revenue	Commercial & Industrial (C&I) Tax Levy	% of Municipal Revenue	Total Municipal Revenue
Acton	\$55,769,176	67.6%	\$7,173,143	8.7%	\$82,498,452
Ashland	\$30,300,762	54.0%	\$2,321,313	4.1%	\$56,083,553
Bellingham	\$18,849,244	36.6%	\$5,511,801	10.7%	\$51,495,586
Berlin	\$5,613,116	57.8%	\$1,713,692	17.7%	\$9,703,914
Bolton	\$14,819,269	77.1%	\$1,035,802	5.4%	\$19,210,119
Boxborough	\$11,935,703	59.8%	\$3,628,841	18.2%	\$19,948,025
Foxborough	\$23,946,318	39.6%	\$7,938,029	13.1%	\$60,436,363
Framingham	\$86,852,254	36.5%	\$56,626,929	23.8%	\$237,954,432
Franklin	\$40,896,948	37.7%	\$9,901,103	9.1%	\$108,415,552
Grafton	\$24,263,786	54.8%	\$1,867,152	4.2%	\$44,278,881
Harvard	\$15,572,611	71.2%	\$531,938	2.4%	\$21,858,971
Holliston	\$29,628,917	55.9%	\$3,217,022	6.1%	\$52,999,320
Hopedale	\$8,505,077	38.5%	\$1,422,997	6.4%	\$22,113,661
Hopkinton	\$36,940,686	59.1%	\$6,011,030	9.6%	\$62,466,008
Hudson	\$24,628,412	39.5%	\$10,146,361	16.3%	\$62,293,517
Littleton	\$16,924,928	47.6%	\$6,056,270	17.1%	\$35,529,264
Marlborough	\$41,430,296	32.8%	\$34,001,329	26.9%	\$126,293,789
Maynard	\$17,711,760	51.6%	\$3,939,148	11.5%	\$34,308,599
Medfield	\$30,822,107	61.3%	\$1,356,483	2.7%	\$50,255,048
Medway	\$23,460,897	51.6%	\$2,088,804	4.6%	\$45,497,207
Milford	\$34,117,175	42.9%	\$13,541,134	17.0%	\$79,537,852
Millis	\$13,113,180	50.7%	\$1,127,860	4.4%	\$25,867,641
Natick	\$58,645,346	50.7%	\$16,996,097	14.7%	\$115,702,629
Norfolk	\$19,715,615	60.4%	\$1,006,468	3.1%	\$32,626,044
Northborough	\$28,070,518	57.7%	\$6,479,502	13.3%	\$48,663,323
Plainville	\$11,499,477	46.0%	\$2,976,936	11.9%	\$25,011,508
Sherborn	\$18,565,242	81.5%	\$436,810	1.9%	\$22,776,158
Shrewsbury	\$43,134,738	44.2%	\$5,265,292	5.4%	\$97,483,425
Southborough	\$24,804,547	54.3%	\$4,905,597	10.7%	\$45,642,032
Stow	\$17,698,621	71.8%	\$1,337,069	5.4%	\$24,662,098
Sudbury	\$59,811,853	73.8%	\$4,452,378	5.5%	\$81,095,371
Upton	\$12,694,496	75.1%	\$413,887	2.4%	\$16,906,130
Wayland	\$51,051,938	74.2%	\$2,090,531	3.0%	\$68,817,165
Westborough	\$34,906,587	39.6%	\$18,026,366	20.4%	\$88,259,020
Westford	\$47,940,063	51.0%	\$6,915,604	7.4%	\$94,036,470
Worcester	\$130,063,177	23.0%	\$63,794,506	11.3%	\$565,868,894
Wrentham	\$18,902,692	55.5%	\$4,126,961	12.1%	\$34,049,552

Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

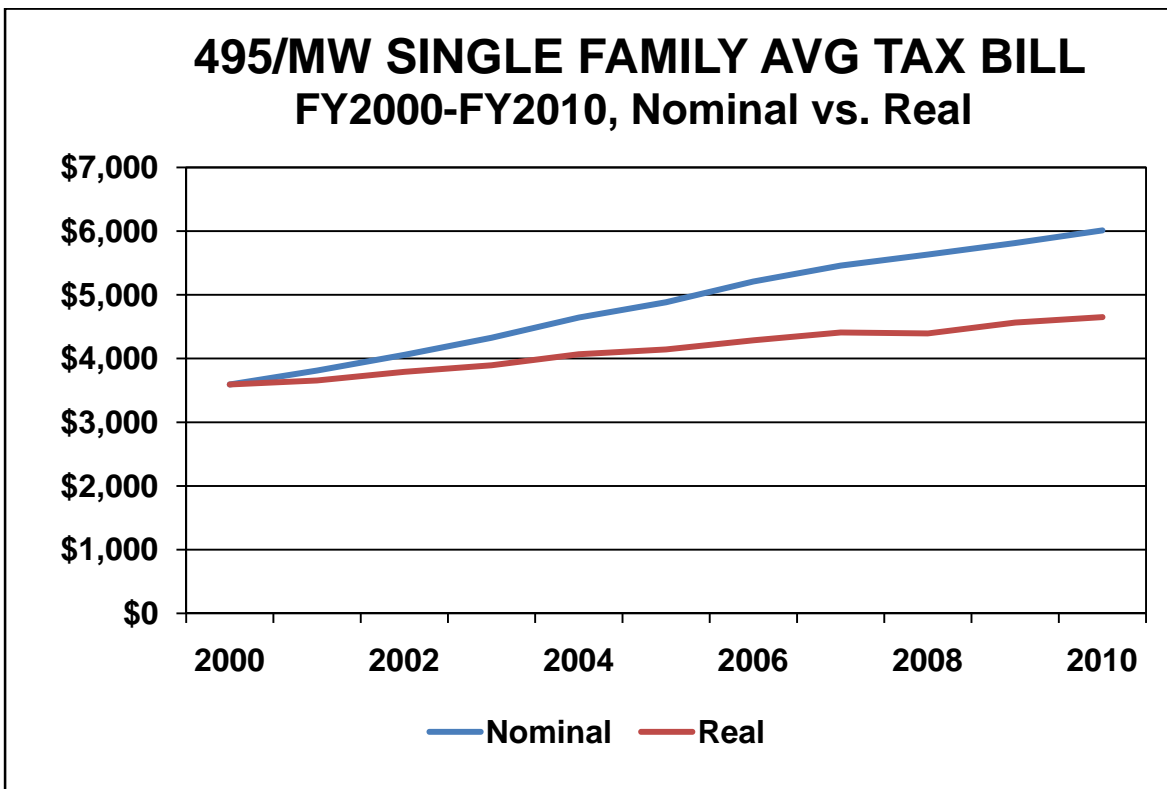
The FY2010 residential tax levy and the commercial & industrial (C&I) tax levy varied greatly among the 37 communities of the Expanded 495/MW Region. In terms of absolute dollars Worcester and Framingham produced the largest residential and C&I tax levies. Berlin produced the lowest residential tax levy and Upton, the lowest C&I tax levy.



Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

In the 32 community 495/MetroWest (495/MW) Region, the single family average tax bill (blue) increased from \$3,593 in FY2000 to \$6,012 in FY2010, a gain of 67.3%. The single family tax bill was determined by calculating a residential tax rate for the region and applying this rate to the average single family assessed value. The rate was determined by dividing the residential tax levy by the residential assessed value for the region. The average single family assessed value was determined by dividing the total single family assessed value for the region by the total number of single family dwellings. Marlborough was not included as its single family tax bills were unavailable for this period. The nominal single family average tax bill over time was adjusted for inflation (red) using a base year of 2000 and the Boston CPI for Urban Consumers. The real average single family tax bill or tax bill adjusted for inflation in 2000 values rose from \$3,593 in FY2000 to \$4,651 in FY2010, a gain of 29%.



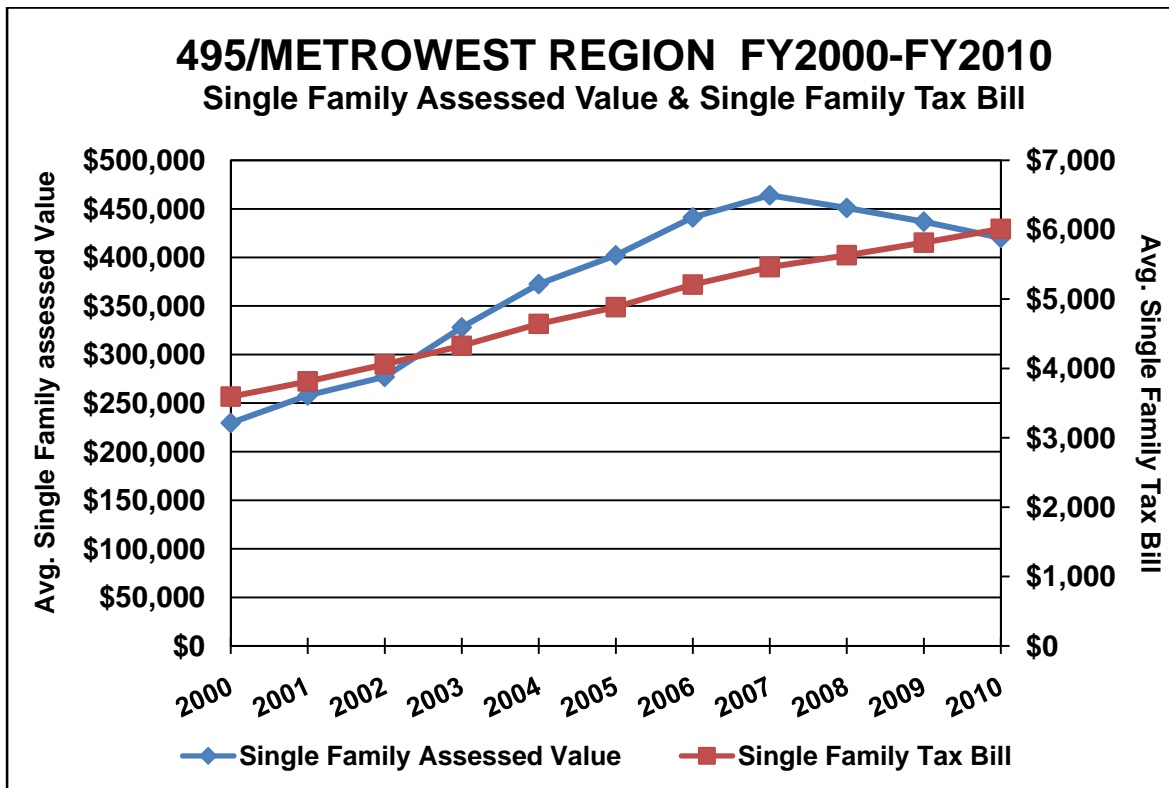
Source: Massachusetts Department of Revenue, DLS, BLS and MERC

Fiscal Year	Nominal Single Family Average Tax Bill	Real (Inflation Adjusted) Single Family Average Tax Bill
2000	\$3,593	\$3,593
2002	\$4,058	\$3,791
2004	\$4,642	\$4,068
2006	\$5,209	\$4,286
2008	\$5,632	\$4,394
2010	\$6,012	\$4,651

Source: Massachusetts Department of Revenue, DLS, BLS and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

In the 32 community 495/MetroWest (495/MW) Region, the average single family assessed value peaked in FY2007, while the average single family tax bill peaked in FY2010. The average single family assessed value (blue) is shown on the left vertical axis, and the average single family tax bill (red) is shown on the right vertical axis. Each year from FY2000 to FY2007 the annual percentage increase in the average single family assessed value exceeded the annual percentage increase in the average single family tax bill. After peaking in FY2007 the average assessed single family value declined each year while the average tax bill continued to rise. Over the entire FY2000-FY2010 period, the annual average assessed value increase was 6.2%, and the annual tax bill increase was 5.3%. Please note that due to its residential exemption, Marlborough’s related values are unavailable and not included in the data.



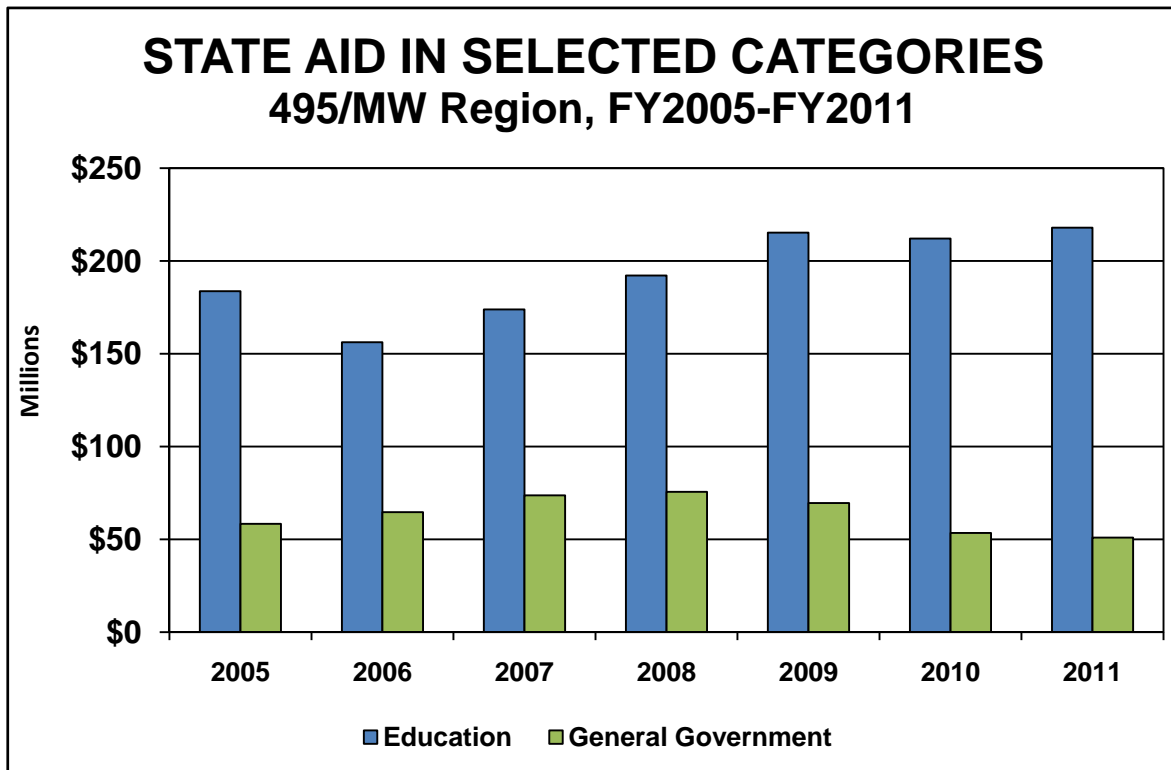
Source: MA Department of Revenue, DLS, and MERC

Fiscal Year	Avg. Single Family Assessed Value	% Change over Prior Year	Average Single Family Tax Bill	% Change over Prior Year
2000	\$229,503	N.A.	\$3,593	N.A.
2002	\$277,020	7.4%	\$4,058	6.5%
2004	\$372,542	13.6%	\$4,642	7.3%
2006	\$441,232	9.7%	\$5,209	6.7%
2008	\$450,974	-2.8%	\$5,632	3.2%
2010	\$420,126	-3.8%	\$6,012	3.4%

Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

State aid for education given directly to the 32 communities within the 495/MetroWest (495/MW) Region increased from \$184 million in FY2005 to a peak of \$218 million in FY2011, a gain of 19%. Please note that the amounts for FY2006 and the following years do not include continuing school construction aid that is now reported by the Massachusetts School Building Authority (MSBA). State aid for education fell from \$184 million in FY2005 to \$156 million in FY2006, and then rose to \$218 million in FY2011. State aid for general government fluctuated over the period reaching a high of \$76 million in FY2008 and recording a low of \$51 million in FY2011. Total state aid includes both state aid for education and state aid for general government. Total state aid also fluctuated over the period peaking at \$284 million in FY2009 before declining to \$266 million in FY2010 and \$269 million in FY2011.



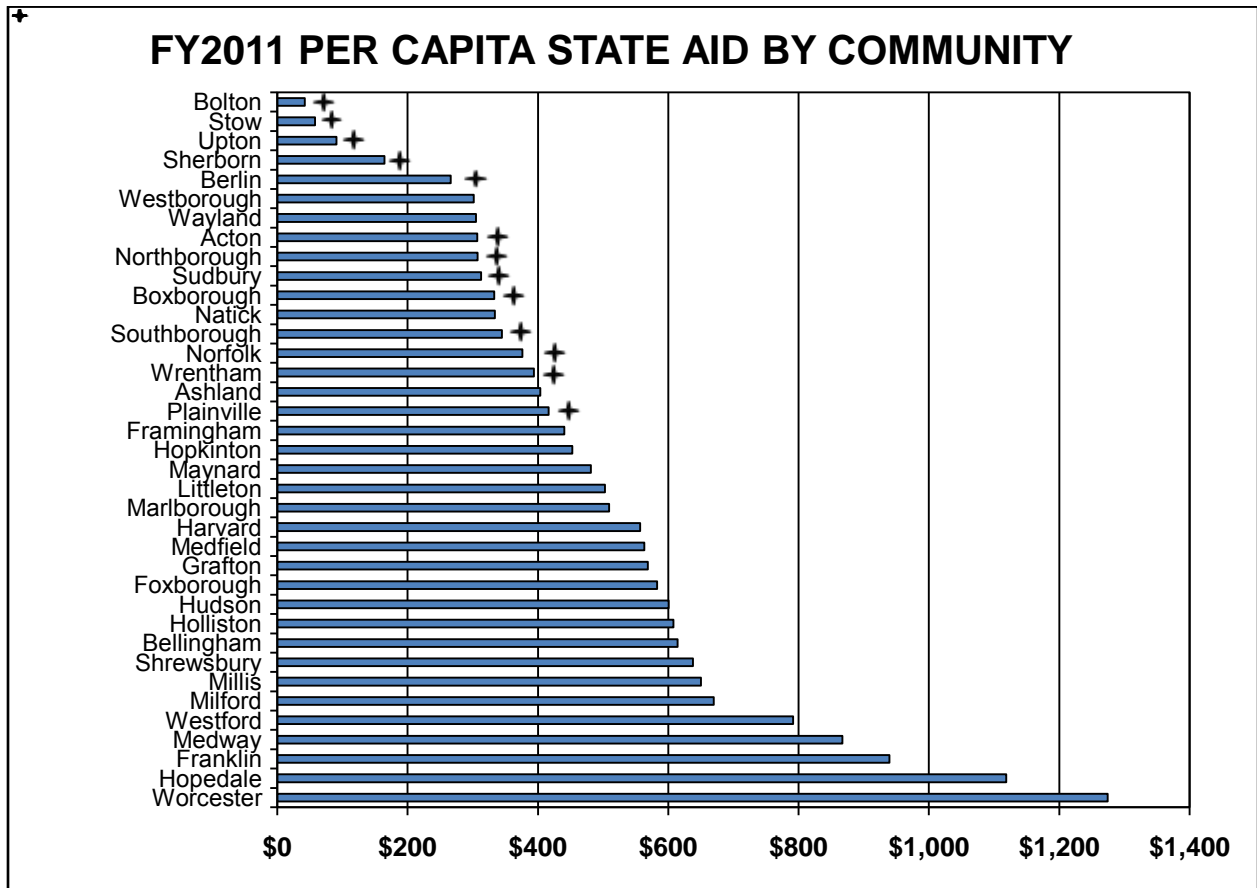
Source: MA Department of Revenue, DLS, and MERC

Fiscal Year	State Aid Education	State Aid General Government	Total
2005	\$183,702,345	\$58,404,403	\$242,106,748
2006	\$156,189,392	\$64,672,110	\$220,861,502
2007	\$173,846,822	\$73,669,510	\$247,516,332
2008	\$192,143,569	\$75,577,797	\$267,721,366
2009	\$215,251,837	\$69,569,648	\$284,821,485
2010	\$212,099,865	\$53,435,283	\$265,535,148
2011	\$217,941,040	\$50,959,752	\$268,900,792

Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

The following graph displays per capita state aid, excluding aid for regional, vocational, and charter schools, given directly to the 37 communities of the Expanded 495/MW Region for FY2011. Per capita state aid was determined by dividing municipal state aid by the 2009 Census population estimate. Values for communities that do not have regional schools ranged from a high for Worcester (\$1,274) to a low for Westborough (\$302). The six communities of Milford (\$670), Westford (\$792), Medway (\$867), Franklin (\$939), Hopedale (\$1,119) and Worcester (\$1,274) received more than the average value for all Massachusetts communities of \$662. Thirty of the 37 communities received less than the average value for Massachusetts. Thirteen of these communities have regional schools which receive state aid that does not appear in this graph or table: Acton, Berlin, Bolton, Boxborough, Norfolk, Northborough, Plainville, Sherborn, Southborough, Stow, Sudbury, Upton, and Wrentham.



Source: MA Department of Revenue, DLS, and MERC, U.S. Census

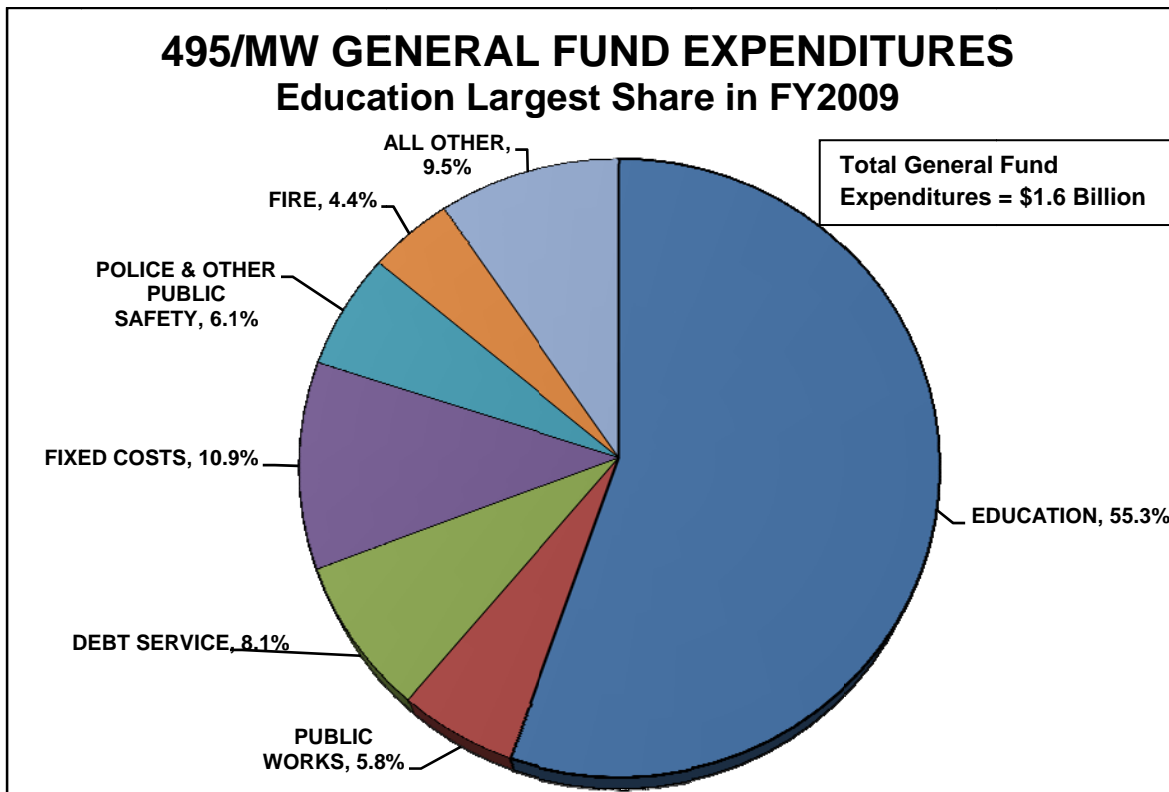
✦ These communities have regional schools.

Region	Per Capita State Aid
495/MW Region Average	\$502
37 Community Average	\$690
MA 351 Community Average	\$662

Source: MA Department of Revenue, DLS, and MERC, U.S. Census

495/METROWEST REGION – MUNICIPAL REVENUE

General fund expenditures for the 32 community 495/MetroWest (495/MW) Region totalled \$1,583.6 million in FY2009. Education was allocated approximately 55.3% of general funds, the largest allocation of any category. Police, fire, and other public safety expenditures accounted for approximately 10.5% of general funds. Debt service and fixed costs accounted for 8.1% and 10.9% of general funds and public works was allocated 5.8%. The remaining categories in the graph accounted for 9.5% of general fund expenditures and are identified as “all other” in the table. There are various other funds that municipalities employ that are unique to each community. For example, some municipalities use an enterprise fund which is not part of the general fund to account for water and sewer. Others use the general fund to account directly for water and sewer. This means careful interpretation is required when comparing the distribution of the general fund as it is often published in municipal reports. Expenditures for the other funds have been estimated at \$344.2 million for FY2009. Note that total revenue is assumed to be equal to total expenditures as communities work with balanced budgets.



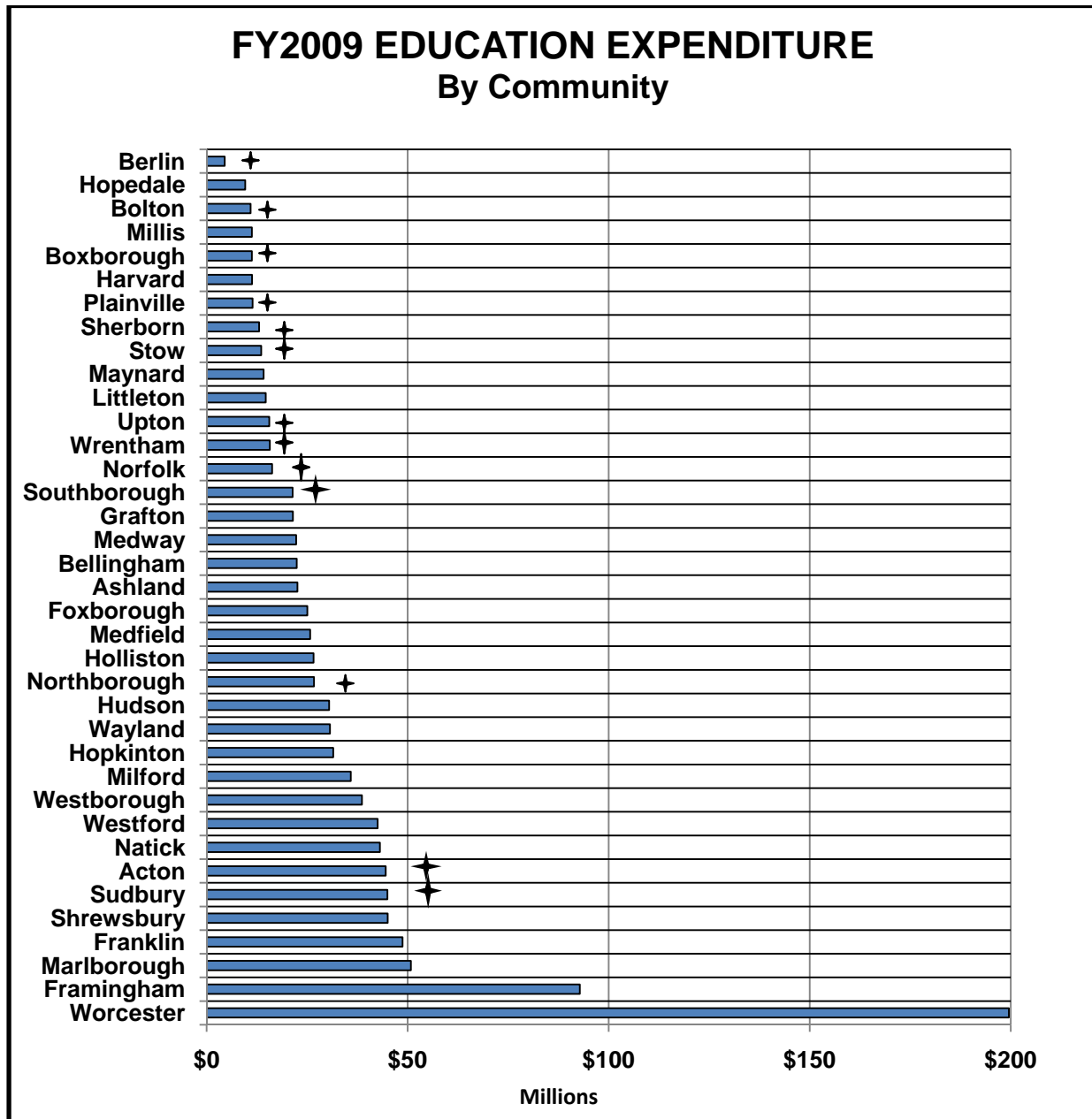
Source: MA Department of Revenue, DLS, and MERC

Categories	% of General Fund	FY 2009 Amount
Education	55.3%	\$876,165,105
Public Works	5.8%	\$91,370,286
Debt Service	8.1%	\$127,635,456
Fixed Costs	10.9%	\$171,988,633
Police & Other Public. Safety	10.5%	\$166,131,059
All Other	9.5%	\$150,348,874

Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

In FY2009 education expenditures consumed the largest share of municipal expenditures in the 37 communities of the Expanded 495/MetroWest Region. In the table below FY2009 municipal education expenditures are ranked by size. Values ranged from a low of \$5 million for Berlin, followed by Hopedale at \$10 million to a high of \$200 million for Worcester, followed by Framingham at \$93 million and Marlborough at \$51 million. Education expenditures for the remaining municipalities ranged between \$11 million and \$49 million.



Source: MA Department of Revenue, DLS, and MERC

+ These communities have regional schools.

495/METROWEST REGION – MUNICIPAL REVENUE

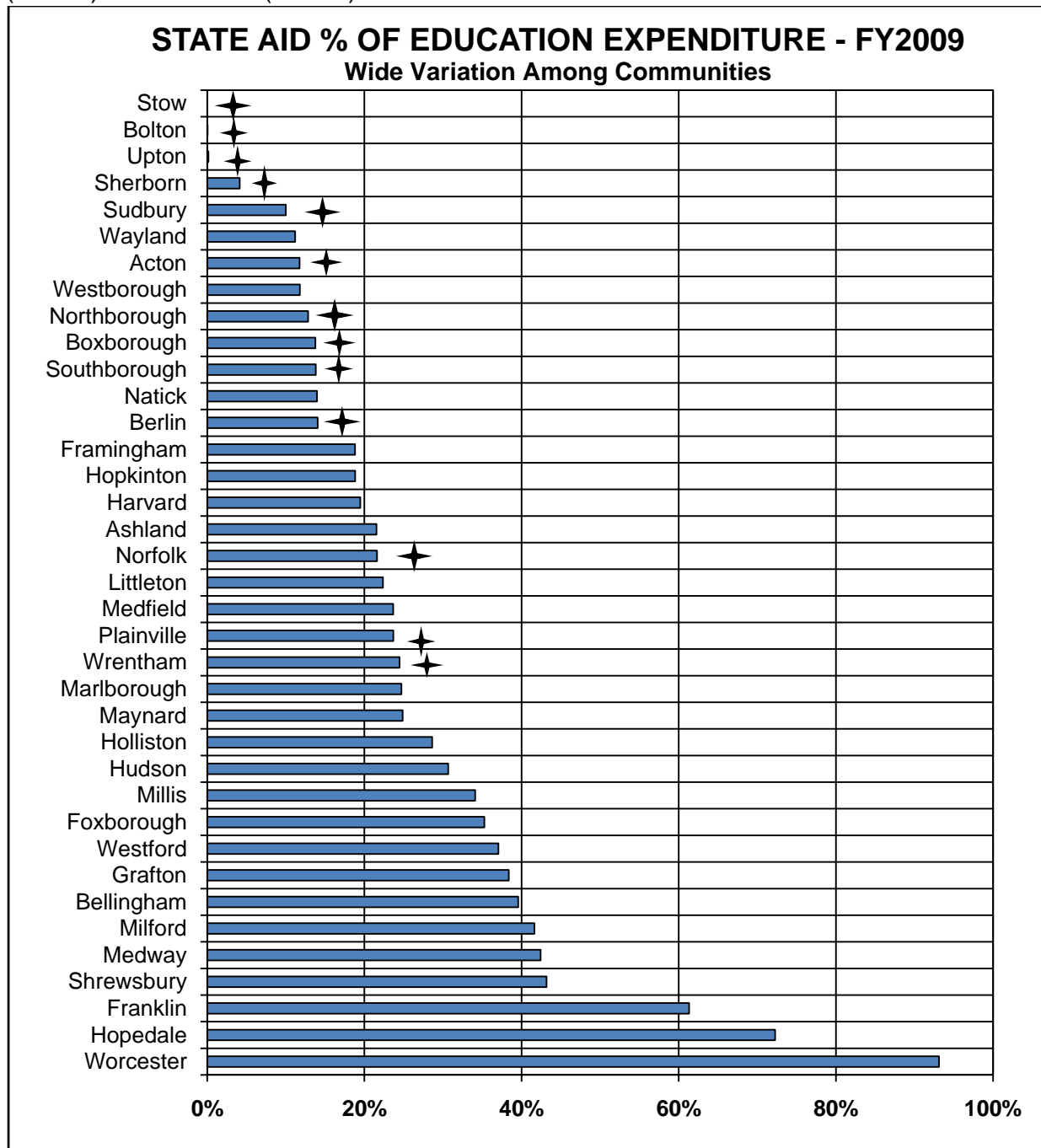
Educational state aid as a percent of education expenditures varies by community within the 37 communities of the Expanded 495/MetroWest Region; the state average is 42%. The table lists FY2009 education state aid, education expenditures and the respective share of state aid alphabetically by community. All comparisons are to be viewed cautiously as the values do not include regional district education state aid. Thirteen communities belong to regional school districts: Acton, Berlin, Bolton, Boxborough, Norfolk, Northborough, Plainville, Sherborn, Southborough, Stow, Sudbury, Upton, and Wrentham.

Municipality	Education State Aid	Education Expenditures	State Aid %
Acton	\$4,295,090	\$44,558,399	11.8%
Ashland	\$4,214,376	\$22,582,558	21.5%
Bellingham	\$8,417,862	\$22,390,928	39.6%
Berlin	\$631,681	\$4,493,444	14.1%
Bolton	\$5,769	\$10,930,002	0.1%
Boxborough	\$1,550,056	\$11,267,236	13.8%
Foxborough	\$8,831,374	\$25,044,469	35.3%
Framingham	\$17,468,701	\$92,834,325	18.8%
Franklin	\$29,888,451	\$48,745,373	61.3%
Grafton	\$8,239,438	\$21,473,418	38.4%
Harvard	\$2,200,471	\$11,294,704	19.5%
Holliston	\$7,616,640	\$26,603,446	28.6%
Hopedale	\$6,924,868	\$9,582,334	72.3%
Hopkinton	\$5,932,101	\$31,499,101	18.8%
Hudson	\$9,346,672	\$30,470,612	30.7%
Littleton	\$3,285,643	\$14,693,652	22.4%
Marlborough	\$12,553,398	\$50,795,186	24.7%
Maynard	\$3,528,620	\$14,186,903	24.9%
Medfield	\$6,088,385	\$25,731,933	23.7%
Medway	\$9,440,605	\$22,252,329	42.4%
Milford	\$14,923,865	\$35,845,581	41.6%
Millis	\$3,838,002	\$11,257,426	34.1%
Natick	\$6,018,907	\$43,093,476	14.0%
Norfolk	\$3,520,212	\$16,286,427	21.6%
Northborough	\$3,425,355	\$26,689,812	12.8%
Plainville	\$2,703,175	\$11,412,589	23.7%
Sherborn	\$540,677	\$13,055,428	4.1%
Shrewsbury	\$19,437,265	\$45,017,471	43.2%
Southborough	\$2,956,102	\$21,391,413	13.8%
Stow	\$0	\$13,571,180	0.0%
Sudbury	\$4,501,497	\$44,971,748	10.0%
Upton	\$24,535	\$15,574,611	0.2%
Wayland	\$3,433,004	\$30,678,038	11.2%
Westborough	\$4,553,036	\$38,624,726	11.8%
Westford	\$15,759,769	\$42,544,328	37.0%
Worcester	\$185,853,550	\$199,576,638	93.1%
Wrentham	\$3,847,680	\$15,725,445	24.5%

Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – MUNICIPAL REVENUE

FY2009 state aid received directly by each of the 37 communities in the Expanded 495/MW Region for education, excluding monies for regional school districts, was calculated as a percentage of education expenditures incurred by each community, ranked by this percentage. There were wide variations in this value among the communities. State aid as a percentage of municipal education expenditures for the communities not part of regional districts ranged from a low of Wayland (11.2%), followed by Westborough (11.8%) to a high of Worcester (93.1%), then Hopedale (72.3%) and Franklin (61.3%).



Source: MA Department of Revenue, DLS, and MERC

✦ These communities have regional schools.

495/METROWEST REGION - K-12 ENROLLMENT

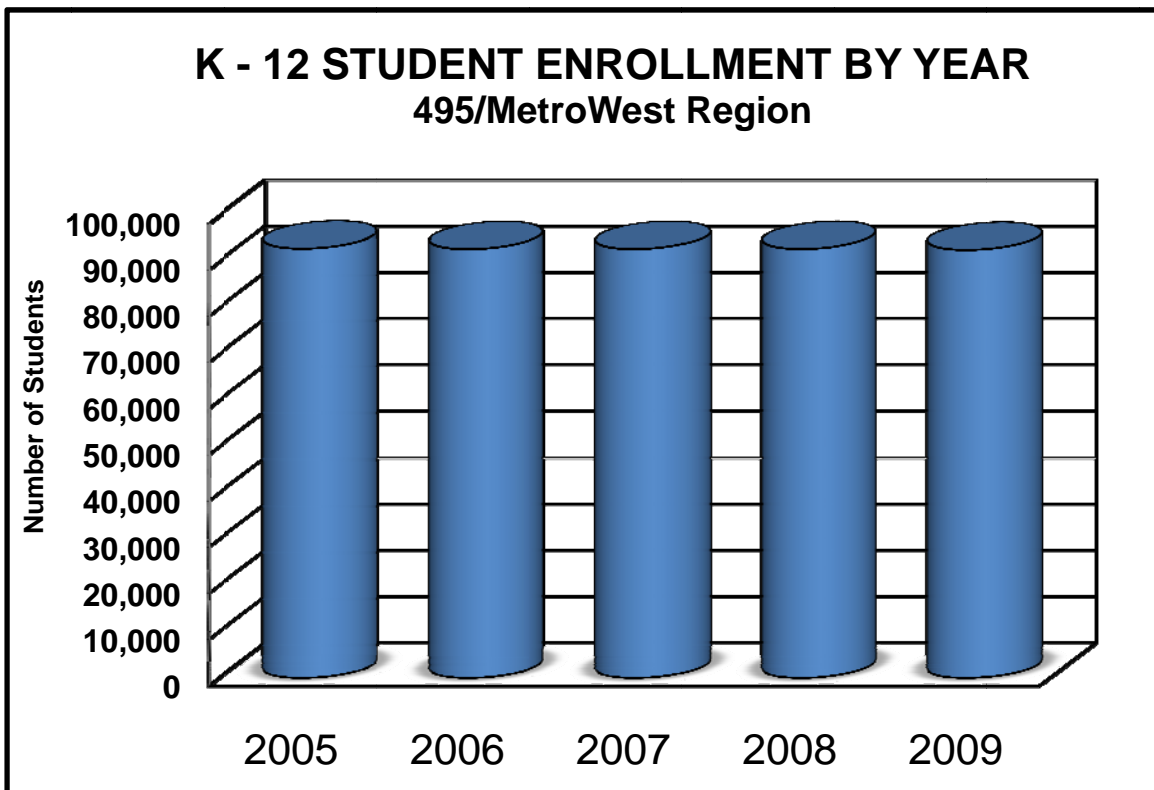
K-12 PUBLIC SCHOOL ENROLLMENT

The MetroWest Economic Research Center (MERC) at Framingham State University annually collects data on K-12 public school enrollment for several substate regions. The 495/MetroWest Region public school enrollment is calculated for kindergarten through grade 12 using the annual state student census conducted in October of each year. Included in the data are all public school students in regular education, special education, ELL (English Language Learners), regional charter schools and regional vocational high schools. MERC contacts the region's charter schools to obtain their enrollment figures.

The Massachusetts Department of the Elementary and Secondary Education implemented a student enrollment database, the Student Information Management System (S.I.M.S.) in 2000. The MERC K-12 data presented in this report are obtained from both the October 2010 S.I.M.S. student census and data provided directly to MERC by the local school districts.

495/METROWEST REGION – K-12 ENROLLMENT

In the 32 community 495/MetroWest (495/MW) Region, enrollment in K-12 public schools totaled 90,389 students in 2009 excluding vocational and charter schools. In 2005 495/MW student enrollment was 90,548. By 2008 student enrollment had increased to 90,645, a slight gain of 0.1%. Student enrollment declined by 260 students from 2008 to 2009, a 0.3% decrease. In 2005 495/MW vocational school enrollment was 2,229; by 2009 vocational enrollment had decreased 1.6% to 2,194 students. In contrast, the charter school enrollment steadily increased from 1,867 students in 2005 to 2,574 students in 2009, a gain of 37.9%.



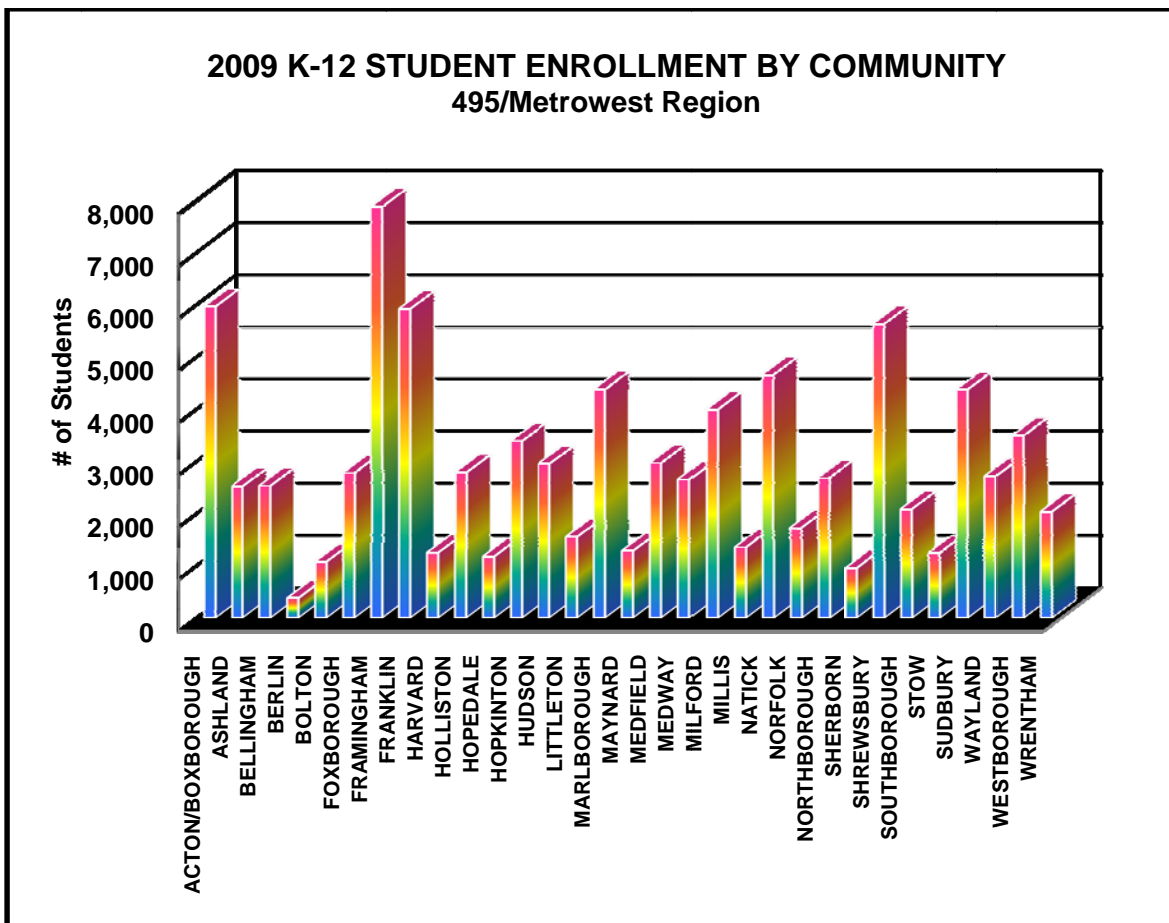
Source: MA Department of Elementary and Secondary Education and MERC

	495/MetroWest (except Vocational and Charter)	Charter School Enrollment	Vocational School Enrollment
2005	90,548	1,867	2,229
2006	90,421	1,989	2,224
2007	90,629	2,226	2,235
2008	90,645	2,342	2,123
2009	90,386	2,574	2,194

495/METROWEST REGION – K-12 ENROLLMENT

In the 32 community 495/MetroWest (495/MW) Region, K-12 public school enrollment totaled 90,386 students in 2009 not including the vocational and charter schools. Student enrollment declined by 0.3% from 2008 to 2009. Framingham (7,881) had the highest student enrollment followed by Franklin (5,926), Acton/Boxborough (5,961), and Shrewsbury (5,630). The towns of Hopkinton, Marlborough, Milford, Natick, Sudbury and Westborough had enrollments between 3,000 to 4,000 students. The majority of the remaining towns had student enrollments from 1,000 to 2,000. The smallest student enrollments occurred in the towns of Sherborn (956) and Berlin (380).

In 2009 charter school enrollment totaled 2,574 and vocational school enrollment totaled 2,194.



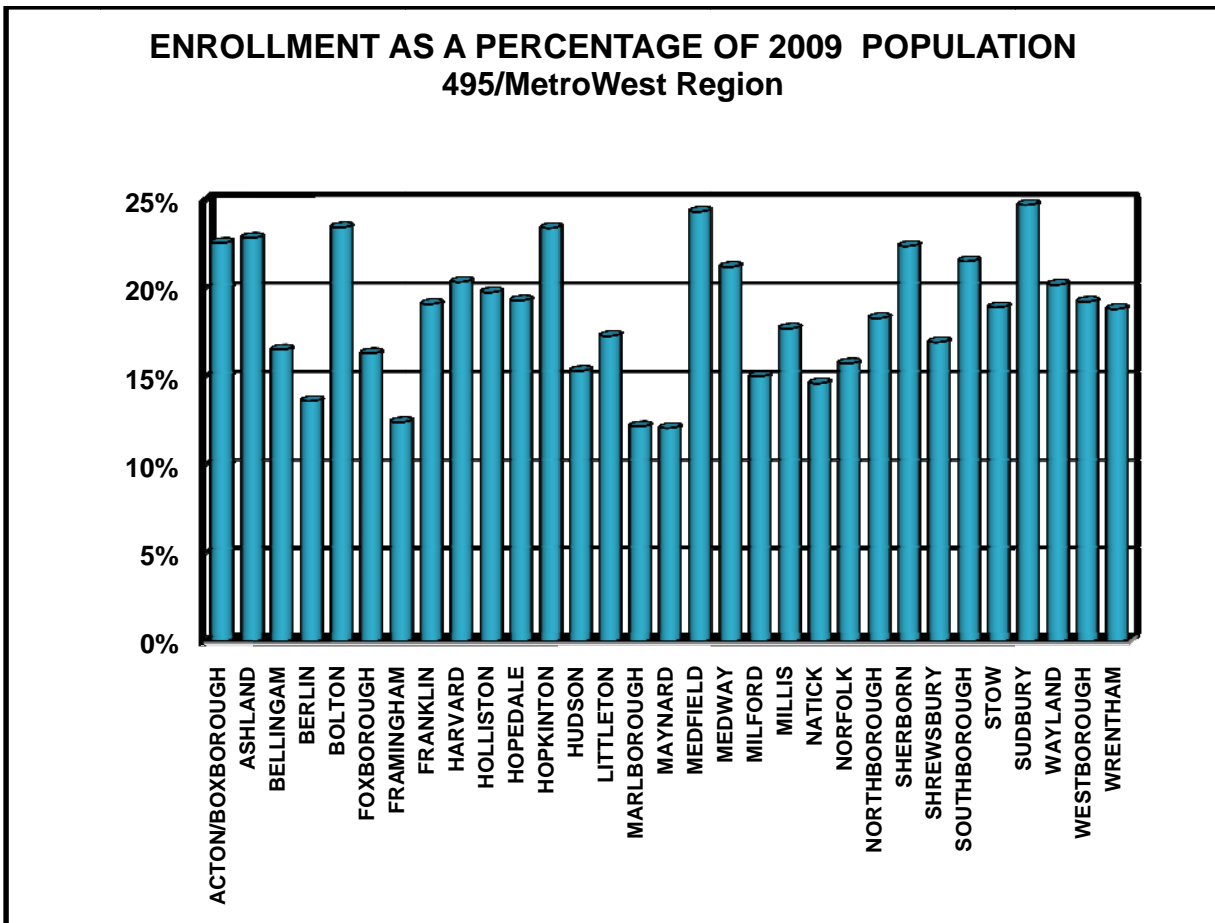
Source: MA Department of Elementary and Secondary Education and MERC

495/METROWEST REGION – K-12 ENROLLMENT

In 2009 K-12 public school enrollment for the 32 community 495/MetroWest (495/MW) Region was 92,580 including vocational school enrollment (2,194) but not charter school enrollment (2,574). The graph represents the proportion of the community population enrolled in public schools. Public school enrollment in 2009 is given as a percentage of 2009 population estimated by the U. S. Census. The highest enrollment as a percentage of the population occurred in Sudbury (24.7%) followed by Medfield (24.4%), Bolton (23.5%), Hopkinton (23.4%), Sherborn (22.4%), Southborough (21.5%), Medway (21.2%), Harvard (20.4%), and Wayland (20.2%). In these communities, between 1 in 4 and 1 in 5 residents attended a public school in 2009.

The percentage of population enrolled in public schools for Ashland, Bellingham, Foxborough, Hudson, Littleton, Millis, Medford, Natick, and Shrewsbury ranged from 14% to 18%. In these communities, about 1 in 6 or 7 residents attended a public school in 2009.

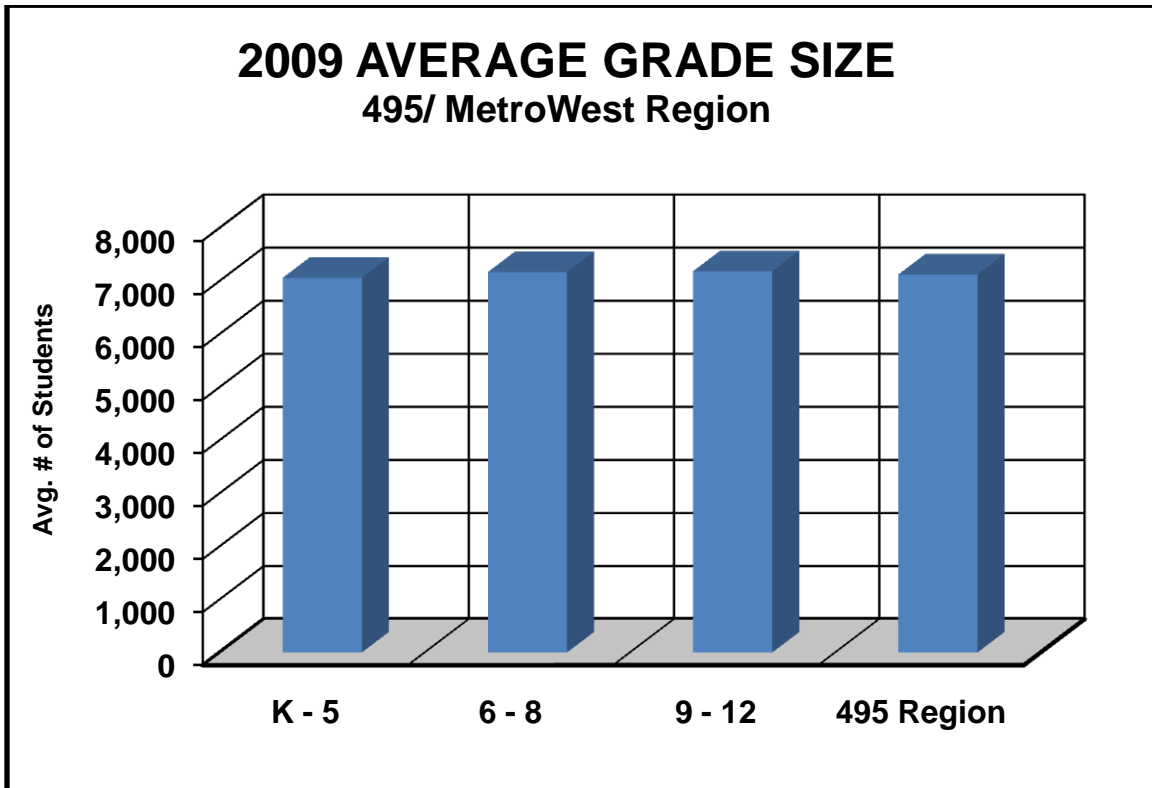
Although Framingham had the highest population and public school enrollment at 7,881 students, only 1 in 8 residents attended a public school (12.4%) in 2009.



Source: MA Department of Elementary and Secondary Education, MERC, U.S. Census

495/METROWEST REGION – K-12 ENROLLMENT

In 2009 the 32 communities of the 495/MetroWest (495/MW) Region enrolled an average of 7,121 students per grade in K-12 public schools, down 0.2% from 2008. At the elementary school level, the average number of students per grade was 7,058 a 0.8% decrease from 2008. The average enrollment per grade at the middle school level was 7,167 students, a decrease of 0.6% from 2008. The highest average enrollment per grade occurred at the high school level at 7,183, an increase of 1% from 2008. Vocational school enrollment is included in the average number of students per grade. Charter school enrollment is not included in the average grade size.

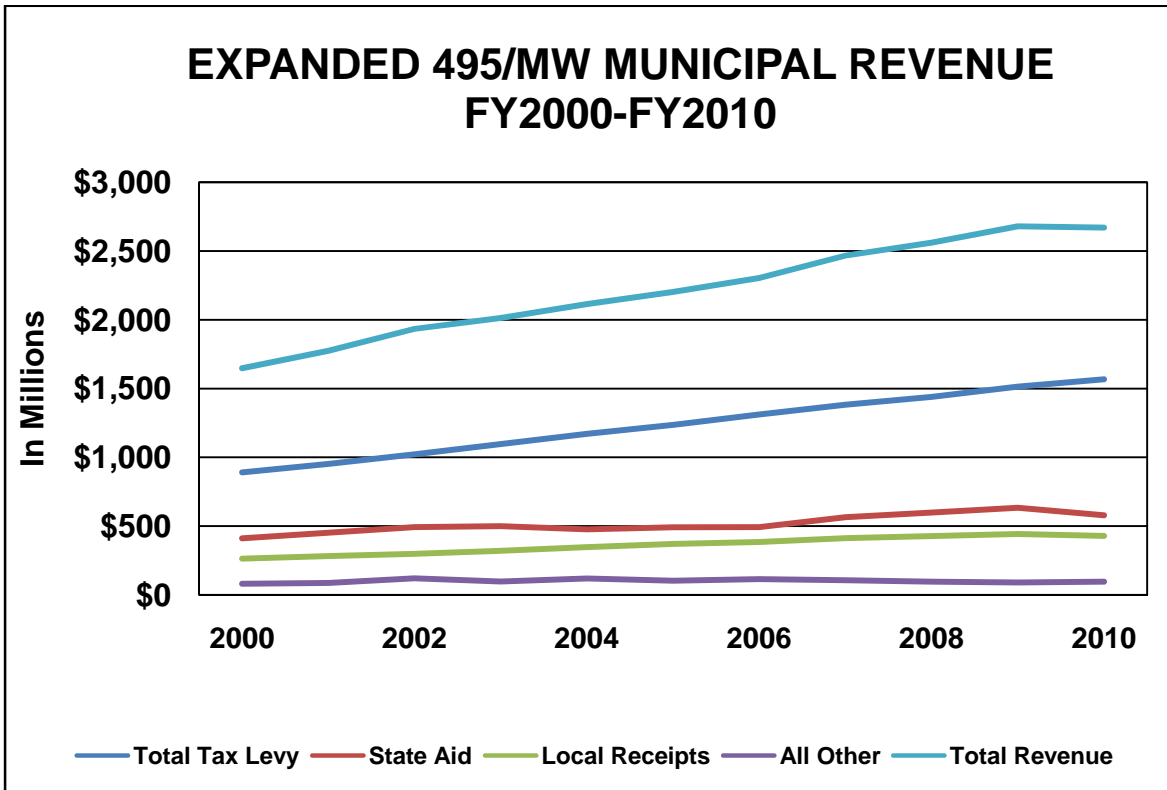


Source: MA Department of Elementary and Secondary Education and MERC

	Total Enrollment Including Vocational Schools	Grades	Enrollment by Grade
K - 5	42,348	6	7,058
6 - 8	21,500	3	7,167
9 - 12	28,732	4	7,183
All Grades	92,580	13	7,121

495/METROWEST REGION – APPENDIX 1

The Expanded 495/MetroWest (Expanded 495/MW) Region includes the 32 communities of the 495/MetroWest Region (495/MW) plus five additional municipalities: Grafton, Plainville, Upton, Westford and Worcester. Total municipal revenue in the Expanded 495/MW Region rose from \$1,647 million in FY2000 to \$2,671 million in FY2010, an increase of 62%. Over the same period the total tax levy increased from \$891 million to \$1,567 million, a gain of 76%. State aid climbed from \$412 million in FY2000 to its peak of \$633 million in FY2009, before declining to \$578 million in FY2010. Local receipts rose to its peak of \$443 million before declining to \$429 million in FY2010. The “all other” category which includes available free cash accounted for 4% of municipal revenue in FY2010. It varied over the period between \$81 million and \$120 million.



Source: MA Department of Revenue, DLS, and MERC

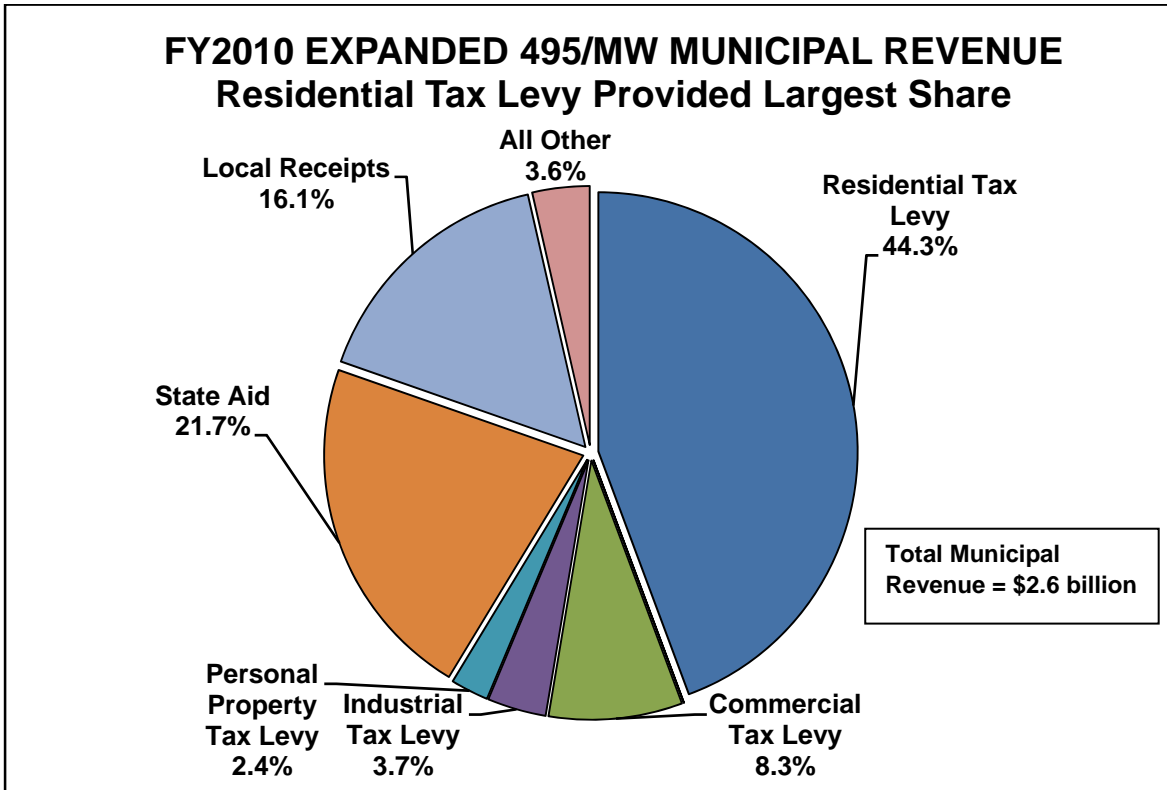
Fiscal Year	Total Tax Levy	State Aid*	Local Receipts	All Other	Total Revenue
2000	\$890,683,812	\$411,675,789	\$263,986,154	\$81,019,239	\$1,647,364,994
2002	\$1,022,578,248	\$492,326,251	\$298,291,036	\$120,119,229	\$1,933,314,764
2004	\$1,170,276,718	\$476,740,231	\$348,228,840	\$118,753,692	\$2,113,999,481
2006	\$1,310,961,994	\$493,051,210	\$385,287,539	\$114,397,160	\$2,303,697,904
2008	\$1,439,343,282	\$598,425,207	\$427,401,070	\$95,457,927	\$2,560,627,486
2009	\$1,513,403,233	\$633,299,095	\$443,008,108	\$89,965,182	\$2,679,675,618
2010	\$1,567,152,898	\$578,771,553	\$429,290,555	\$95,430,567	\$2,670,645,573

Source: MA Department of Revenue, DLS, and MERC

*Note: estimated School Construction funding is included in state aid

495/METROWEST REGION – APPENDIX 1

In FY2010 municipal revenue for the Expanded 495/MetroWest (Expanded 495/MW) Region totaled \$2,670.6 million. The total tax levy generated \$1,567.2 million, or 58.7% of total municipal revenue. The tax levy includes: residential real estate taxes (44.3%), commercial real estate taxes (8.3%), industrial real estate taxes (3.7%), and personal property taxes (2.4%). The residential tax levy alone produces nearly half of the region’s total municipal revenue. State aid (21.7%), local receipts (16.1%) and the “all other” category (3.6%) provided the remaining 41.3%.



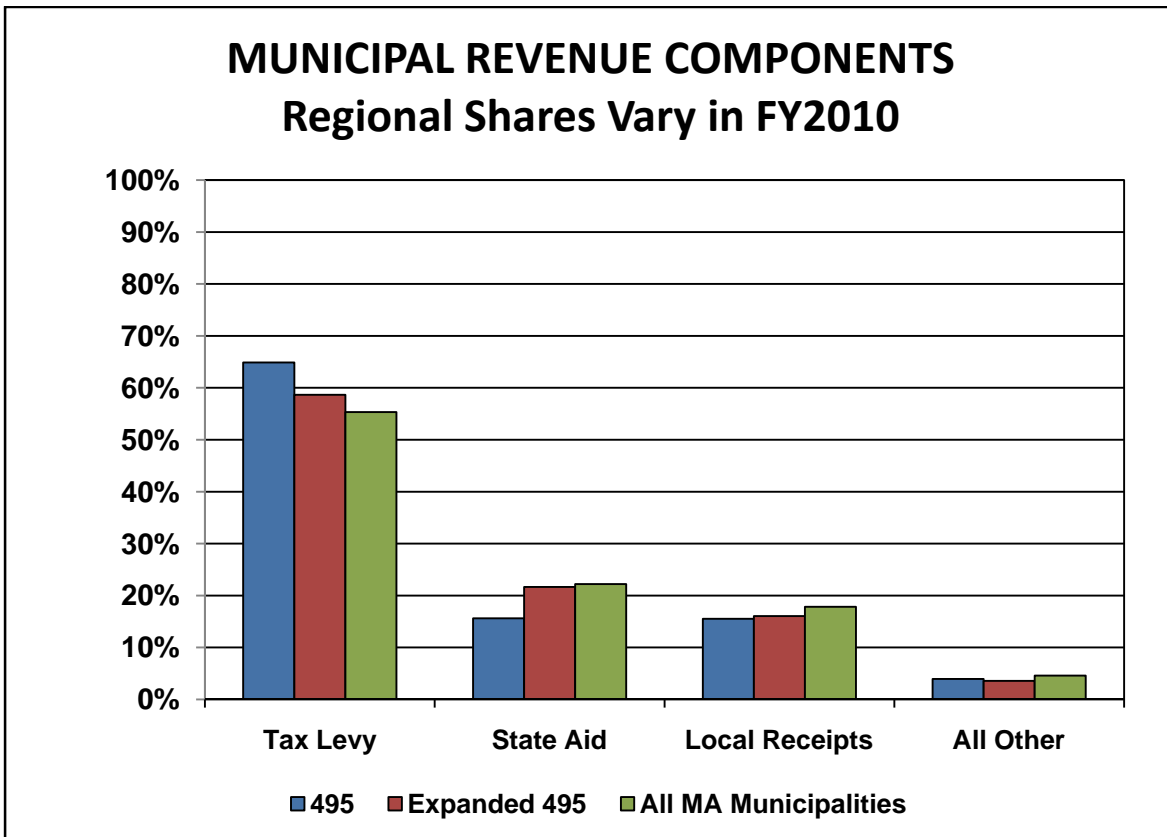
Source: MA Department of Revenue, DLS, and MERC

Revenue Category	Amount	% of Total Revenue
Total Tax Levy	\$1,567,152,898	58.7%
Residential Tax Levy	\$1,183,607,532	44.3%
Open Space Tax Levy	\$17,540	0.0%
Commercial Tax Levy	\$222,456,394	8.3%
Industrial Tax Levy	\$97,925,791	3.7%
Personal Property Tax Levy	\$63,145,641	2.4%
State Aid	\$578,771,553	21.7%
Local Receipts	\$429,290,555	16.1%
All Other	\$95,430,567	3.6%
Total Revenue	\$2,670,645,573	100.0%

Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – APPENDIX 1

Total municipal revenue is comprised of the tax levy, state aid, local receipts and the “all other” category. The chart below reports the percentage distribution of FY2010 municipal revenue for the 32 communities of 495/MetroWest (495/MW) Region, for the 37 communities of the Expanded 495/MW Region, and for all communities in MA. The 495/MW Region’s shares were: tax levy (64.9%), state aid (15.6%), local receipts (15.5%), and “all other” (4.0%). The Expanded 495/MW Region’s shares were: tax levy (58.7%), state aid (21.7%), local receipts (16.1%), and “all other” (3.6%). Comparable shares for all municipalities in the state were: tax levy (55.3%), state aid (22.2%), local receipts (17.8%), and “all other” (4.6%). The table below shows FY2010 dollar values for the respective components for the three regions.



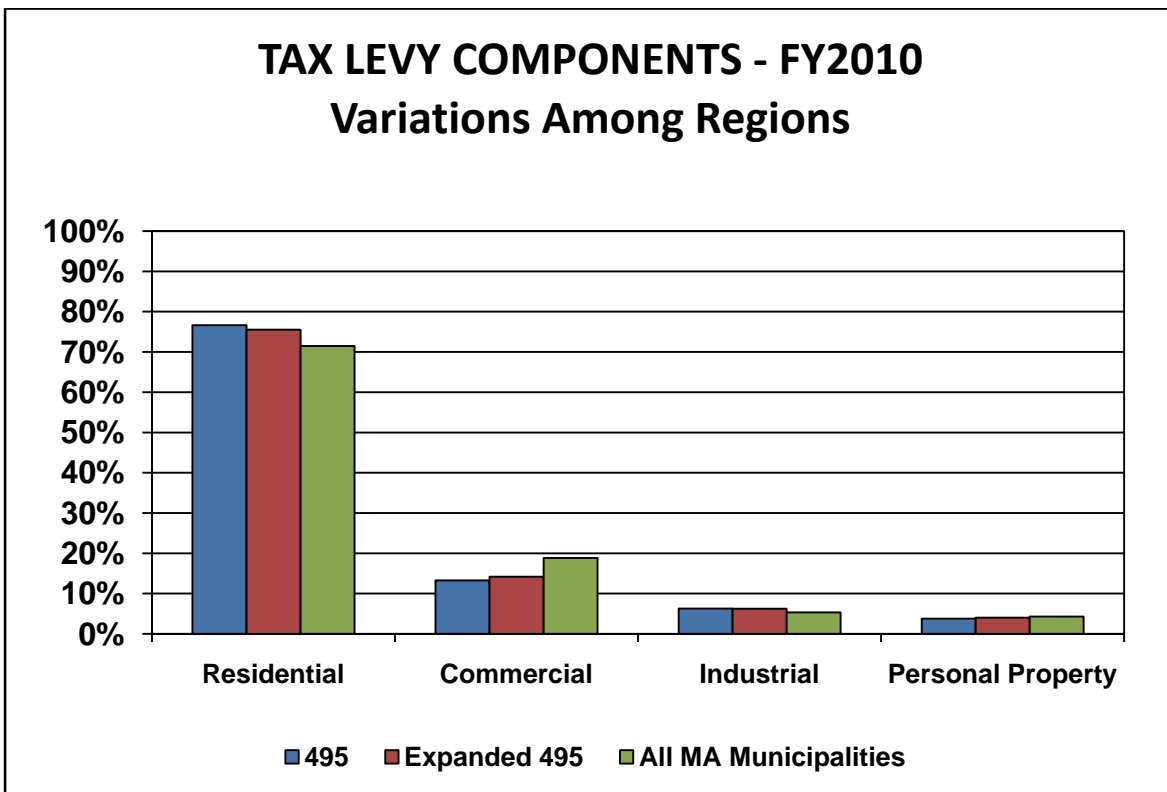
Source: MA Department of Revenue, DLS, and MERC

FY2010	495/MW	Expanded 495/MW	MA
Tax Levy	\$1,248,678,245	\$1,567,152,898	\$12,024,477,438
State Aid	\$300,918,707	\$578,771,553	\$4,831,805,213
Local Receipts	\$298,873,058	\$429,290,555	\$3,878,002,750
All Other	\$76,073,680	\$95,430,567	\$999,497,005
Total	\$1,924,543,690	\$2,670,645,573	\$21,733,782,406

Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – APPENDIX 1

The total tax levy is comprised of assessments on residential real estate, commercial real estate, industrial real estate and personal property. Revenue from open space is insignificant and not shown in the chart. The chart reports the percentage distribution of the tax levy components for the 32 communities of the 495/MetroWest (495/MW) Region, the 37 communities of the Expanded 495/MW Region and the combined 351 municipalities in Massachusetts for FY2010. The 495/MW shares were: residential (76.7%), commercial (13.3%), industrial (6.3%), and personal property (3.8%). The Expanded 495/MW shares were: residential (75.5%), commercial (14.2%), industrial (6.2%), and personal property (4.0%). Comparable shares for all municipalities in the state were: residential (71.5%), commercial (18.8%), industrial (5.4%), and personal property (4.3%). The table below shows FY2010 dollar values for the respective components for the three regions.



Source: MA Department of Revenue, DLS, and MERC

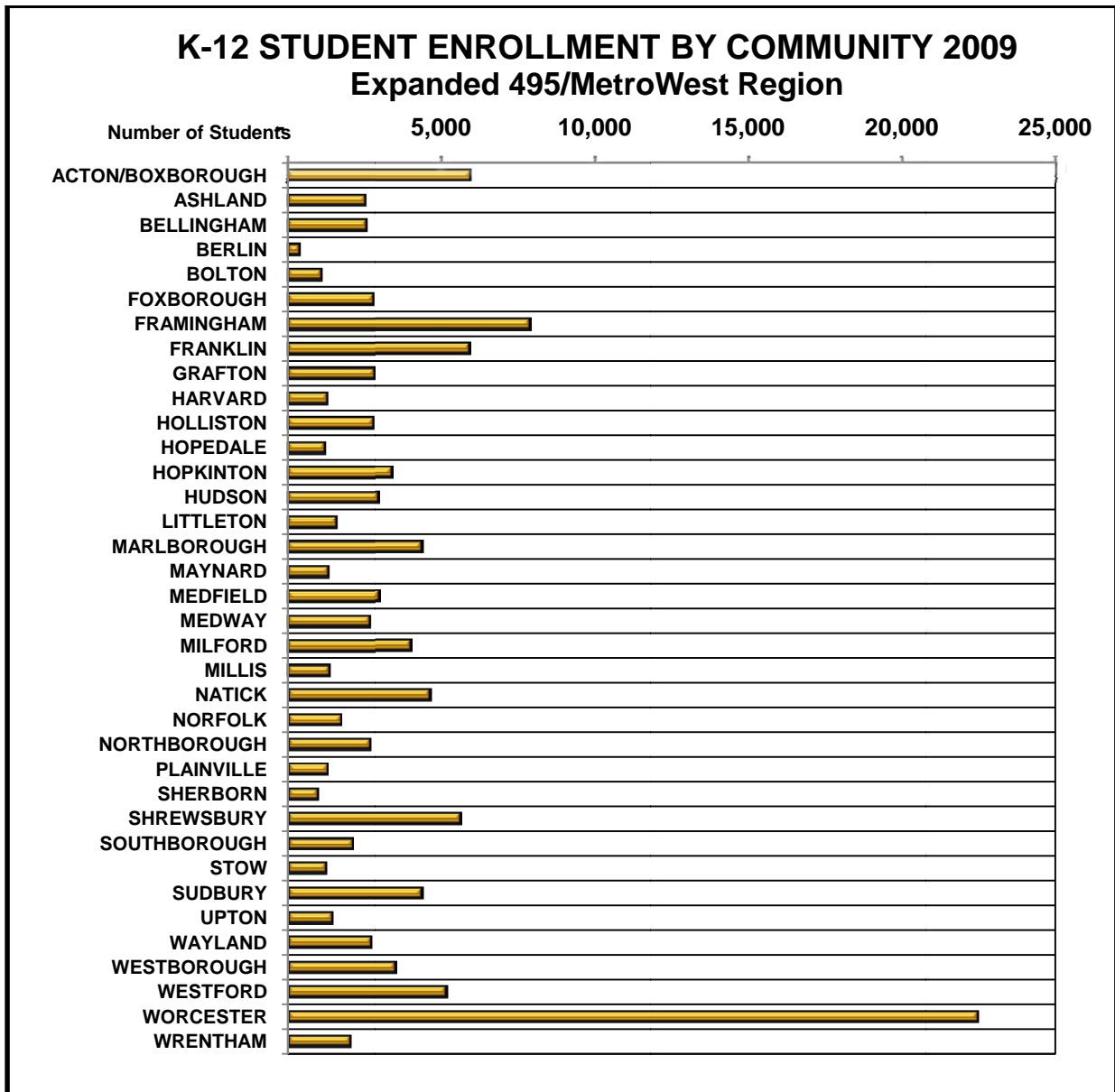
FY2010	495/MW	Expanded 495/MW	MA
Residential Tax Levy	\$957,146,533	\$1,183,607,532	\$8,595,199,392
Open Space	\$17,540	\$17,540	\$694,884
Commercial Tax Levy	\$166,060,929	\$222,456,394	\$2,266,421,234
Industrial Tax Levy	\$78,353,171	\$97,925,791	\$643,573,563
Personal Property	\$47,100,072	\$63,145,641	\$518,588,365
Total	\$1,248,678,245	\$1,567,152,898	\$12,024,477,438

Source: MA Department of Revenue, DLS, and MERC

495/METROWEST REGION – APPENDIX 1

Enrollment in the Expanded 495/MetroWest Region K-12 public schools totaled 123,544 students in October 2009, excluding vocational and charter schools. The graph below shows student enrollment in the original 32 municipalities of the 495 MetroWest Region plus 5 additional municipalities: Grafton, Upton, Plainville, Westford, and Worcester. In 2009, Worcester (22,470) had the largest public school enrollment followed by Framingham (7,881) and Franklin (5,926). Berlin (380) had the smallest public school enrollment in the region.

The K-12 public school enrollment for the Expanded 495 MetroWest Region for 2005 was 124,300. From 2005 to 2009, the region experienced a 0.6% decline. The data excludes the vocational and charter schools.



Source: MA Department of Elementary and Secondary Education and MERC

495/METROWEST REGION – APPENDIX 2

FOUR OPTIONS TO SHIFT THE TAX BURDEN WITHIN AND AMONG PROPERTY CLASSES

Tax levies are subject to limitations imposed by related legislation. In any given year the tax levy cannot exceed 2½ percent of the total assessed value of the property of the community. In addition, the tax levy cannot increase by more than 2 ½ percent of the prior year tax levy limit plus new growth without voter approval of an operating budget override or a debt exclusion override. An operating budget override constitutes a permanent adjustment to the tax levy base that is used for subsequent year calculation limits while a debt exclusion override is in effect only for the life of the bond for which it was approved. It does not become a permanent adjustment to the tax levy base. Individual communities are also able to determine the extent to which property taxes will be borne by residential taxpayers or commercial and industrial taxpayers. Some communities choose to tax residential, commercial and industrial (C & I) property at the same rate while others use split rates. Personal property is generally taxed at C&I rates imposed by the respective community.

Communities may elect to shift the tax levy burden both within and among the major property classes in accordance with four state legislated, limited local options. The split tax rate, the open space discount, the residential exemption and the small commercial exemption are the four options. For the most part, the split tax rate results in a shift of the tax burden from residential to the other classes of property while the open space discount shifts the related open space tax burden to residential property. The open space discount reduces the tax burden of open space and natural land contributing to the public benefit and enjoyment. It does not cover property held for income production, property with a permanent conservation restriction or chapter land such as farms and forestry (M.G.L. CH. 61, 61A, 61B) that receives reductions via another avenue. The tax burden is shifted to the residential class and results in a slightly higher overall residential tax rate. The discount may be up to 25% of this residential rate. According to the Division of Local Services (DLS) January 2003 issue of *City & Town*, in the last few years only the two communities of Bedford and Paxton choose this option.

With the residential exemption, the tax burden shifts within the residential class from owner-occupied and relatively lower valued properties, to relatively higher valued ones and to those not eligible for the exemption such as vacant land, rental properties and seasonal homes. The residential exemption excludes part of the value of an eligible taxpayer's principal residence. This discount may be up to 20% of the average assessed value in the total residential class. It is this fixed amount that is deducted from each eligible parcel. Since it is still necessary to raise the same pre-determined dollar amount from the residential class, the result is a higher residential tax rate. By special legislation the City of Boston and the City of Somerville are permitted to increase the residential exemption to not more than 30%. According to DLS in FY02 the following 11 communities have residential exemptions: Boston (30%); Brookline (20%); Cambridge (20%); Chelsea, (20%); Marlborough (9%); Nantucket (20%); Somerset (10%); Somerville (30%); Tisbury (20%); Waltham (20%); and Watertown (20%). Nine communities have many apartment buildings and two (Tisbury, Nantucket) have a large number of seasonal homes. Most of these communities granted the maximum 20% exemption, which ranged from \$38,000 to \$89,600 for FY00.

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The small commercial exemption is a similar shift within the class in that it excludes a percentage of the assessed value of each eligible parcel. It covers commercial real property valued at less than \$1 million that is occupied by certified small business (10 or fewer employees). It results in a slightly higher C&I tax rate although the personal property tax rate is not affected. According to DLS, for FY00 all three communities choosing this option (Avon, Braintree, Somerset) granted the maximum 10% exemption and all have commercial and industrial properties such as power plants or retail malls of various sizes. A brief discussion of the rules relating to a split tax rate follows.

Split tax rates - The classification Act of 1979 established two limits on the ability of municipalities to shift the property tax burden. The first is that the commercial, industrial and personal property (CIP) tax rate may only be 50% higher than what it would otherwise be with a single rate. The second limitation requires that the residential rate be at least 65% of what a single tax rate would be. This is referred to as the Minimum Residential Factor (MRF). Modifications to the first limitation were enacted in 1988. Under these later provisions, if a community's maximum shift results in a residential share larger than the prior year's, the CIP share may increase by as much as 75%. However, the residential tax levy share cannot be reduced below 50% of its single tax rate share nor can it be less than the levy share in any year since the community was first certified.

SOURCES

- Massachusetts Department of Elementary and Secondary Education (MA DOESE)
- Massachusetts Department of Revenue, Division of Local Services (MA DOR, DLS)
- MetroWest Economic Research Center (MERC)
- United States Census Bureau, U. S. Department of Commerce (US Census)
- Bureau of Labor Statistics, U.S. Department of Labor (BLS)

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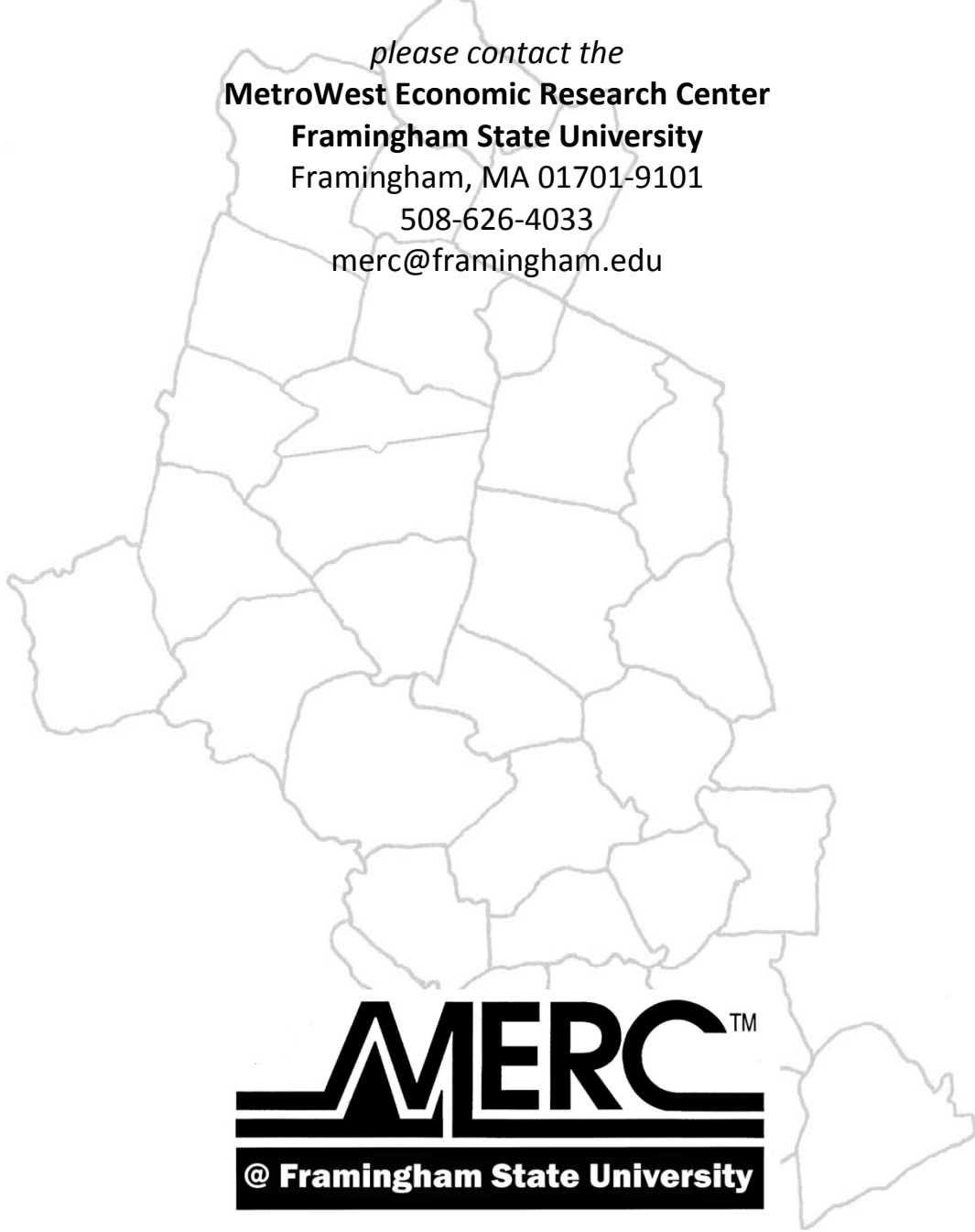
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