



COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF THE STATE TREASURER

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October 16, 2008

To Wellesley Town Meeting Members:

Given the recent news coverage of the impact of the current financial crisis on the state budget, I appreciate that you might have questions regarding the capacity of the Massachusetts School Building Authority (MSBA) to reimburse the town for up to 40% of the eligible project costs, up to a maximum potential reimbursement of \$44,000,000, for the High School project.

As Chairman of the Board of the MSBA, I want to reassure you that if Wellesley's Town Meeting and its voters approve the project within the time frame presently contemplated, Wellesley will be among the first schools to be approved under the new program. Under the terms of MGL Ch. 70B, which created the MSBA, one cent of the statewide 5 cent sales tax is dedicated to the MSBA. These funds are for the sole use by the Authority for school building projects. They are not available for re-appropriation by the General Court. The MSBA will be able to meet its anticipated funding commitment to Wellesley for the High School project.

State tax revenues continue to decline, including sales tax revenues that are dedicated to the MSBA. Recent reports have detailed the cuts and spending reductions that are impacting state services. Should the Town Meeting or the voters fail to approve the project, it is impossible for me to predict whether the funding described above would be available to the Town of Wellesley for the high school project.

I hope this addresses your concerns and I look forward to working with the town on this and other school projects in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "T. P. Cahill", written in a cursive style.

Timothy P. Cahill
State Treasurer and Receiver General
Commonwealth of Massachusetts