



The Commonwealth of Massachusetts
Department of Revenue
Bureau of Accounts

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May 8, 1985

Dear Local Officials:

As I am sure you are well aware, there is considerable doubt about the continued level of funding of the Federal Revenue Sharing program. Several communities have contacted this office to inquire as to how they should consider this potential loss of Revenue Sharing in their Fiscal Year 1986 budget deliberations.

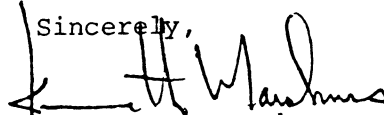
At the present time, Massachusetts municipalities are assured of receiving at least two entitlement payments in Fiscal Year 1986, which represents the remaining 50% of their portion of the State's allocation contained in the Federal Fiscal Year 1985 Budget. These two payments, which will be received in July and October of this year, along with any balance of Revenue Sharing funds on hand in a community at June 30, 1984, represent the maximum amount a community is assured of having available to support its FY'86 budget. Any additional funding will be provided by the continuation of Revenue Sharing entitlements in the Federal Fiscal Year 1986 budget.

A strong cautionary note is given to those municipalities who utilize Revenue Sharing Funds in excess of the above estimated available amount to fund the FY'86 budget. They must be aware that any Revenue Sharing funds unrealized as a result of final action on the Federal Fiscal Year 1986 Budget would necessitate a community making like reductions in appropriations, later in the year unless an alternative funding source were available.

Hopefully, Revenue Sharing will be continued at its current level of funding; however, all Massachusetts communities should be aware of the potential adverse effect the final outcome could have on budgets for the upcoming year.

If you have any concerns or questions, please contact my office at 727-4401.

Sincerely,


Kenneth A. Marchurs
Director of Accounts

KAM/cob

9. F- 182

Comm. from Kenneth A. Marchurs, Director
of Accounts, Mass. Dept. of Revenue Re:
the level of funding for the Federal Revenue
Sharing Program.

Copy sent to the City Manager 5/15/85
Copy to Finance Comm. Chair, VAM Duehay
5/17/85 mhr

In City Council,

May 13, 1985 5/13/85

Referred to Finance Committee
Copy to City Manager