



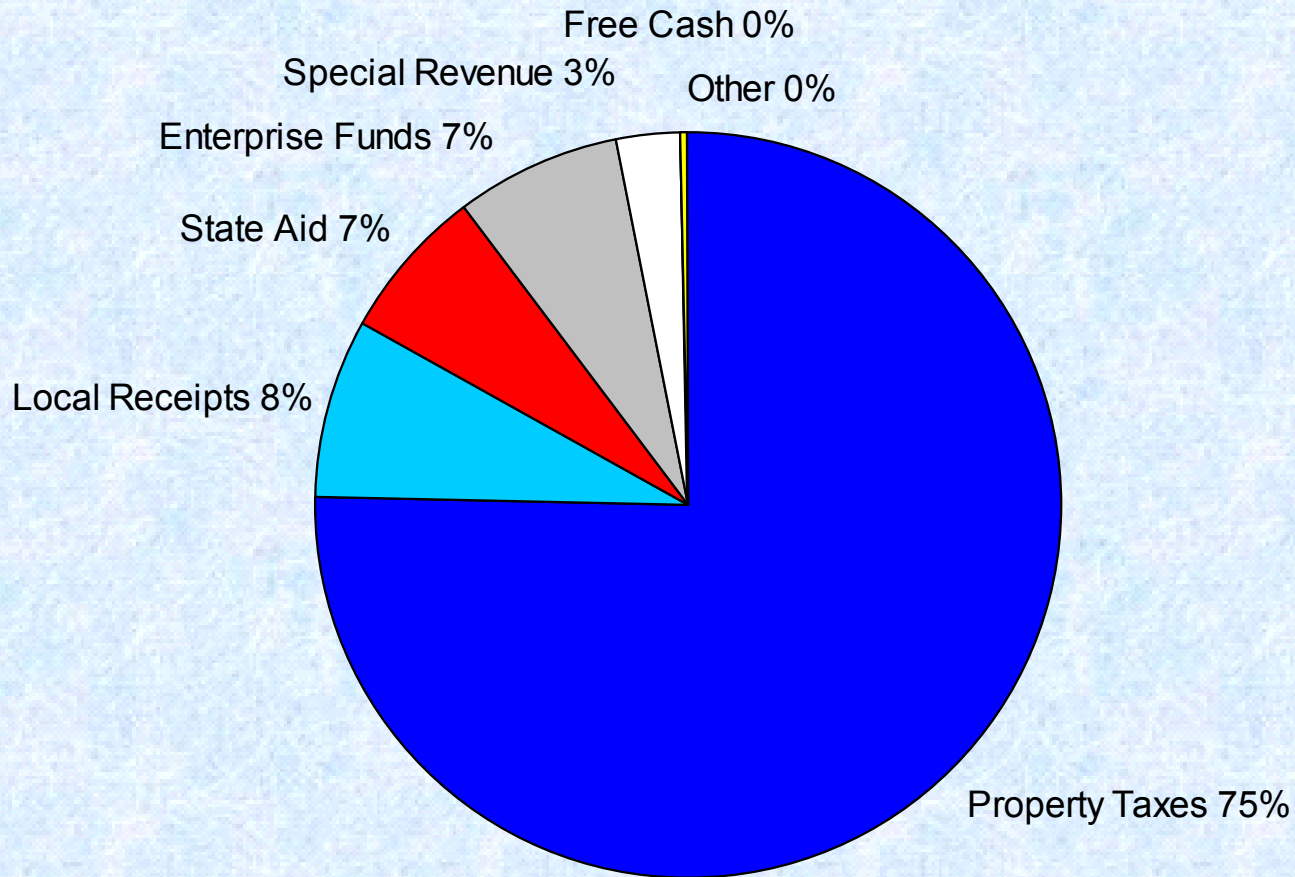
FINANCE COMMITTEE'S
F2008 BUDGET RECOMMENDATION

May 14-15, 2007

F2008 Budget Highlights:

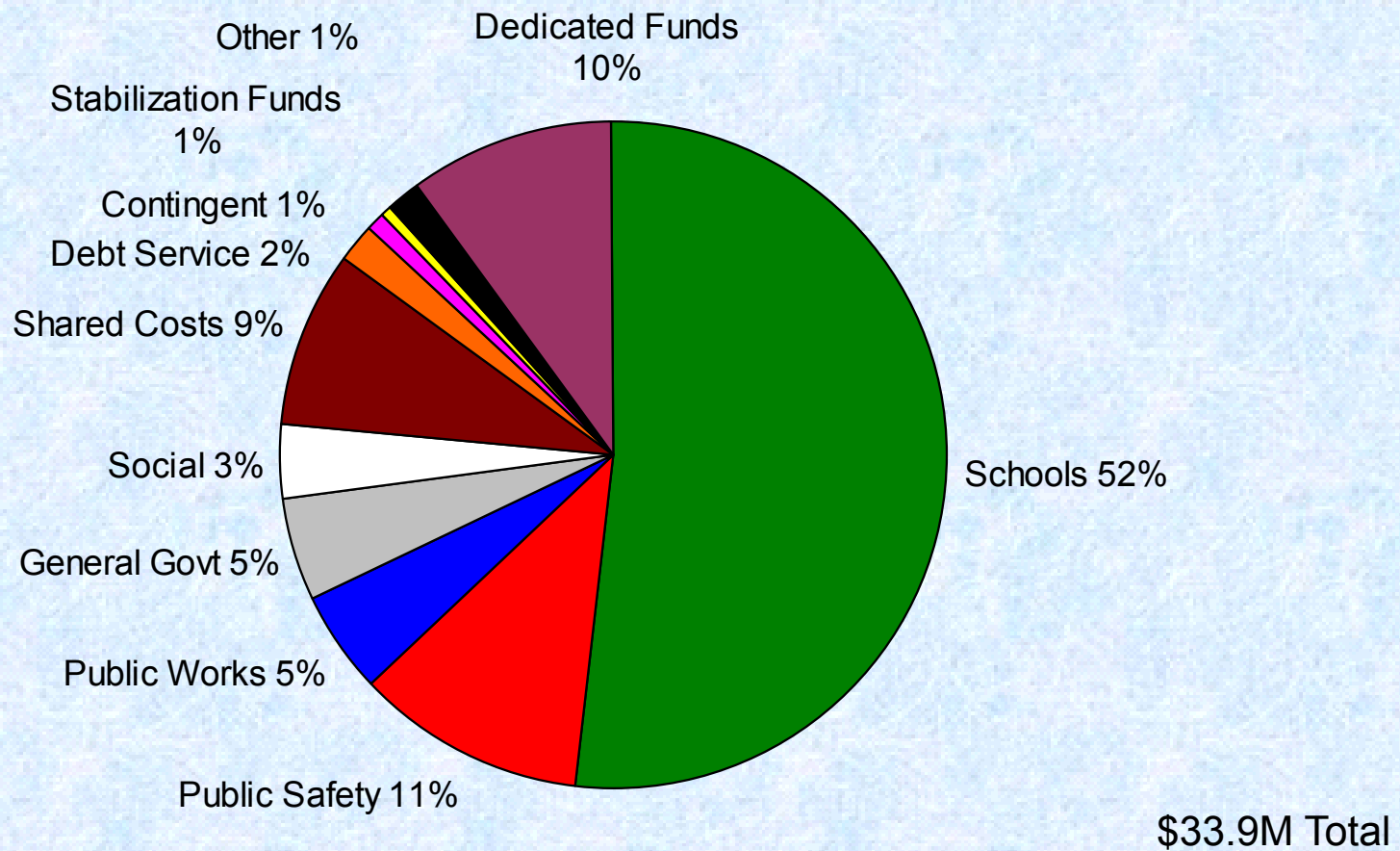
- Property tax increase at allowable 2 1/2%.
- Recurring portion of budget very tight which required difficult decisions.
- Stabilization fund balances at highest levels since 1999.
- Set aside funds for productivity enhancing projects.

What Are Wilbraham's Revenue Sources?



\$33.9M Total

How Is Wilbraham's Spending Distributed?



Tight Squeeze in Recurring Portion of Budget.

- Cyclical increase in debt service. Requires \$204K more than F07.
- Free Cash down \$383K from F07.
- Result → Difficult decisions regarding Municipal Accounts spending.

One-time Good News Used for Special Purposes.

- Sources:
 - School Assessment increase low from large increase in Chapter 70 Aid
 - Assessors released in Overlay Surplus
- Uses:
 - \$100K for productivity enhancements
 - \$36K set aside in Stabilization Fund

Total Revenues Growing Less Than Tax Levy.

\$000's	<u>F08 Est</u>	<u>Inc(Dec)</u>	<u>Pct Chg</u>	{ 2.5% Allowable 1.8% New Growth
Tax Levy	25,539	1,049	4.3%	
Local Receipts	2,577	(19)	-0.7%	
State Aid	1,828	40	2.3%	
Other Avail Funds	90	80	100+%	
Free Cash	17	(383)	-95.7%	
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General Fund	30,051	768	2.6%	
CPA Surcharge	413	10	2.5%	
Enterprise Funds	2,459	85	3.6%	
Special Revenue Funds	536	32	6.4%	
Chapter 90 Road	412	(68)	-14.1%	
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Total	33,870	828	2.5%	

Major Spending Decisions:

- Contribute to Stabilization Fund.
- Cover increases in employee costs [wages, medical insurance, pension] and debt service.
- Reduce road maintenance by \$160K, police vehicles \$26K and sundry departmental spending \$48K.
- Scale back police funding by the equivalent of one officer.

Most Spending Growth Goes Towards Municipal Accounts.

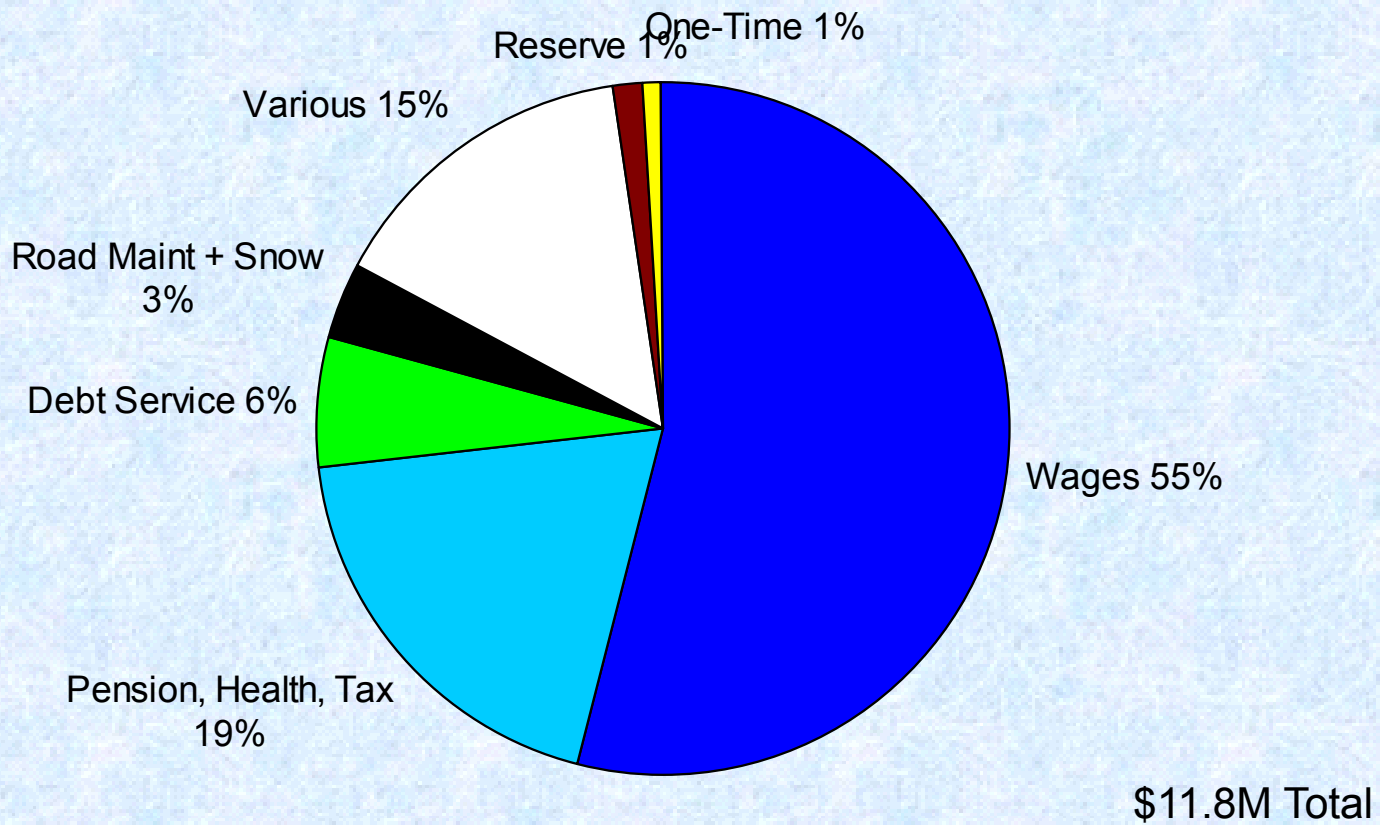
\$000's	<u>F08 Est</u>	<u>Inc(Dec)</u>	<u>Pct Chg</u>
School Assessment	17,515	303	1.8%
Municipal Accounts	11,774	589	5.3%
Stabilization Funds	236	(115)	-32.8%
Library (State Aid Offset)	22	(1)	-4.4%
State Charges	306	0	0.0%
Overlay Abatements	190	9	4.9%
Revenue Deficits	0	(25)	-100.0%
General Fund Total	29,283	759	2.6%
<i>Memo: ExSchool</i>	<i>12,071</i>	<i>457</i>	<i>3.8%</i>
Community Preservation	413	10	2.5%
Enterprise - Combined	2,459	86	3.6%
Special - Combined	536	32	6.4%
Chapter 90	412	(68)	-14.1%
Total	33,862	819	2.5%

Recurring Municipal Accounts Spending Increases 4.4%.

Key Drivers of Municipal Accounts Spending Change:

Employee Benefits	1.5 %	} Core +2.6%
Salaries	2.8	
Road Maintenance	(1.4)	
Other	(0.3)	
Debt Service	<u>1.8</u>	
Recurring	<u>4.4 %</u>	
Non-Recurring	<u>0.9</u>	
Net Change	<u><u>5.3 %</u></u>	

Employee Costs Are the Largest Portion of the Municipal Accounts Budget.



Spending Increase Concentrated on Employee Costs and Debt Service.

<i>\$000's</i>	<u>F08 Est</u>	<u>Inc(Dec)</u>	
Salaries & Wages	6,333	312	5%
Group Medical	1,098	100	10%
Pension	1,069	63	6%
Payroll Taxes, Etc.	103	5	5%
Sub-Total	<hr/> 8,603	480	6%
Debt & Interest	734	204	39%
Highway Maintenance	300	(160)	-35%
Snow Removal	100	0	0%
Utilities & Fuel	320	8	3%
Insurance	218	21	11%
Rent	135	5	4%
Library Books	112	6	5%
Police Vehicles	40	(26)	-39%
Productivity Projects	100	100	
Other	961	(48)	-5%
Reserve	150	0	0%
Total	<hr/> 11,774	590	5%

Salary Pool and Compensation Plan are Main Drivers of Salary and Wage Increases.

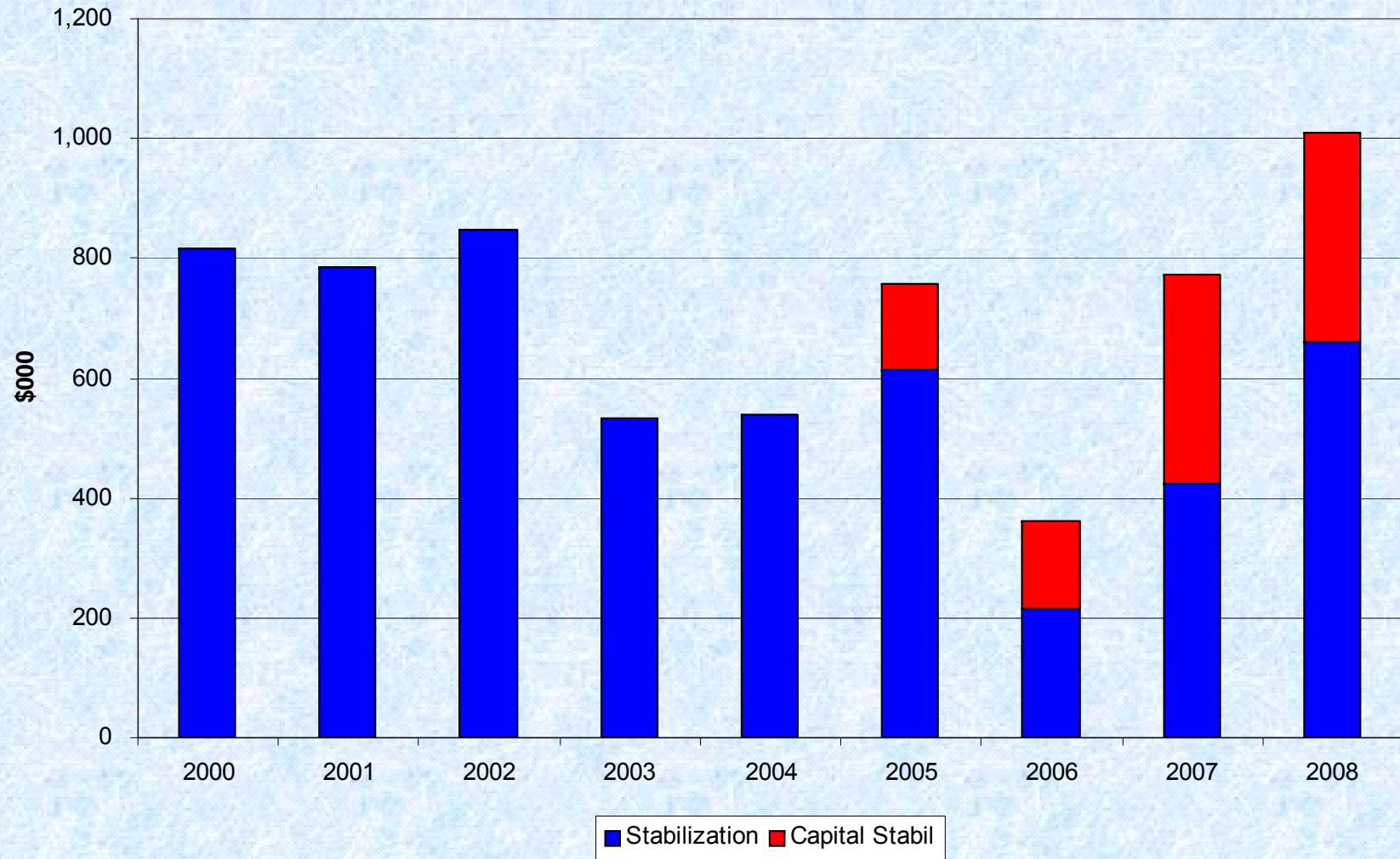
Salary & Wage Change Inc (Dec) in \$000:

Salary Pool	\$180
Compensation Plan	95
Fire Dept Retirement	50
Police Staffing	(42)
Fire Dept OT	22
Police Training	8
Other	<u>(1)</u>
Net Change	<u><u>\$312</u></u>

Municipal Accounts Spending Skewed to Public Safety and Roads.

<i>\$000's</i>	<u>F08 Est</u>	<u>Inc(Dec)</u>	<u>Pct Chg</u>
Public Safety	3,724	24	0.7%
Public Works	1,282	(138)	-9.7%
General Government	1,744	192	12.4%
Social Enrichment	920	13	1.4%
Social Services	205	1	0.6%
Shared Costs	749	33	4.5%
Group Medical	1,098	100	10.0%
Pension	1,069	63	6.3%
Debt & Interest	734	203	38.2%
Productivity Projects	100	100	
Reserve	150	0	0.0%
<hr/> Total	<hr/> 11,774	<hr/> 589	<hr/> 5.3%

Replenishing Stabilization Fund Balances.



F2008 Budget Summary:

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