



Town Council Budget Meeting Minutes



Thursday, January 18, 2024, at 6:30 PM, in the Matthew Thornton Room

Call to Order

Vice Chair Harrington called the meeting to order at 6:30pm. Present at the meeting were Vice Chair Harrington, Councilor Hunter, Councilor M. Murphy, Councilor Koenig, Councilor Healey, Councilor N. Murphy and Town Manager Paul Micali.

Chairman Rothhaus was excused.

Before beginning, Mr. Micali wanted to remind everyone that petition warrant article bonds are due February 9th by 5pm. Regular petition warrant articles are due February 13th by 5pm. Polling is on January 23rd from 7am-7pm and there is also a regularly scheduled meeting on the 25th. He is wondering if they could hold the budget meeting on the 25th instead of the 24th to give the Council a break after the long polling. Vice Chair Harrington shared that the agenda for the 25th is very light, so this could be easily accommodated. The Council was in agreement with consolidating these two meetings together.

The Town Council will hold a public meeting to review the 2024/25 budget, to include the following departments: Welfare, Library, Parks and Recreation, Summer Day Camp, Fire, Code Enforcement, Proposed Issuance of Debt, Capital Reserve Fund Deposits and Fire Protection Area

Public Comment - None

- Welfare

Patricia Murphy was present to share the budget for the Welfare department. She began by sharing that this is a mandated state requirement, so whatever is budgeted for the welfare department is gauged based on factors such as historical aspects, other programs and assistance provided, and what may be needed in the community. She stated that last year they didn't budget enough, so this year they will be surpassing their budget and next year's budget will be significantly increased by about 50%. The current budget is \$201,241- which is a 12% increase overall. The biggest increase is in the general assistance line items. Ms. Murphy shared that a major reason for the increase is due to the dramatic increase in rent and a less than 5% vacancy rate, meaning that landlords have the upper hand and can charge whatever they want for their rental units. She also shared that their emergency rental assistance program, which was a federal program under covid, ended last year in December and had taken on a lot of housing costs that the welfare department hadn't seen, so this was an unexpected expense. Additionally, utilities had increased last year, but seem to have settled down a bit. Because of these expenses, she shared that their housing line item was exceeded by about 136%. Another increase was in their social service budget, based on seven agencies asking for increases, totaling \$163,649, which she reduced down to \$83,293 to cover the agencies costs (utilities, food, other things they cover).

Mr. Micali also discussed the Nashua Transit budget, sharing that this program is for elderly and disabled people to get to doctor's appointments, work, the grocery store, and personal grooming appointments. There were several individuals using this transportation to get to work, and when the budget was being done they thought \$52,000- a \$14,000 increase- would suffice, but Nashua Transit gave them a budget quote of \$73,000. Ms. Murphy then provided some background on the history of the transportation service and the grant funding behind this, and shared that the individuals who use this pay \$4 to get from Merrimack to Nashua, and \$4 to get back from Nashua to Merrimack. If they stay within Merrimack, it's \$2 each way. The Council discussed with Ms. Murphy the transit system, ultimately agreeing to revisit this in the future and acknowledging that this is an important resource in Merrimack for the elderly and disabled.

- Library

Library Chair of the Library Board of Trustees Debra Covell and Library Director Yvette Couser were present along with Treasurer Janet Krupp and Secretary Jen Jobin to share their budget. Ms. Covell stated that the only update was the increase in health insurance and staff salaries to make them more competitive.

This is up to \$17,200- an increase of \$5,200 from last year- which was taken from their trust funds to help offset this cost.

- Parks and Recreation

Parks and Recreation director Matthew Casparius was present to share his budget. Before he began, Mr. Micali wanted to direct the Council towards the infrastructure- Wasserman Park Beach Phase 4 line item, sharing that he and Mr. Casparius have discussed this with Dawn Tuomala and there is a permit for this that will be expiring in November 2025, but they can ask for a one-time extension of this, so Mr. Micali will be recommending an extension. He is also going to recommend Ms. Tuomala have the interns work on better pricing to back out the \$100,000 in this line item. He then stated that this will be in the '25-'26 budget with a hard number to complete the handicap access (ramp and other work to be completed) to the waterfront access. Mr. Casparius then shared that for his budget, they are pretty much level funded. He shared that summer camp registration opened up for this year last week and in a single day they had 893 registrations. Last year they had just over 1,300 campers, almost double in size from when the program started nearly 10 years ago. They also started their new after school program this fall, initially serving just Thornton Ferry school due to the cost of bus transportation, but in November they were able to expand to cover Masticola school as well. Mr. Casparius shared that the part-time wages line item decreased by about \$400 due to shifting money around to get back to weekend lifeguard coverage by swapping out one park attendant position to the lifeguard position. Another change is the part-time year round maintainer position, which was 25 hours a week. The previous maintainer retired, and the new maintainer started a few weeks ago with the hours reduced from 25 to 15, with summer hours added in for summer maintenance help to assist the maintainer. Mr. Casparius then talked about the recreation programs line item, highlighting that this is the special events that they run- Halloween, Easter, winter carnival, summer concerts, movies in the park, etc. The money for movies in the park has shifted to the concert line item due to the increase in cost for bands to perform, and they are planning on 10 concerts this year, including July 3rd. Next, Mr. Casparius talked about the revolving fund, which are self-supporting programs. He shared that the budget for this is mostly made up of direct costs such as salaries, supplies, and salary allocation costs- which is \$60,020 this year.

- Summer Day Camp

Mr. Casparius shared that for this budget, the director salary allocation is \$39,560 for Camp Naticook and track. The cost for day camp this year for residents will be \$310, which is a \$20 increase over the past year, and the teen camp will be \$340, which is also a \$20 increase. The cost for non-residents will be \$50 higher. The fee for the after school program will be \$26 per day.

- Fire

Fire Chief DiFronzo was present to talk about the fire budget. He began by sharing that there were no wage adjustments other than what the contracts state they have to provide, but there is a decrease in part-time wages as that money was shifted over to the supervisor's overtime line item to account for the supervisor's overtime to offset their union's contractual rate that they have to pay them for their overtime. Additionally, maintenance supplies have increased due to costs going up. Regular firefighting overtime increased to maintain the 11 firefighters and the services/shift coverage. Uniforms/protective clothing has increased due to the cost of clothing and protective gear increasing. Mr. Micali wanted to remind the Council that in February 2025, the SAFER grant will be wrapped up, so the 8 employees that were covered under that will be 100% paid under the town moving forward. The Council then talked about staffing during ALS and BLS

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calls with Chief DiFronzo, and how this needs to be brought up in future discussions as Chief DiFronzo said that they are still not fully staffed to fill their vehicles like he'd like them to be. Vice Chair Harrington asked if there were any updates about the communications issues, in which Chief DiFronzo stated they are close to finishing negotiations, and he had originally had a position in his budget for an IT/Communications staff member, but this was moved to the IT department.

- **Code Enforcement**

Chief DiFronzo shared that this is mostly a flat level budget with no major changes from last year.

- **Proposed Issuance of Debt**

Mr. Micali shared that at this time, he is not proposing issuing any debt as they are still in negotiations for land for the safety complex, so it's not prudent to propose funding for this plan. Councilor Healey asked what issuance of debt means, in which he shared that it means that the town takes out a bond to pay for something over a number of years. He also stated that he has one bond outstanding under the general fund for the highway garage building, and there are a few outstanding bonds for wastewater.

- **Capital Reserve Fund Deposits**

Mr. Micali shared that in this section, computer CRF is going up from \$35,000 to \$95,000 for the cost of additional softwares and computer equipment. Revaluation went up from \$17,250 to \$20,000 to get more in line with the revaluation that will be coming up in the next 2-3 years. Ambulance and Fire CRF went up \$135,000. The cost of an ambulance went from \$250,000 to \$400,000. In addition, the cost of a fire truck also went up significantly due to the cost of equipment. Telecommunications/dispatch decreased by \$45,000 with the hopes of getting a federal grant to purchase body cams. Road infrastructure increased from \$595,000 to \$700,000 due to the rising cost of labor and construction materials to pay for upcoming projects, as well as a paving project for DW Highway that will cost more than the anticipated \$50,000. Solid Waste and library remained the same, whereas athletic fields and playground equipment both increased \$10,000 each. GIS increased from \$5,000 to \$10,000 for the flyover they do every so many years. Overall, the general fund comes out to \$2,250,000- an increase from \$1,947,000. Capital Reserve for Wastewater is \$550,000, bringing the overall total to \$2,800,000. The tax rate for CRF is about 45 cents, an increase of about 5 cents.

- **Fire Protection Area**

Mr. Micali shared that this is for Pennichuck Water Works and the fire hydrants they supply in the southeastern part of town down by the YMCA. The residents that live in this area get a hydrant tax on their bill, so this has to be presented as an operating budget warrant article and they receive revenues to offset that. This is tax neutral for most of Merrimack residents aside from those living in this immediate area.

ADJOURN

MOTION made by Councilor Koenig and seconded by Councilor N. Murphy to adjourn the meeting.

MOTION CARRIES 6-0-0

The meeting adjourned at 9:07 pm.

Respectfully submitted by Jennifer Steagald