



TOWN COUNCIL – AGENDA REQUEST FORM

THIS FORM WILL BECOME PART OF THE BACKGROUND INFORMATION USED BY THE COUNCIL AND PUBLIC

Please submit Agenda Request Form, **including back up information**, 8 days prior to the requested meeting date. **Public Hearing requests must be submitted 20 days prior to requested meeting date to meet publication deadlines** (exceptions may be authorized by the Town Manager, Chairman/Vice Chair).

MEETING INFORMATION

Date Submitted: February 5, 2018
Submitted by: Town Manager Eileen Cabanel and Finance Director Paul T. Micali
Department:
Speakers:

Date of Meeting: February 15, 2018
Time Required: 20 minutes
Background Info. Supplied: Yes: No:

CATEGORY OF BUSINESS (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Appointment:	<input type="checkbox"/>	Recognition/Resignation/Retirement:	<input type="checkbox"/>
Public Hearing:	<input type="checkbox"/>	Old Business:	<input type="checkbox"/>
New Business:	<input checked="" type="checkbox"/>	Consent Agenda:	<input type="checkbox"/>
Nonpublic:	<input type="checkbox"/>	Other:	<input type="checkbox"/>

TITLE OF ITEM

Review of the 2018-2019 Default Budget

DESCRIPTION OF ITEM

The Town Council will review the 2018-2019 Default Budget

REFERENCE (IF KNOWN)

RSA:	Warrant Article:
Charter Article:	Town Meeting:
Other:	N/A

EQUIPMENT REQUIRED (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Projector:	<input type="checkbox"/>	Grant Requirements:	<input type="checkbox"/>
Easel:	<input type="checkbox"/>	Joint Meeting:	<input type="checkbox"/>
Special Seating:	<input type="checkbox"/>	Other:	<input type="checkbox"/>
Laptop:	<input type="checkbox"/>	None:	<input type="checkbox"/>

CONTACT INFORMATION

Name:	Eileen Cabanel	Address:	6 Baboosic Lake Road
Phone Number:	424-2331	Email Address:	ecabanel@merrimacknh.gov

APPROVAL

Town Manager: Yes No: Chair/Vice Chair: Yes No:

Hold for Meeting Date: _____

Default Calculations			
	2017-18	2018-19	
	Voted Budget	Default Budget	
General Town operations and charges - Article 2	34,839,898	34,898,873	
Union Contracts:			
NEPBA 112 Article 4 (2016-17)	-	16,282	Union Contracts from 2016 Warrant
Teamsters 633 Article 5 (2016-17)	-	23,864	Union Contracts from 2016 Warrant
AFSCME 2986 Article 6 (2016-17)	-	86,808	Union Contracts from 2016 Warrant
AFSCME 3657 Article 3 (2016-17)	-	48,496	Union Contracts from 2016 Warrant
IAFF 2904 Article 7 (2016-17)	-	69,421	Union Contracts from 2016 Warrant
NEPBA 12 Article 4 (2017-18)	58,975	120,794	Union Contracts from 2017 Warrant
Union Contract Benefit Increases (decreases)			
Health Insurance		274,002	8.6 % increase in Health insurance
STD		30,360	
Workers Comp		21,435	
NHRS		-	
One Time Purchases			
Elections		16,266	1 more election
One time CRF purchases		(3,921,040)	2017-18 CRF purchases
Debt service:			
2017-18		(1,249,208)	Debt payment 2017/18
2018-19	-	1,253,954	Debt payment 2018/19
Total	34,898,873	31,690,307	
Chart 4 2018-19 Default Tax Rate Comparison			
		Est. Default	
		2017 Tax Rate	
Default Appropriations		31,690,307	Default Budget calculate based on prior year appropriations
Estimated Default Revenues (see below)		(16,375,571)	2016-17 projected revenues less capital
Tax overlay		375,000	
Veterans exemptions		655,500	
Property tax levy		16,345,236	
Valuation for state property tax rate		3,382,236.206	
Default property tax rate		4.83	
Proposed Budget tax rate		5.17	
Variance			(0.33) Difference in tax rate
Revenue comparison:			
2018-19 revenue Proposed Budget	(18,127,882)		Project revenue for 2018/19
Less: Capital revenue			
General Fund	1,454,311		CRF purchases 2018-19 General Fund
WWTF	298,000		CRF purchases 2018-19 Waste Water
		(16,375,571)	
Appropriation Comparison			
2018-19 Proposed Budget Comparison	34,567,890		Approved by Council
Less: Capital revenue			
General Fund	(1,454,311)		
WWTF	(298,000)	32,815,579	Apple to apple comparison
Default Budget (from above)		31,690,307	
Increase in appropriations (default verse proposed budget)		(1,125,272)	Difference due to a number of factors
Tax Rate variance Appropriations		(0.33)	
Tax Rate variance Revenue		-	
Overall tax rate variance		(0.33)	

Chart 3 – Default Calculations

	2017-18	2018-19
	<u>Voted Budget</u>	<u>Default Budget</u>
General Town operations and charges - Article 2	34,839,898	34,898,873
Union Contracts:		
NEPBA 112 Article 4 (2016-17)	-	16,282
Teamsters 633 Article 5 (2016-17)	-	23,864
AFSCME 2986 Article 6 (2016-17)	-	86,808
AFSCME 3657 Article 3 (2016-17)	-	48,496
IAFF 2904 Article 7 (2016-17)	-	69,421
NEPBA 12 Article 4 (2017-18)	58,975	120,794
Union Contract Benefit Increases (decreases)		
Health Insurance		274,002
STD		30,360
Workers Comp		21,435
NHRS		-
One Time Purchases		
Elections		16,266
One time CRF purchases		(3,921,040)
Debt service:		
2017-18		(1,249,208)
2018-19	-	1,253,954
Total	34,898,873	31,690,307
Default Budget		31,690,307
Proposed Council 2018-19 budget		34,567,890
Difference		2,877,583
CRF purchases included in 2018-19 budget		(1,752,311)
Apples to apples comparison		1,125,272



Default Budget

Default Budget Calculation

Chart 3 – Default Calculations

	2017-18	2018-19
	<u>Voted Budget</u>	<u>Default Budget</u>
General Town operations and charges - Article 2	34,839,898	34,898,873
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NEPBA 12 Article 4 (2017-18)	58,975	120,794
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Health Insurance		274,002
STD		30,360
Workers Comp		21,435
NHRS		-
One Time Purchases		
Elections		16,266
One time CRF purchases		(3,921,040)
Debt service:		
2017-18		(1,249,208)
2018-19		1,253,954
Total	34,898,873	31,690,307

Default Tax Rate Comparison

Chart 4 2018-19 Default Tax Rate Comparison		
		Est. Default 2017 Tax Rate
Default Appropriations		31,690,307
Estimated Default Revenues (see below)		(16,375,571)
Tax overlay		375,000
Veterans exemptions		655,500
Property tax levy		16,345,236
Valuation for state property tax rate		3,382,236.206
Default property tax rate		4.83
Proposed Budget tax rate		5.17
Variance		(0.33)
Revenue comparison:		
2018-19 revenue Proposed Budget	(18,127,882)	
Less: Capital revenue		
General Fund	1,454,311	
WWTF	298,000	
		(16,375,571)
Appropriation Comparison		
2018-19 Proposed Budget Comparison	34,567,890	
Less: Capital revenue		
General Fund	(1,454,311)	
WWTF	(298,000)	
		32,815,579
Default Budget (from above)		31,690,307
Increase in appropriations (default verse proposed budget)		(1,125,272)
Tax Rate variance Appropriations		(0.33)
Tax Rate variance Revenue		-
Overall tax rate variance		(0.33)

Important Budget Dates

- **Deliberative Session**

Wednesday, March 14, 2018 -- 7:00 pm

James Mastricola Upper Elementary School All Purpose Room

- **Annual Voting Day**

Tuesday, April 10, 2018 – 7:00 am – 7:00 pm

- James Mastricola Upper Elementary School All-Purpose Room, 26 Baboosic Lake Road
- St. John Neumann Church, 708 Milford Road (Route 101A)
- Merrimack Middle School, 31 Madeline Bennett Lane