

# 2011-12 BUDGET



Town of Merrimack, NH

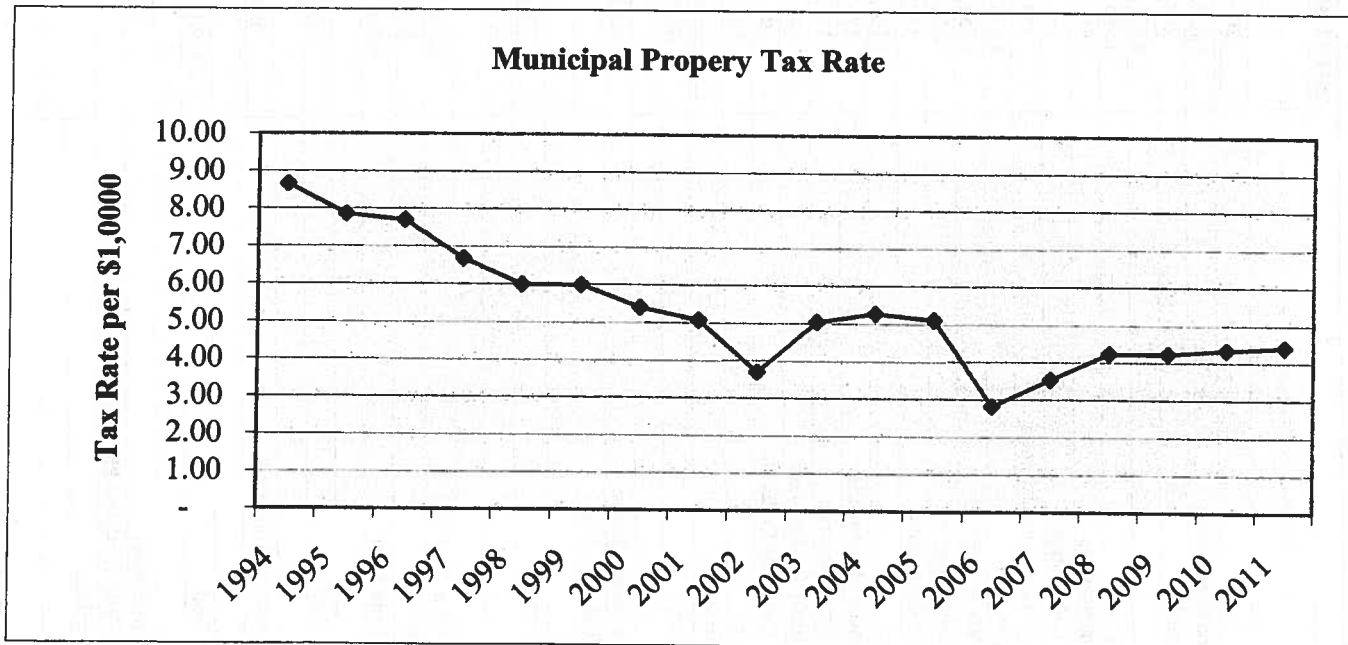
Proposed by Town Council for  
The February 10, 2011 Public Hearing

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### 2011 Estimated Tax Rate

	<u>2011</u>	<u>2010</u>
Appropriations	29,397,203	29,313,659
Estimated revenues	(16,171,990)	(16,329,499)
South Fire Station Bond		
WWTF Phase II Upgrade Bond		
Tax overlay	375,000	325,000
General Fund surplus:		
Designated by ballot vote		
Property tax relief		
Save as you throw		
Veterans exemptions	701,000	701,000
Property tax levy	14,301,213	14,010,160
Valuation for state property tax rate	3,241,904,854	3,225,504,854
Municipal property tax rate	4.41	4.34



Town of Merrimack

2011-12 BUDGET

Dept	Actual		Budget	Department	Town Manager		Council		Increase (decrease)	
	2009-10	2010-11			2011-12	2011-12	2011-12	Amount	%	
01 General Government	1,629,279	1,565,556	1,565,556	1,516,567	1,469,624	1,464,678	1,464,678	(100,878)	(6.44)	
02 Assessing	268,653	279,683	279,683	355,746	355,424	353,422	353,422	73,739	26.37	
03 Fire	4,457,102	5,718,481	5,718,481	6,026,596	5,001,436	5,185,235	5,185,235	(533,246)	(9.32)	
04 Police	4,566,138	4,797,313	4,797,313	5,292,316	4,909,151	5,113,238	5,113,238	315,925	6.59	
05 Communications	662,842	657,391	657,391	691,490	693,623	691,500	691,500	34,109	5.19	
06 Code Enforcement	260,497	265,403	265,403	345,790	321,827	319,417	319,417	54,014	20.35	
07 Public Works Administration	337,281	333,269	333,269	350,757	350,466	347,798	347,798	14,529	4.36	
08 Highway	3,175,952	4,103,327	4,103,327	5,015,477	5,490,080	5,570,040	5,570,040	1,466,713	35.74	
09 Solid Waste Disposal	1,252,454	1,212,662	1,212,662	1,487,468	1,196,500	1,190,990	1,190,990	(21,672)	(1.79)	
11 Parks Maintenance	400,981	467,855	467,855	482,703	-	-	-	(467,855)	(100.00)	
13 Parks & Recreation	570,297	532,352	532,352	550,493	367,193	365,639	365,639	(166,713)	(31.32)	
15 Library	1,147,722	1,149,160	1,149,160	1,182,251	1,104,122	1,097,378	1,097,378	(51,782)	(4.51)	
16 Equipment Maintenance	379,253	405,036	405,036	424,010	419,307	415,246	415,246	10,210	2.52	
17 Buildings & Grounds	293,053	288,014	288,014	305,133	300,379	190,171	190,171	(97,843)	(33.97)	
21 Community Development	497,507	517,495	517,495	547,190	543,533	540,034	540,034	22,539	4.36	
24 Town Clerk/Tax Collector	403,607	412,504	412,504	500,888	453,520	450,371	450,371	37,867	9.18	
25 Welfare	180,998	182,050	182,050	182,441	180,929	180,861	180,861	(1,189)	(0.65)	
27 Debt Service	523,335	509,136	509,136	491,724	491,724	491,724	491,724	(17,412)	(3.42)	
Sub Total	21,006,951	23,396,687	23,396,687	25,749,039	23,648,837	23,967,741	23,967,741	571,054	2.44	
20-04 Outside Detail - Police	248,887	650,735	650,735	693,941	693,941	693,941	693,941	43,206	6.64	
20-03 Outside Detail - Fire	-	9,000	9,000	9,000	9,000	9,000	9,000	-	-	
38-15 Library	3,100	3,500	3,500	3,500	3,500	3,500	3,500	-	-	
20-13 Day Camp	112,849	179,679	179,679	199,443	198,579	198,579	198,579	18,900	10.52	
Total	21,371,786	24,239,601	24,239,601	26,654,923	24,553,857	24,872,761	24,872,761	633,160	2.61	
10 Wastewater Treatment	3,693,808	3,983,633	3,983,633	3,744,880	3,696,954	3,693,034	3,693,034	(290,599)	(7.29)	
27 Debt Service	367,449	466,169	466,169	431,025	431,025	431,025	431,025	(35,144)	(7.54)	
Sewer Fund Total	4,061,257	4,449,802	4,449,802	4,175,905	4,127,979	4,124,059	4,124,059	(325,743)	(7.32)	
32 CATV Fund	239,865	537,177	537,177	342,300	313,303	313,303	313,303	(223,874)	(41.68)	
33 Fire Protection Area Fund	69,054	87,080	87,080	87,080	87,080	87,080	87,080	-	-	
Grand Total	25,741,963	29,313,659	29,313,659	31,260,208	29,082,219	29,397,203	29,397,203	83,544	0.28	
Warrant Articles:										
South Fire Station					2,200,000	2,592,750	2,592,750			
Waste Water Treatment Plant Bond						4,305,000	4,305,000			
CBA 5 unions										
Warrant Article Total									100.00	
Total after Warrant Articles	25,741,963	29,313,659	29,313,659	31,260,208	31,282,219	36,294,953	36,294,953	6,981,294	23.82	

**Town of Merrimack  
Town Council Proposed Budget Adjustments  
2011/2012 Budget**

	<u>Appropriation</u>	<u>Revenues</u>
<b>Town Managers Operating Budget (General Fund)</b>	23,648,837	
<b>Adjustments Approved by Council</b>		
<b>General</b>		
Insurance Savings	(128,749)	
Insurance Savings	(23,148)	
Current Use tax		35,000
Highway block grant		59,698
NHRS Increase Police & Fire	160,032	
<b>Buildings &amp; Grounds</b>		
Outsource Cleaning	(108,766)	
<b>Parks Maintenance</b>		
Parks Maintenance Reorganization	(87,422)	
<b>Fire</b>		
Restore 2 Firefighters Positions	155,154	
<b>Police</b>		
Restore 2 Police Officer Positions	173,016	
<b>Highway</b>		
Traffic control Devices Signs	(15,000)	
Highway paving	193,787	
<b>Warrant Article Savings From Union Contracts</b>		
	<u>318,904</u>	<u>94,698</u>
<b>Revised General Fund Appropriation</b>	23,967,741	
<b>Waste Water</b>		
<b>Town Managers Operating Budget</b>	4,127,979	
Insurance Savings	(3,920)	
	<u>(3,920)</u>	<u>-</u>
<b>Revised Wastewater Fund Appropriation</b>	4,124,059	
<b>Media Budget</b>	<b>313,303</b>	
<b>Fire Protection Budget</b>	87,080	
<b>Police Outside Detail Budget</b>	693,941	
<b>Fire Outside Detail</b>	9,000	
<b>Library</b>	<b>3,500</b>	
<b>Summer Day Camp</b>	198,579	
<b>Total Appropriations - All Funds</b>	<u><b>29,397,203</b></u>	

## Proposed South Fire Station

This Warrant Article summary is for the construction of a new 14,000 square foot building to support Emergency Services in the community on Continental Boulevard. The facility will replace the existing station which was originally constructed in 1973 as a two bay garage, and in 1987 a small addition was constructed on the building to provide accommodations for full time career staffing. As the community expands the need to increase space for emergency resources and better placement of emergency apparatus throughout the town continues to grow. The proposed station will increase from a two apparatus bay structure to four bays, with a drive through design which will accommodate eight doors allowing the space needs for emergency apparatus now and into the future to support the community. This construction would also include quarters to house fulltime career emergency personnel, administration and training areas. The cost breakdown of the project is a bond for \$1,900,000 and an allocation from the construction of the outlet mall of \$650,000. With a current 4.5% interest on the \$1,900,000 bond translates to a tax rate increase of about 6 cents. The tax impact on a \$300,000 home would be estimated at \$17.40 annually for the life of the bond.

<b>South Fire Station</b>						
<b>Principal - \$1,900,000</b>						
<b>Term - 15 Years</b>						
<b>Interest Rate - 4.50%</b>						
Year Ending	Principal	Interest	Interest			
<u>June 30</u>	<u>July</u>	<u>July</u>	<u>January</u>	<u>Total</u>	<u>Balance</u>	<u>Tax rate</u>
2012	-	-	-	-	1,900,000	-
2013	127,000	42,750	39,893	209,643	1,773,000	0.06
2014	127,000	39,893	37,035	203,928	1,646,000	0.06
2015	127,000	37,035	34,178	198,213	1,519,000	0.06
2016	127,000	34,178	31,320	192,498	1,392,000	0.06
2017	127,000	31,320	28,463	186,783	1,265,000	0.06
2018	127,000	28,463	25,605	181,068	1,138,000	0.06
2019	127,000	25,605	22,748	175,353	1,011,000	0.05
2020	127,000	22,748	19,890	169,638	884,000	0.05
2021	127,000	19,890	17,033	163,923	757,000	0.05
2022	127,000	17,033	14,175	158,208	630,000	0.05
2023	127,000	14,175	11,318	152,493	503,000	0.05
2024	127,000	11,318	8,460	146,778	376,000	0.05
2025	127,000	8,460	5,603	141,063	249,000	0.04
2026	127,000	5,603	2,745	135,348	122,000	0.04
2027	<u>122,000</u>	<u>2,745</u>	-	<u>124,745</u>	-	0.04
	1,900,000	341,216	298,466	2,539,682		

## Waste Water Phase II Upgrade Bond

This Bond is to replace old and inefficient equipment, thereby realizing energy savings and resulting in reduced costs to operate the MWTF. The following is a list of equipment replacements or additions:

- Replace two raw wastewater pumps with three smaller more efficient pumps and controls in order to meet current flows and maintain future capacity for growth within the community
- Replace two primary clarifier effluent pumps with three smaller more efficient pumps
- Install new internal recycle pumps and controls in the aeration tanks.
- Replace 4 Return Sludge Pumps with new pumps and controls.
- Upgrade the SCADA (Supervisory Control and Data Acquisition) system with new equipment. This system provides computerized information and alarming while allowing us to operate a one shift operation, a savings of five positions
- Plant Water System Replacement. This equipment provides pressurized treatment plant effluent that is used as wash water for various equipment and in our yard wash down hydrants. It is a critical support system for the operation of the treatment plant
- Add a new dechlorination facility to replace a staff built facility which has limited capacity.
- Replace original plant lighting with new, more efficient lights and fixtures

<b>WWTF Phase II Upgrade</b>					
<b>Principal - \$4,200,000 Term - 20 Years</b>					
<b>Interest Rate - 5%</b>					
Year Ending	Principal	Interest	Interest		
<u>June 30</u>	<u>July</u>	<u>July</u>	<u>January</u>	<u>Total</u>	<u>Balance</u>
2012	-	-	-	-	4,200,000
2013	210,000	105,000	99,750	414,750	3,990,000
2014	210,000	99,750	94,500	404,250	3,780,000
2015	210,000	94,500	89,250	393,750	3,570,000
2016	210,000	89,250	84,000	383,250	3,360,000
2017	210,000	84,000	78,750	372,750	3,150,000
2018	210,000	78,750	73,500	362,250	2,940,000
2019	210,000	73,500	68,250	351,750	2,730,000
2020	210,000	68,250	63,000	341,250	2,520,000
2021	210,000	63,000	57,750	330,750	2,310,000
2022	210,000	57,750	52,500	320,250	2,100,000
2023	210,000	52,500	47,250	309,750	1,890,000
2024	210,000	47,250	42,000	299,250	1,680,000
2025	210,000	42,000	36,750	288,750	1,470,000
2026	210,000	36,750	31,500	278,250	1,260,000
2027	210,000	31,500	26,250	267,750	1,050,000
2028	210,000	26,250	21,000	257,250	840,000
2029	210,000	21,000	15,750	246,750	630,000
2030	210,000	15,750	10,500	236,250	420,000
2031	210,000	10,500	5,250	225,750	210,000
2032	210,000	5,250	-	215,250	-
	4,200,000	1,102,500	997,500	6,300,000	

**2011-12 Default Budget Calculation**

	2010-11 Voted <u>Budget</u>	2011-12 Default <u>Budget</u>
General Town operations and charges - Article 2	29,313,659	29,313,659
Teamsters Local 633 collective bargaining agreement - Article 3 (2010-11)		23,646
Union Contract Benefit Increases		
Health		429,850
Dental		6,850
Unemployment		9,042
State Mandated Retirement Increase		272,995
Solid waste disposal tipping fees		(17,095)
One Time Capital Purchases		(2,807,498)
Debt service:		
2010-11		(975,305)
2011-12		922,749
Total	<u>29,313,659</u>	<u>27,178,893</u>

**2011-12 Default Tax Rate**

	<u>Est. Default 2011 Tax Rate</u>
Default Appropriations	27,178,893
Estimated Default Revenues	(13,579,523)
Highway Block Grant	(59,698)
Current Use Tax	(35,000)
Tax overlay	375,000
Veterans exemptions	701,000
Property tax levy	<u>14,580,672</u>
Valuation for state property tax rate	<u>3,241,904,854</u>
Municipal property tax rate	4.50

Assumptions:

Benefits (insurances) are at the approved rates from 1/17/11 meeting

One-time capital is all the 2010-11 CRF purchases plus Town Hall renovations

Default Revenue: Level funded Special revenue accounts to the 2010-11 budget for Outside detail, Summer day ca Media and WWTF

Increased revenue for Highway Block Grant by \$59,698

Increased Current Use Tax revenue by \$35,000