

City of Nashua FY 2017 Proposed Budget Presentation

June 9, 2016



Fiscal Year 2017 Priorities

- **Public Safety**
- **Schools**
- **Public Space & Park Improvements**
- **Capital Equipment Replacement Fund**

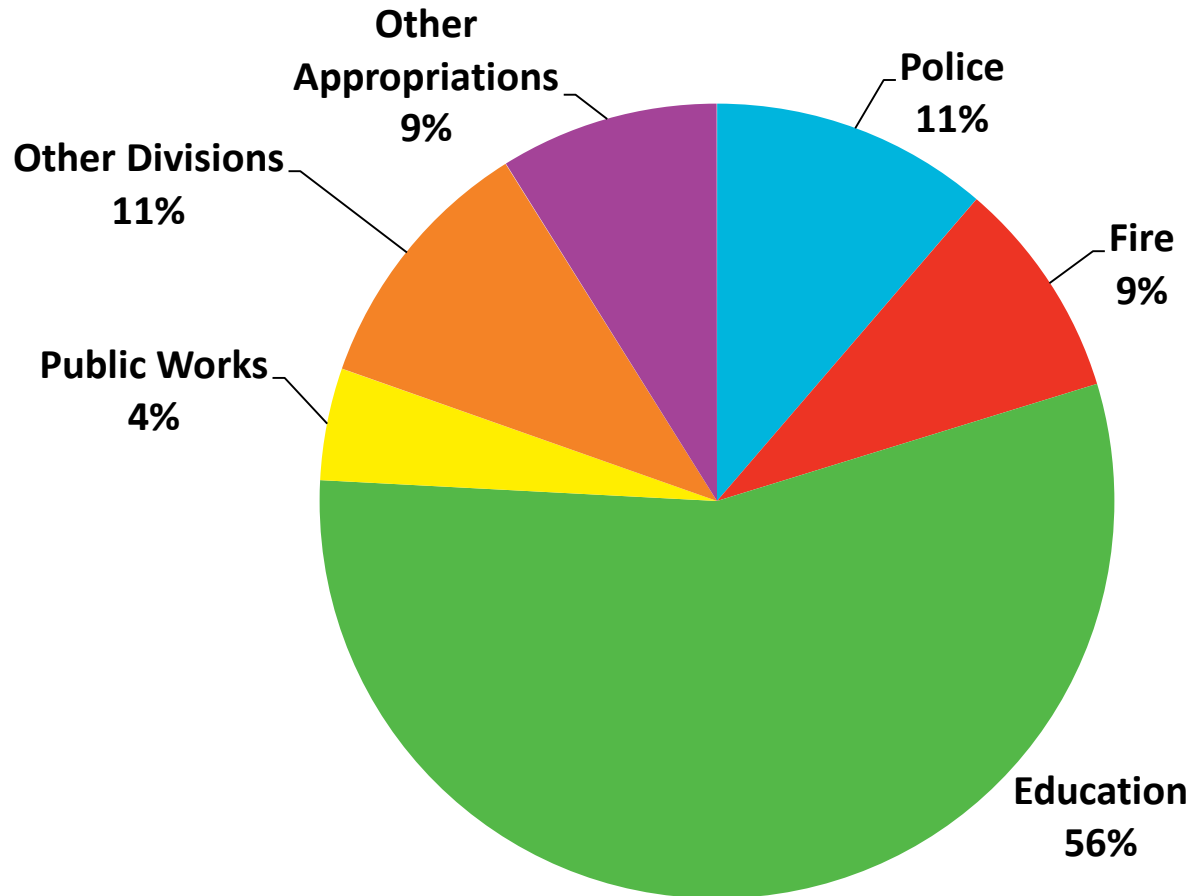


Proposed FY 2017 Budget

- **Proposed Operating Budget - \$247.9 Million**
 - Spending Cap Percentage – 1.3%
 - \$ Amount under the Spending Cap – \$100K
 - Increase Over FY 2016 Budget – \$3.1 Million
 - Projected Tax Increase – Target 2.5%
 - Revenues
 - Revenues continue to be budgeted conservatively
 - Increase in motor vehicle registrations
 - Continued low interest rate environment
 - Reduction in State funds



Proposed FY 2017 Operating Budget



Operating Budgets FY08 to FY17

	Budget	\$ Increase	Cap %	\$ Under Cap
FY17	\$247.9	\$3.1	1.3%	\$100K
FY16 ¹	\$244.8	\$4.0	1.5%	\$50K
FY15	\$240.8	\$4.8	2.1%	\$800K
FY14 ¹	\$236.0	\$5.3	2.3%	\$400K
FY13	\$230.7	\$3.5	1.7%	\$500K
FY12 ^{1,2}	\$227.2	\$3.8	2.0%	\$1.0M
FY11	\$223.4	\$4.7	2.2%	\$1.3M
FY10 ¹	\$218.7	\$5.6	3.4%	\$1.4M
FY09	\$213.1	\$5.3	3.3%	\$1.7M
FY08 ¹	\$207.8	\$5.4	3.1%	\$800K
\$ in Millions				



¹ Employer Contribution Rate Changed

² Zero State Subsidy

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General Fund Cost Drivers

FY08 to FY17

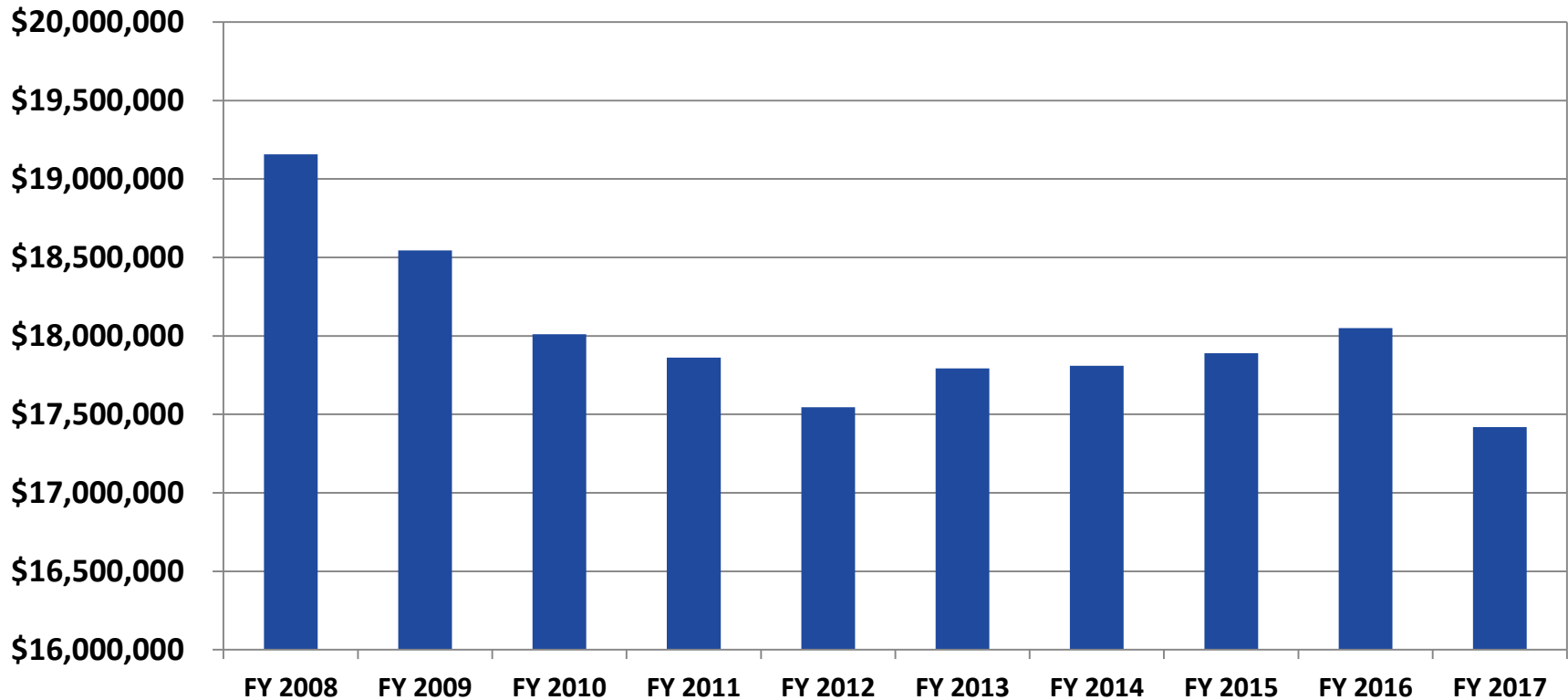
	FY 2008	FY 2017	\$ Change	% Change	9 Year Avg.
Wages	\$107.6	\$133.4	\$25.8	24.0%	2.4%
Benefits	\$28.0	\$24.0	(\$4.0)	-14.5%	-1.7%
Pensions – NHRS	\$8.1	\$21.2	\$13.1	162.0%	11.6%
Pensions – BPW/FICA/MEDI	\$7.7	\$8.5	\$0.8	10.4%	1.2%
Operating	\$56.5	\$60.8	\$4.3	7.7%	0.8%

\$ in Millions

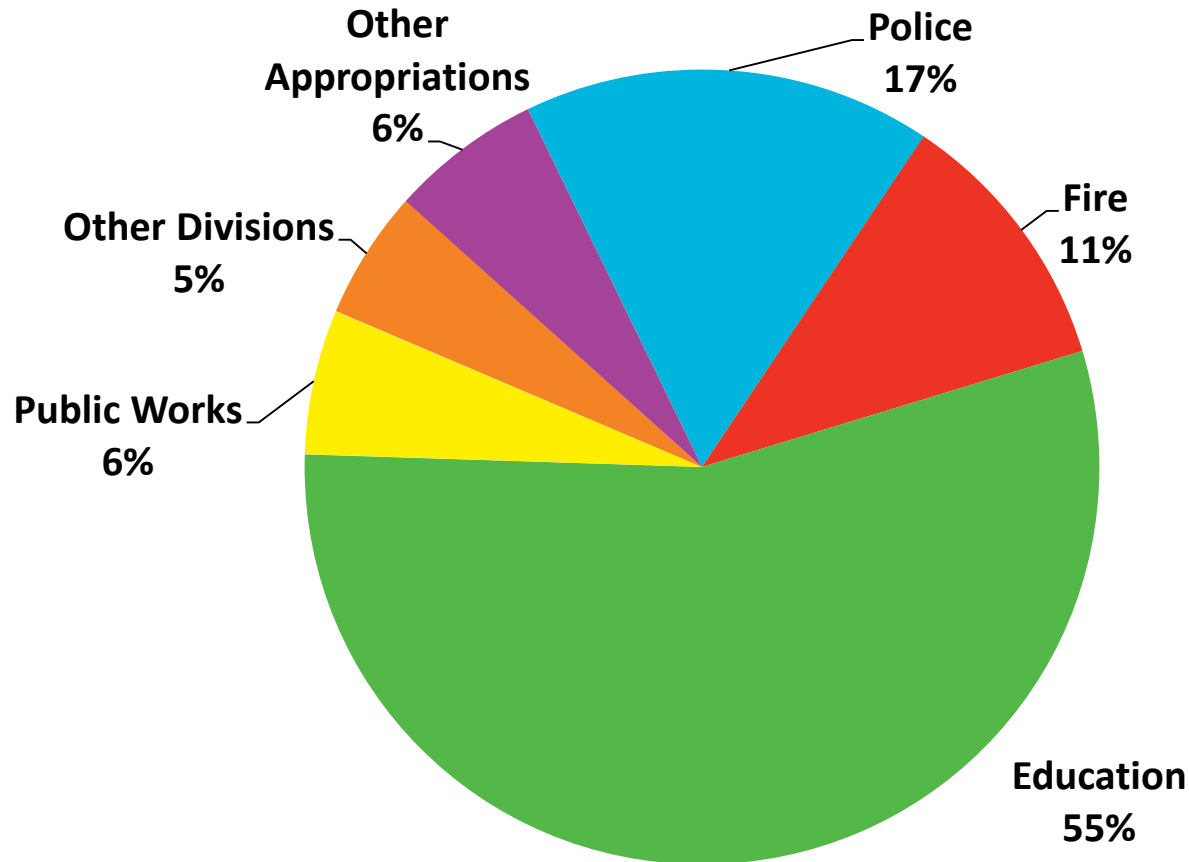
	FY 2008	FY 2017	\$ Change	% Change	9 Year Avg.
Totals	\$207.9	\$247.9	\$40.0	19.3%	2.0%



Reduction in Annual Debt Service



Proposed FY 2017 Share of \$3.1 Million Increase



FY 2018 Budget Challenges

- **FY 2018 Budget Issues**

- The Spending Cap likely less than 1%
 - At 1% the new allowable spend would be \$2.5 million
- Potential State Adequacy Aid Education Revenue Loss
- NHRS Pension costs are estimated to increase at least \$2 million
- Increases in current negotiated wages and expiring contracts could exceed the allowable amount under the Spending Cap

