

BUDGET REVIEW COMMITTEE

MAY 25, 2022

7:00 PM

Aldermanic Chamber

To access Zoom: <https://us02web.zoom.us/j/86052750625?pwd=VWVvbWNZdGNOWE4yQ1A5NTZTOWJKOT09>

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ROLL CALL

PUBLIC COMMENT

COMMUNICATIONS

UNFINISHED BUSINESS

NEW BUSINESS – RESOLUTIONS

NEW BUSINESS – ORDINANCES

TABLED IN COMMITTEE

**R-22-035**

Endorsers: Mayor Jim Donchess  
Alderman-at-Large Michael B. O'Brien, Sr.  
Alderman John Sullivan  
Alderman Patricia Klee  
Alderman Thomas Lopez  
Alderman Alex Comeau  
Alderman Richard A. Dowd  
Alderman John Cathey  
Alderman Derek Thibeault  
Alderman-at-Large Lori Wilshire

**RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2023 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, SPECIAL REVENUE AND GRANT FUNDS**

DEPARTMENTAL REVIEWS OF THE PROPOSED FY23 BUDGET FOR THE CITY OF NASHUA

	<u>ADMINISTRATIVE SERVICES</u>	<u>Appropriations</u>	<u>REVENUES</u>
106	ADMINISTRATIVE SERVICES	72	
110	ARLINGTON STREET COMMUNITY CENTER	75	
111	HUMAN RESOURCES	78	
112	PAYROLL	81	
113	BENEFITS	83	
120	TELECOMMUNICATIONS	86	
122	INFORMATION TECHNOLOGY	89	
128	RISK MANAGEMENT	93	
129	CITY BUILDINGS	97	
130	PURCHASING	100	31
132	ASSESSING	102	
134	GIS	105	31
2505	PEG ACCESS CHANNELS FUND	244	32

PUBLIC COMMENT

GENERAL DISCUSSION

REMARKS BY THE ALDERMEN

ADJOURNMENT



## RESOLUTION

### RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2023 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, SPECIAL REVENUE AND GRANT FUNDS

### *CITY OF NASHUA*

*In the Year Two Thousand and Twenty-Two*

**RESOLVED** by the Board of Aldermen of the City of Nashua that the Fiscal Year 2022 Proposed Budget for the General Fund of the City of Nashua be and is hereby adopted, and that the following amounts are hereby appropriated for the several accounts and for other needs of the City of Nashua General Fund for the fiscal year beginning July 1, 2022, and ending June 30, 2023, and for the purpose of Section 50-a et seq. of the Nashua Revised City Charter, as amended, each item of this budget shall be considered as a separate appropriation. The proposed General Fund appropriation amount is \$302,998,903 with estimated General Fund Revenues of \$72,322,078 including estimated state funding for education in the amount of \$41,110,000.

That the Fiscal Year 2023 Proposed Budget for the Enterprise Funds of the City of Nashua be and is hereby adopted, and that the following amounts are hereby appropriated for the several accounts and for other needs of the City of Nashua Enterprise Funds for the fiscal year beginning July 1, 2022 and ending June 30, 2023, and the purpose of Section 50-a et seq. of the Nashua Revised City Charter, as amended, each item of this budget shall be considered as separate appropriation. The proposed Enterprise Funds appropriation amount is \$44,082,794 (inclusive of anticipated Capital Appropriations), with estimated Enterprise Funds Revenues of \$38,222,735 and any additional funding for capital and CSO-related expenditures from retained earnings, bonding and/or State Revolving Fund Loans.

That the Fiscal Year 2023 Proposed Budget for the Special Revenue Funds of the City of Nashua be and is hereby adopted, and that the following amounts are hereby appropriated for the several accounts and for other needs of the City of Nashua Special Revenue Funds for the fiscal year beginning July 1, 2022 and ending June 30, 2023. The proposed Special Revenue Funds appropriation amount is \$36,607,613 with estimated Special Revenue Funds Revenues of \$36,607,613 for the City of Nashua. The proposed Special Revenue Funds appropriation amount is \$22,974,364 with estimated Special Revenue Funds Revenues of \$22,974,364 for the Nashua School District.

**RESOLUTION****R-22-035**

Neither the approval and adoption of this budget, or any appropriation contained herein, or to any City department or agency, including the Nashua School District, whether as proposed or amended, shall be deemed to mean that the City has approved any program or responsibility for funding in accordance with Part 1, Article 28-a of the Constitution of the State of New Hampshire. Notwithstanding any appropriation herein, the city hereby expressly declines to approve funding for any program or responsibility for which it is entitled by law to payment from the State of New Hampshire pursuant to Part 1, Article 28-a of the State Constitution, whether it has previously been determined that the City is entitled to said funding or not.

Pursuant to NRO § 5-145, E, the accumulated sum of all appropriations of the FY2023 combined annual municipal budget pursuant to Nashua City Charter §56-c is \$406,663,584. The FY2023 dollar amount under the limit established by City Charter Section 56-c is \$113,341,062. Please find attached the Combined Annual Municipal Budget Calculation for the FY2023 Proposed Budget and the City of Nashua Charter and Related Laws pertaining to §56-c and §56-d.

## **City of Nashua**

### **Charter and Related Laws**

#### **§ 56-c. Limitation on budget increases <sup>32</sup>**

Recognizing that final tax rates for the City of Nashua are set by the New Hampshire Department of Revenue Administration pursuant to RSA 21-J:35(1), the mayor, the board of aldermen, and all departments in the City of Nashua including the mayor's office, aldermanic office, legal department, administrative services division, community services division, community development division, school department, public works division, fire department, police department, public libraries, parking garages and cemeteries shall prepare their annual budget proposals and the Board of Aldermen shall act upon such proposals in accordance with the mandates in this paragraph.

In establishing a combined annual municipal budget for the next fiscal year, the mayor and the board of aldermen shall consider total expenditures not to exceed an amount equal to the combined annual budget of the current fiscal year, increased by a factor equal to the average of the changes in the Gross Domestic Product Implicit Price Deflator (IPD) for State and Local Government Consumption Expenditures and Gross Investment of the three (3) calendar years immediately preceding budget adoption as published by the Bureau of Economic Analysis <sup>33</sup>

This provision shall not prevent the mayor and the board of aldermen from establishing a combined annual municipal budget below this limit.

This provision shall not prevent the mayor and the board of aldermen from appropriately funding any programs or accounts mandated to be paid from municipal funds by state and federal

law.

#### **§ 56-d. Exception to budget limitation<sup>34</sup>**

The total or any part of principal and interest payments of any municipal bond, whether established for school or municipal purposes, may be exempted from the limitation defined in paragraph 56-c upon an affirmative vote of at least ten (10) aldermen. This decision shall be made annually.

In addition, capital expenditures deemed necessary by the mayor and the board of aldermen, subject to recommendation by the capital improvements committee (ref. Paragraph 77- a of the City Charter) may similarly be exempted from this limitation upon an affirmative vote of at least ten (10) aldermen.

**City of Nashua Combined Budget Analysis to the  
FY23 Proposed Budget**

Combined Annual Municipal Budget Calculation (per Nashua City Charter § 56-c)

<u>Line</u>	<u>Description</u>	<u>FY2022</u>	<u>FY2023</u>
1	<b><u>Appropriations</u></b>		
2	General Fund	\$ 291,026,961	\$ 302,998,903
3	Enterprise Funds	38,344,285	44,082,704
4	Special Revenue Funds (includes Grants)	95,981,790	59,581,977
5	<b>Total Appropriations</b>	<b><u>\$ 425,353,036</u></b>	<b><u>\$ 406,663,584</u></b>
6			
7			
8	<b><u>Supplemental Appropriations</u></b>		
9	General Fund	\$ 2,338,394	\$ -
10	Enterprise Funds	1,859,440	-
11	Capital Project Funds	76,290,225	-
12	<b>Total Supplemental Appropriations</b>	<b><u>\$ 80,488,059</u></b>	<b><u>\$ -</u></b>
13			
14	<b>Total Appropriations</b>	<b><u>\$ 505,841,095</u></b>	<b><u>\$ 406,663,584</u></b>
15			
16	<b><u>Spending Cap Calculation</u></b>		
17	FY2022 Total Appropriations		\$ 425,353,036
18	Add: FY2022 Supplemental Appropriations		80,488,059
19	FY2022 Total Appropriations		<b><u>\$ 505,841,095</u></b>
20			
21	Last 3-Years Annual Average S&L IPD		<u>2.8%</u>
22	Allowable Spending Over Prior Year Total Appropriations		<b><u>\$ 14,163,551</u></b>
23			
24	<b>Maximum Appropriations Allowed (Line 20 plus Line 23)</b>		<b>\$ 520,004,646</b>
25	Total Proposed Appropriations - FY2023		<u>406,663,584</u>
26	<b>Total Appropriations Under the Spending Cap</b>		<b><u>\$ (113,341,062)</u></b>

**LEGISLATIVE YEAR 2022**

**RESOLUTION:** R-22-035

**PURPOSE:** Relative to the adoption of the Fiscal Year 2023 proposed budget for the City of Nashua general, enterprise, special revenue, and grant funds

**SPONSOR(S):** Mayor Jim Donchess

**COMMITTEE ASSIGNMENT:** Budget Review Committee

**FISCAL NOTE:** The tax rate cannot be determined at this time. The entire budget is a comprehensive package and each component impacts the tax rate.

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**ANALYSIS**

This resolution adopts the Fiscal Year 2023 Budget for the City's general, enterprise, special revenue, and grant funds. For the purpose of Section 50-a et seq. of the Nashua Revised City Charter, as amended, each item of this budget shall be considered as a separate appropriation.

A public hearing on the budget shall be held before its adoption by the Board of Aldermen with at least seven days' notice. Nashua City Charter § 56-a; NRO § 5-8.

Nashua City Charter § 56-b provides that the Board of Aldermen may reduce any item in the mayor's budget by a majority vote, but an increase or addition requires a vote of two-thirds of the members of the board. Court decisions concerning Nashua's Charter suggest that a court may find that this provision, when applied to the budget resolution itself, is inconsistent with state statutes and therefore unenforceable. See memorandum of Corporation Counsel dated March 8, 2018.

The budget shall be finally adopted not later than August 1, 2022. Nashua City Charter § 56-b.

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**Approved as to content,  
account structure, numbers,  
and amount:**

**Financial Services Division**

By: /s/ John Griffin

**Approved as to form:**

**Office of Corporation Counsel**

By: 

Date: May 10, 2022