

Revised 3 Year Projection of Probable Non-Discretionary Unbudgeted Town Expenses
Tax Year 2013 to 2015 & FY 2014 to 2016

	<u>3 Year Cost Est.</u>
• Sewer Plant Reconstruction Bond Payments starting FY 2015.....	\$220,000
• Pleasant Lake Dam Reconstruction if bonded starting FY 2015.....	\$50,000
• Employee Retirement Plan Contribution Increases@ 23%/yr.....	\$200,000
• Employee Health Insurance Premium Increases@ 15%/yr.....	\$200,000
• Elkins Project Over Runs.....	\$25,000
• Existing Town Owned Building Maintenance not Capital Reserved.....	\$75,000
• Conservation Capital Reserve funding if current fund is depleted**.....	\$100,000
• Unexpected Bridge and Culvert Replacement not Capital Reserved***.....	\$120,000
• Sewer Lagoon Clean Up Program increase in CIP deposit rate.....	\$100,000
• Gravel Road Paving Program increase in CIP deposit rate.....	\$100,000
• KRSD and State school budget increases @ 2.0 %/yr.....	\$550,000
• Merrimack County Budget Increases @ 2%/yr.....	\$180,000
• Ambulance Service Increases.....@ 2%/yr.....	\$7,500
	Total: \$1,927,000

*For non sewer users. Users will pay much more. 1st payment is FY2015

** Assumes there will be a purchase/expenditure within 2 years

*** Trussel Ridge and Elkins Rd

Projected Effect on Tax Rate

Every \$10,500 of appropriations adds one cent to the tax rate. Therefore \$1,927,000 adds an average of about \$.62 to the tax rate each year which equals \$1.86 after 3 years. That means \$744. more tax on a \$400,000 assessment in 2015. \$6012 tax in 2012 and \$6,756 in 2015.

2012 Tax Rate (non water precinct) = \$15.03

2015 Tax Rate = \$16.89 (12 % increase over 3 years)

NOTES:

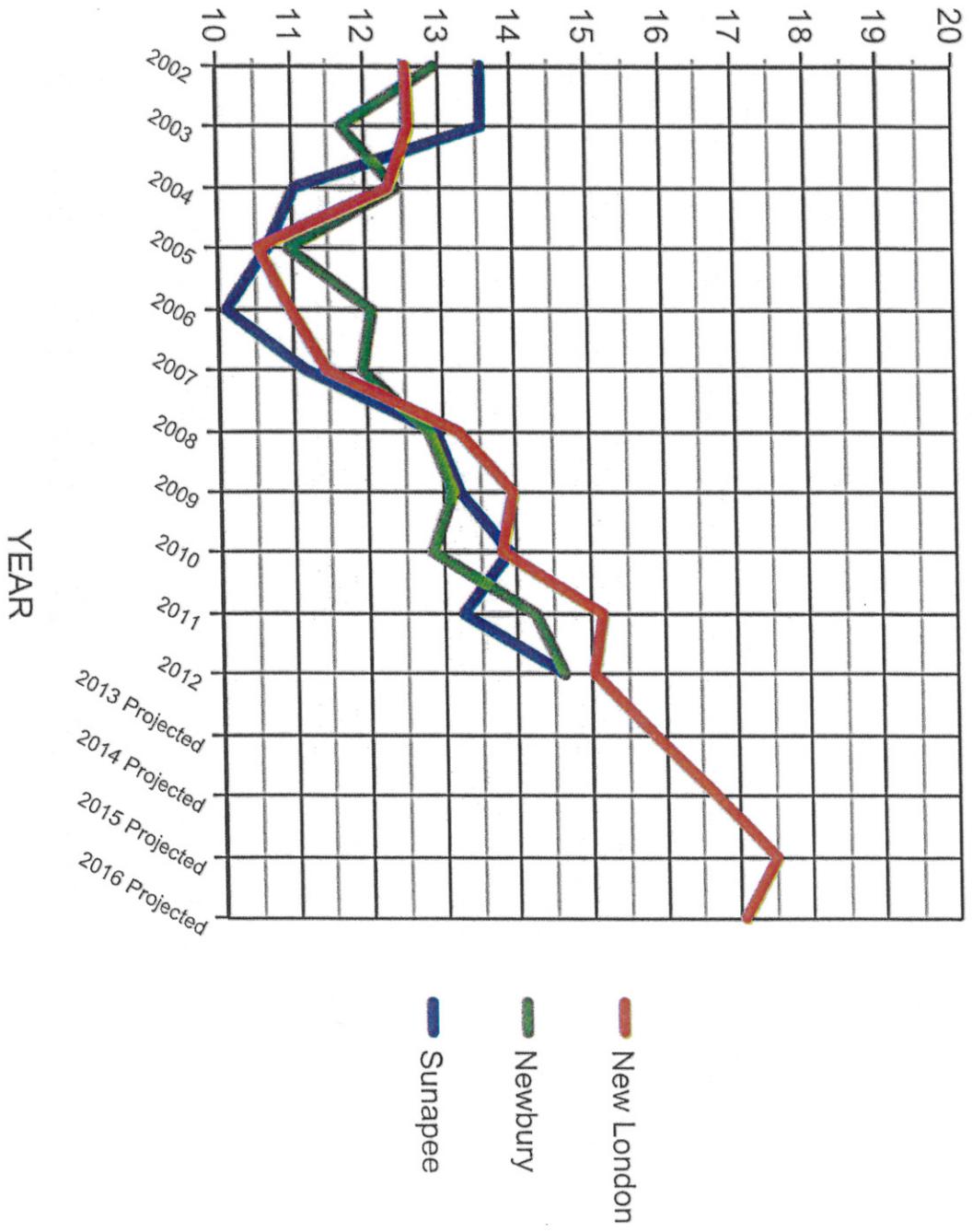
The tax rate should decline after rising as the one time expenses are not carried forward. The estimated total of one time expenses above is \$395,000 which would lower the tax rate by \$.40 So the 2015 tax year rate would be around \$16.49. A \$400,000 assessment would pay \$6596. in 2016. These estimates above are just that, and subject to scrutiny and verification.

These rates assume that all other currently budgeted operating expenses, Capital Reserve Account contribution levels, and surplus applied to the tax rate (\$400,000) remain the same for the next 3 years and no further appropriation or bond articles, other than accounted for above, are passed for the next three years. It also assumes level revenues and grand list.

Respectfully Submitted,

Jim Wheeler
 Chair, New London Budget Committee

NHDRA EQUALIZED TAX RATE



Equalized Tax Rate Comparison