



STAFF REPORT

AGENDA ITEM #: 22-67 & 22-123
COUNCIL MTG OF: October 18, 2022
FROM: Mark A. Fleischer
OFFERED BY: Administration
PREPARED BY: Mark A. Fleischer, Chief Financial Officer
SUBJECT: Finalize the FY2023 Budget

INTRODUCTION: This report is to account for several post FY2023 budget adoption resolutions related to the new Fire Station and Culvert projects that impact the FY2023 budget, and to confirm the overall FY23 appropriation.

TOWN ADMINISTRATOR COMMENTS: As the Town Council is able to approval Supplemental Resolutions, the Department of Revenue Administration has requested confirmation of the FY23 budget total in order to set the CY2022 tax rate. Thus, this staff report addresses two actions:

- 1) Finalize the transfer of \$1.0M of ARPA funds to the Central Fire Station project. The Council tabled this matter in May as the Town had not yet received the second tranche of ARPA funds of approximately \$1.75M.
2) Confirm the total FY23 budget number to proceed with tax rate setting.

BACKGROUND

Per resolution 2022-028, the FY2023 budget was adopted by the Town Council on 5/3/2022 in the amount of \$53,107,736. Post budget adoption, there were several resolutions approved by the Town Council related to the new Fire Station and Culvert projects which impacts FY2023 appropriations and revenues.

DISCUSSION

Below represents a summary of Town Council approvals related to these projects: Revenues are in ( )

Table with 2 columns: Resolution description and Amount. Rows include Resolution 2022-038 (\$18,400,000), Resolution 2022-036 (\$18,400,000), Resolution 2022-037 (\$1,600,000), Resolution 2022-035 (\$1,600,000), Resolution 2022-039 (\$1,750,000), and Resolution 2022-039 (\$1,000,000).

Tabled from the 5/19/22 Town Council Meeting

Table with 2 columns: Resolution description and Amount. Rows include Resolution 2022-033 (\$1,000,000) and Resolution 2022-039 (\$1,000,000).

## FISCAL IMPACT

- The supplemental appropriations for the new Fire Station and culverts are offset by bond revenues.
- For resolution 2022-039, the supplemental appropriation and Use of Fund Balance offset will have a tax rate impact of **\$750,000** for FY2023. Amended appropriations for FY2023 total **\$75,857,736** and we are also seeking approval of this amount in order to set the tax rate.
- Transfers between Capital Reserve Funds, such as the ARPA funds transfer between the Derry Recovery Fund and Fire Facility Capital Reserve. We are seeking approval, however, of resolution **2022-033** which authorizes this transfer and was previously tabled until receipt of the 2<sup>nd</sup> ARPA funds tranche. Receipts of funds occurred in late July.

## RECOMMENDED ACTION & MOTION BY COUNCIL

Please see Resolutions #2022-033 & **#2022-073**



# RESOLUTION

Number 2022-073

To Finalize the FY23 Budget

WHEREAS, Section 9.4 of the Town Charter vests in the Town Council the responsibility to enact the Town budget by May 31; and

WHEREAS, the Town Council has reviewed and revised the budget as proposed by the Town Administrator, and has acted upon Resolutions necessary to effectuate various services and programs within the budget; and

WHEREAS, the Town Council subsequently adopted Resolutions to proceed with the construction of Central Fire Station and replacement of culverts within the Supplemental Appropriations process; and

WHEREAS, the State Department of Revenue Administration has requested a revised bottom line budget amount from which the 2022 tax rate will be calculated;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Council hereby finalizes the FY 23 Town Budget in the amount of Seventy-Five Million Eight Hundred Fifty-Seven Thousand Seven Hundred Thirty-Six Dollars (\$75,857,736) as set forth in the attached summary.

This Resolution shall take effect immediately upon its passage.

Adopted: October 18, 2022

Attest:

X \_\_\_\_\_

Joshua Bourdon, Council Chair

Date: \_\_\_\_\_

X \_\_\_\_\_

Cristina Guilford, Town Clerk

Date: \_\_\_\_\_