

## **Town of Amherst, NH**

Below is a summary of the current budget considerations for Amherst, highlighting economic pressures, organizational concerns/biases, and budget initiatives for the town and resident taxpayers:

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### **Economic Pressures**

1. Revenue shortfalls & state aid reductions: Some state-aid streams to municipalities (for example, distributions of the Meals & Rooms Tax) are being frozen, effectively cutting town revenues relative to inflation or growth. When state support is constrained or frozen, we are forced to either reduce services, raise property taxes, or both.
2. Rising costs & affordability pressures: Town resident taxpayers face higher demands: for example, towns must maintain infrastructure and provide essential and life safety services, schools must meet rising special education costs, etc. Certain costs that carry a significant impact on the operating budget include:
  - a. Souhegan Regional Landfill District- facing significant trash hauling and disposal cost increases, significant capital needs
  - b. Pennichuck Water Works Water Hydrant Lease- over 50% increase in water hydrant lease costs
  - c. Personnel costs (wages, insurances, taxes, and retirement)- make up 59% of the proposed operating budget
  - d. Inflation, contracted services, regulatory reporting, utility cost increases are inflationary pressures that must be built in

### **Organizational Concern/Biases**

1. Committed to provision of high-quality Town services
2. Support compensation, benefits and work environment structures that enable the Town to attract and retain high quality employees.
3. Maintain Town infrastructure, e.g. buildings and roads
4. Create effective succession planning and capital forecasting

### **Budget Initiatives**

1. Proposed new positions/positional changes – see attached staffing change memos for each request
  - a. Full-time Transfer Station Attendant
  - b. Part-time to Full-time Recreational Department Assistant
  - c. Part-time Administrative Assistant for Amherst Fire Department
  - d. Part-time Administrative Assistant/Paralegal for Amherst Police Department
2. Enhancing Efficiencies
  - a. Digitization of documents/practices
  - b. Pooled/shared resources
  - c. Maintenance/tracking programs
3. Continue to actively seek grants & state/federal aid to attain capital needs or projects with minimal operating budget/tax effort impact

## Executive Summary – FY27 Budget Draft

**Total FY27 Draft 5: \$18,906,185**

**Total FY26 Approved: \$18,298,510**

**Increase (\$): 607,675**

**Increase (%): +3.321%**

The FY27 budget draft reflects modest overall growth, driven primarily by adjustments to wages (COLA and step increases), healthcare cost assumptions (+5% for dental, change in healthcare provider based on assumed rates), and department-level recalibrations. While many line items maintain near-level funding, personnel-related functions—particularly in administrative, finance, and operations areas—show consistent upward adjustments aligned with inflation and benefit increases.

Below is a summary of the adopted operating budgets for FY24-26 and the proposed operating budget for FY27 presented by department:

<b>Budget by Department:</b>	<b>FY24 Adopted</b>	<b>FY25 Adopted</b>	<b>FY26 Adopted</b>	<b>FY27 Proposed</b>
General Government	\$ 3,015,970	\$ 3,307,970	\$ 3,563,450	\$ 4,901,605
Police Department	\$ 3,007,910	\$ 3,388,480	\$ 3,516,950	\$ 3,242,840
EMS	\$ 713,330	\$ 802,200	\$ 839,850	\$ 895,400
Fire Department	\$ 752,400	\$ 815,720	\$ 850,900	\$ 822,550
Emergency Management	\$ 10,000	\$ 11,000	\$ 5,500	\$ 11,500
Dispatch Department	\$ 570,150	\$ 609,170	\$ 564,200	\$ 498,500
Department of Public Works	\$ 5,136,140	\$ 5,513,020	\$ 6,082,680	\$ 6,209,300
Health and Welfare	\$ 68,020	\$ 68,130	\$ 68,240	\$ 73,290
Recreation	\$ 496,550	\$ 513,790	\$ 553,500	\$ 532,200
Library	\$ 1,167,700	\$ 1,182,120	\$ 1,285,150	\$ 1,175,500
Debt Service	\$ 951,740	\$ 1,227,080	\$ 968,090	\$ 543,500
	<b>\$ 15,889,910</b>	<b>\$ 17,438,680</b>	<b>\$ 18,298,510</b>	<b>\$ 18,906,185</b>

Below is a summary of the adopted operating budgets for FY24-26 and the proposed operating budget for FY27 presented by category:

<b>Budget by Category:</b>	<b>FY24 Adopted</b>	<b>FY25 Adopted</b>	<b>FY26 Adopted</b>	<b>FY27 Proposed</b>
Salaries and Wages	\$ 6,520,050	\$ 6,988,810	7,399,500	7,668,105
Employee Benefits	\$ 2,995,150	\$ 3,253,300	3,453,700	3,498,280
Capital Financing	\$ 595,900	\$ 639,300	646,850	853,850
Contracted Services	\$ 661,930	\$ 819,120	885,470	1,205,850
Equipment and Supplies	\$ 227,520	\$ 244,480	248,400	269,300
General Insurance	\$ 163,000	\$ 179,450	192,000	204,000
Hardware/Software	\$ 328,540	\$ 331,750	438,600	433,600
Repairs and Maintenance	\$ 425,500	\$ 498,530	510,080	559,100
Membership and Engagement	\$ 183,550	\$ 161,770	162,720	189,250
Road Maintenance	\$ 1,724,310	\$ 1,968,300	2,224,300	2,107,400
Utilities	\$ 448,790	\$ 467,190	484,400	501,150
Waste Disposal	\$ 663,930	\$ 659,600	684,400	872,800
Debt Service	\$ 951,740	\$ 1,227,080	968,090	543,500
	<b>\$ 15,889,910</b>	<b>\$ 17,438,680</b>	<b>\$ 18,298,510</b>	<b>\$ 18,906,185</b>

While the operating budget (appropriations) makes up most of the town portion of the tax rate, there are other factors that affect the tax effort needed by taxpayers (either increasing or decreasing). These include non-tax revenues, use of fund balance to reduce taxes or voted surplus, adjustments, service credits, and overlay. Below is a summary of the adopted non-tax revenues for FY24-26 and the proposed non-tax revenues for establishing the 2026 tax rate, presented by source:

<b>Revenue by Source:</b>	<b>FY24 Adopted</b>	<b>FY25 Adopted</b>	<b>FY26 Adopted</b>	<b>FY27 Proposed</b>
Taxes (exc. Property tax)	\$ 92,900	\$ 102,700	\$ 112,700	\$ 105,900
Licenses, Permits, and Fees	\$ 3,460,630	\$ 3,565,650	\$ 3,652,300	\$ 3,727,300
State and Federal Funding	\$ 1,226,570	\$ 1,375,570	\$ 1,525,110	\$ 1,630,110
Charges for Services	\$ 642,100	\$ 651,500	\$ 684,800	\$ 699,800
Conservation Funds	\$ -	\$ 370,000	\$ -	\$ -
Miscellaneous Revenues	\$ 175,700	\$ 416,200	\$ 507,500	\$ 642,500
<b>Total:</b>	<b>\$ 5,597,900</b>	<b>\$ 6,481,620</b>	<b>\$ 6,482,410</b>	<b>\$ 6,805,610</b>

**Key Takeaways:**

- **Personnel Costs:** The primary driver of budget growth
- **Operational Stability:** Most non-personnel accounts remain flat or slightly adjusted, with the exceptions being:
  - **Souhegan Regional Landfill District:** \$83,000 increase (est.)
  - **Pennichuck Water Hydrant Leases:** \$187,800 increase
  - **Contracted Services (Bike Path):** \$183,150 increase
  - **Debt Service:** \$424,590 decrease
- **Efficiency Measures:** Some discretionary items were reduced or removed. Certain positions reclassified to best complete department objectives.
- **Overall Fiscal Impact:** The FY27 operating budget draft represents a 3.321% increase compared to FY26 adopted figures.