



2024 Deliberative Session Financial Update

February 8, 2024

Milford's Financial Health Remains Strong

- ▶ **2024 Operating Budget**
- ▶ **Debt Service**
- ▶ **Fund Balance**
- ▶ **Non-Tax Revenue**
- ▶ **Tax Impact**

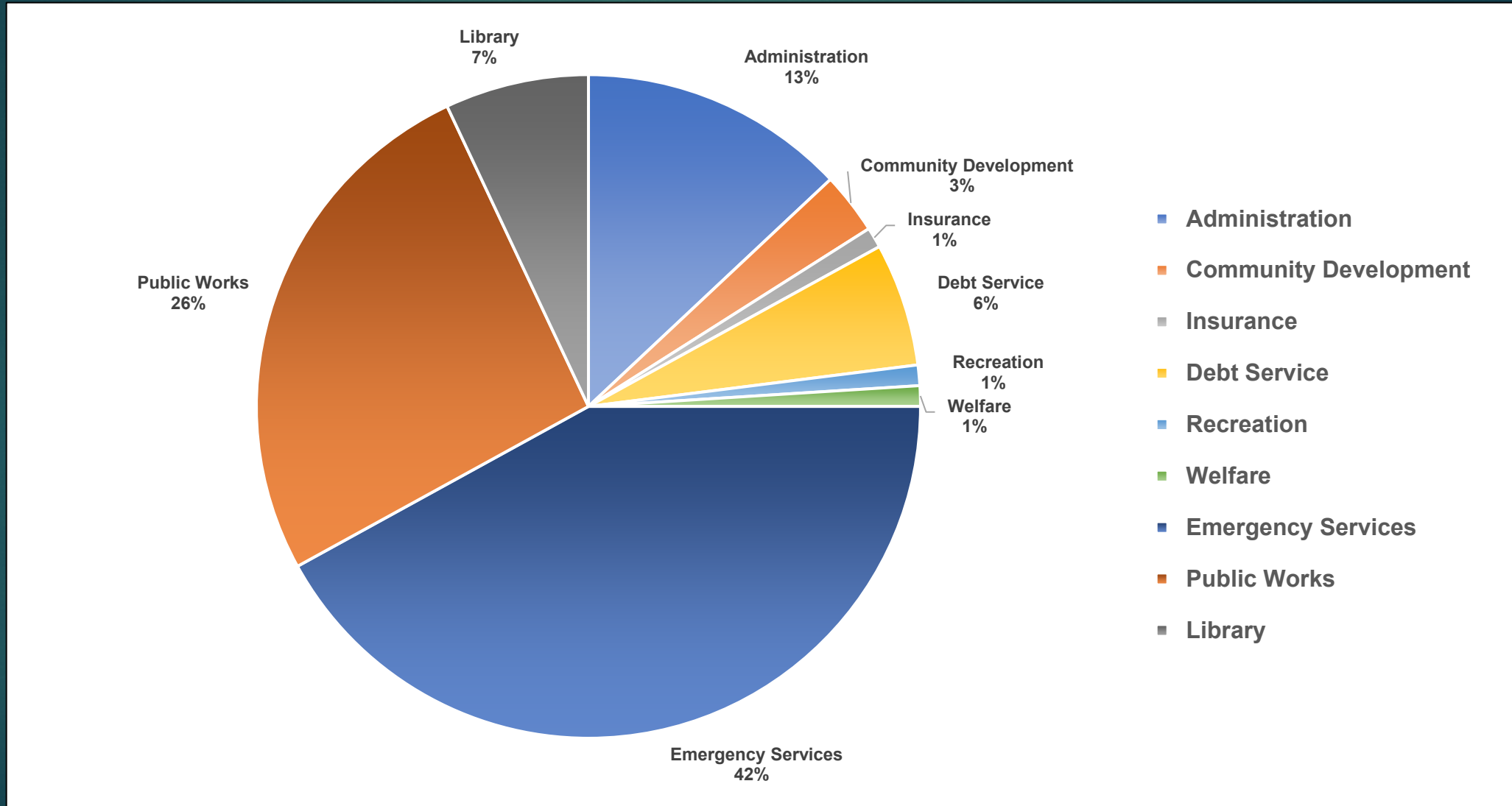
2024 Proposed Municipal Expense Budget

- ▶ **2024 Operating Budget is \$18,261,680**
 - Increase of **\$795,214 or 4.6%** from the 2023 Budget.
- ▶ **2024 Default Budget is \$18,002,107**
 - This is **\$259,573 less than** the proposed Operating Budget.

BUDGET DRIVERS FROM 2024 INCLUDE

- ▶ Milford Police Dept. Fully Staffing 5 Full Time Officers - **\$248,100**
- ▶ Employee Benefits (NHRS & Health Ins.)- **\$160,665**
- ▶ Wage increases (Non-Union Employees) - **\$155,357**
- ▶ Public Works (Road Maintenance) - **\$78,000**
- ▶ Water Utilities (Hydrant Rentals) - **\$57,798**
- ▶ Library (Operating Costs) - **\$34,000**
- ▶ MACC Base (Operating Costs) - **\$28,609**
- ▶ Voter Registration (2024 Elections) - **\$24,510**

PROPOSED OPERATING BUDGET



2024 Proposed Operating Budget Department Expenses with Benefits Allocation

Department	Amount	%
Administration	\$2,290,566	13%
Community Development	\$544,635	3%
Insurance	\$189,064	1%
Debt Service	\$1,177,661	6%
Recreation	\$191,660	1%
Welfare	\$157,677	1%
Emergency Services	\$7,633,280	42%
Public Works	\$4,762,977	26%
Library	\$1,314,160	7%
TOTAL	\$18,261,680	100%

DEFAULT BUDGET

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Operating Budget FY 2024 (per W/A's 4) **\$18,261,680**

FY 2024 DEFAULT BUDGET **\$18,002,107**

Difference **\$259,573**

Long Term Debt

FY 2023 - Principal & Interest Long Term Debt (\$1,292,359)

FY 2024 - Principal Long Term Bonds & Notes \$1,177,661

Net Change--> **(\$114,698)**

Contractual & Statutory Expenditures

NH Retirement Rate Increase, Health Insurance Increases \$160,665

2024 Proposed Budget Tax Impact

- ▶ Current municipal tax rate is **\$4.93**. The Municipal portion of the tax rate has decreased or remained level each of the past six years.
- ▶ Non-tax revenue is projected at **\$7,925,000**.
- ▶ Selectmen voted to use **\$500,000** from the Fund Balance to reduce taxes.
- ▶ Net property assessment is projected to increase **0.01% to \$2,069,135,041**.
- ▶ If the 2024 proposed operating budget and all warrant articles are approved and we apply the **\$500,000** from Fund Balance, the municipal tax rate would increase **3.7% to \$5.11**.

OPERATING BUDGET VS. ACTUAL 2016-2023

Year	Budget	Actual	Actual to Budget
2016	\$13,801,411	\$13,616,906	98.60%
2017	\$13,973,281	\$13,715,298	98.20%
2018	\$14,081,843	\$13,848,007	98.30%
2019	\$14,764,173	\$14,527,946	98.40%
2020	\$15,261,695	\$14,723,549	96.50%
2021	\$15,664,508	\$14,672,955	93.70%
2022	\$16,349,126	\$16,064,963	98.30%
2023	\$17,466,466	\$17,055,134	97.60% <i>(Estimated)</i>

DEBT RATIO

- ▶ **Low Debt: 22.3% of statutorily allowed maximum.**
 - **The State of NH requires that a town's debt ratio cannot exceed 3% of its equalized valuation (RSA's 33:4-a & 33:4-b):**
- ▶ **Maximum allowed debt is \$62.0M – Town's current debt is \$13.8M or 0.7% of equalized valuation.**

DEBT RATIO

	Millions	Percent of Allowed Maximum
Actual Debt - Year End 2022	\$ 15.3	24.7%
▪ Debt decreased \$1.1 million from 2023		
▪ Water Utilities is \$5.1 million		
▪ Town debt at \$7.4 million		
2023 Projected Additional Debt	\$ 0.0	
2023 Debt Payments	\$ (1.5)	
Estimated Debt - Year End 2023	\$ 13.8	22.3%

FUND BALANCE & NON-TAX REVENUE

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Fund Balance: Steady Growth in the Fund Balance from 2019 - 2023

- ▶ \$4,638,066 (12/31/22 actual)
- ▶ 7.7% of Town, School & County Gross Appropriation
- ▶ Selectman voted to use \$595,000 from the fund balance to reduce the 2023 tax rate. Projected balance at 12/31/23 is \$4,900,000 or 9.1%

Non-Tax Revenue increased in 2023

- ▶ 2023 Estimated Revenue \$7,543,135
- ▶ Projecting 2024 revenue of \$7,925,000
- ▶ Non-Tax Revenue includes Vehicle Registrations, Ambulance Fees, Rooms & Meals allocation, Land Use Development and Building Permit Fees, Investment Income, Highway Block Grant, etc.

Questions?