

Jim Donchess

Mayor • City of Nashua

February 11, 2021

TO: Sue Lovering, City Clerk
Kimberley Kleiner, Director, Administrative Services
John Griffin, Chief Financial Officer
Justin Kates, Director, Emergency Management
Stephen Bolton, Corporation Counsel
Bobbie Bagley, Director, Public Health and Community Services
Sarah Marchant, Director, Community Development
Tim Cummings, Director, Economic Development
Michael Carignan, Chief of Police
Brian Rhodes, Chief, Nashua Fire Rescue
Lisa Fauteux, Director of Public Works
Dr. Garth McKinney, Superintendent of Public Schools (Interim)

CC: Kevin Burgess, Chairman, Board of Fire Commissioners
James Tollner, Chairman, Board of Police Commissioners
Paul Bergeron, Chairman, Board of Library Trustees
Heather Raymond, President, Board of Education

Re: FY2022 Budget Preparation

Dear Directors, Chairmen and Commissioners,

We face extraordinary budgetary pressures as we begin to craft the FY2022 operating budget. What is markedly different about these budgetary pressures is they are directly coming from the significant downshifting of costs from the State of New Hampshire.

More specifically, we anticipate that the New Hampshire Retirement System Employer Rates for FY2022 will increase our costs for this one-line item by \$4.4 million. We have also been notified that our School aid may very well be reduced by \$7.4 million. Taken together, this \$11.8 million in downshifting translates to a 5.5% increase in Nashua's tax rate.

Given this situation, I am requesting that most divisions craft a FY2022 Proposed Budget at the same level as the FY2021 Adopted Budget (that is, a 0% increase). This 0% guideline applies to City Hall (all divisions taken as a whole), Fire, Library, Police, Public Works, as well as all others, except the School Department.

Jim Donchess

Mayor • City of Nashua

For the School Department, I am requesting a maximum increase of 1.5% for the FY2022 Proposed Budget. I am indicating a different maximum increase for the School Department because our schools have received significantly lower increases than other divisions over the past 5 years, and because remote learning has left many kids behind and suffering from a learning loss. The School Department needs additional funds to help these students to catch up. The total percentage increases divisions have received over the past 5 years are as follows: Fire 19.0%; Police 15.6%; Public Works 12.9%; Schools 11.9%. Allowing the School Department an increase of 1.5% will help close the disparity which has resulted over the past five budgets and help our students catch up from the effects of remote learning.

As we proceed toward the final Proposed FY2022 Budget, we may receive relief from the State Legislature. Therefore, I recommend that you prioritize spending items that you may want to add, should additional funding become available.

Thank you in advance for your time and cooperation in developing your respective FY2022 proposed budgets.

Sincerely,



Jim Donchess
Mayor, City of Nashua

cc: Board of Aldermen