



CITY OF DOVER FY2009 PROPOSED BUDGET

Presented to the City Council by
City Manager J. Michael Joyal, Jr.
on April 9, 2008



The Municipal Budget

- Policy Document
 - Reflects Priorities
 - Basis for Accountability
 - Establishes Legal Spending Authority
- Financial Plan
 - Establishes Funding Requirements
 - Allocates Available Resources
- Operational Guide
- Communication Tool



Budget Structure

- Fund
 - Governmental
 - Proprietary
- Function
 - Major Groups
 - Departments
 - Individual Cost Centers
- Object
 - Account Series
 - Revenue
 - Expenditure
 - Individual Object Codes
 - Line Items



The Budget Document

- Budget Summaries
- Budget Analysis
- Economic & Budget Data
- Appropriations Detail
- Debt & CIP Information
- Organizational Background



Budget Development Issues

- Successful Implementation of Tax Cap
- Federal/State Cost Downshifting
- Financial Policies
- Debt Service Adjustments
- North-end Fire Station
- Energy/Utility Rate Increases



Approach to Budget Development

- Municipal services/activities must be sustainable going forward
- Continue increase of operational funding necessary to maintain capital assets
- Invest in technology supporting efficiencies
- Adjust fees to reflect costs of services
- Prioritize municipal services and programs to accommodate tax cap limitations



FY2009 Proposed Budget

Fund Type	Proposed	\$ Change	% Change
General Fund	\$79,963,716	\$3,174,736	4.1%
Special Revenue Funds	9,735,323	1,242,964	14.6%
Proprietary Funds	12,971,273	312,973	2.5%
Total	\$102,670,312	\$4,730,673	4.8%



Resulting FY2009 Budget Adjustments

- Revenue
 - Fee & overhead charge adjustments
 - SAFER Fire Department staffing grant
 - DHA Police Officer Funding
 - Facility rental increases



Resulting FY2009 Budget Adjustments

- Expense
 - 9 FTE Position Reductions/Eliminations
 - Consolidate services & activities
 - Adjust hours & discontinue certain programs
 - Continue needed investment in street, facility & equipment maintenance



Resulting FY2009 Budget Adjustments

- Remove Teen Center Counselor
 - Drop-in Center with reduced schedule
- Remove Victim/Witness Advocate
 - Domestic violence cases referred to County
- Remove LEADS Analyst
- Civilianize Police Prosecutor position



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Resulting FY2009 Budget Adjustments

- Remove 2 Police Officer positions
 - Middle School Resource Officer
 - Community Liaison Officer
 - Both reassigned to patrol vacancies
- Downgrade Clerk/Tax Collector positions
 - Reduce 1 full time to 2 part time
 - Implemented through attrition



Resulting FY2009 Budget Adjustments

- Consolidate Inspection Services
 - Remove 3 Fire supervisor positions
 - Civilianize Fire Inspector position
 - Upgrade Health Inspector to full-time
 - Remove 1 Secretary position
 - Increase hours of existing Fire clerical staff
- Reduce number of new hires needed for North-end Fire Station



Resulting FY2009 Budget Adjustments

- Reduce Library hours by 5 ½ per week
 - Eliminates 2 part-time library positions
 - Reduces hours of remaining part-time staff
 - Maintains weekend and peak weeknights
- Contract operation of Jenny Thompson Pool
 - Eliminates Lifeguard and Attendant staffing
 - Maintains access for competitive swim program only
- Curtail/Eliminate Summer Playground Program
 - Continue Camp Sun n' Fun and Camp Kool
 - Dependent upon self-supporting fee structure



Resulting FY2009 Budget Adjustments

- Eliminate Property Tax Supported Subsidy/Grants
 - CDBG program grants available for low/mod needs
 - Exception for public transit and CAP
- Eliminate Other Specific Activities/Programs
 - 2009 Fireworks Display
 - Overtime for Police event coverage
 - Mosquito baiting/testing
 - Fall line painting
 - Non-essential street lighting



Resulting FY2009 Budget Adjustments

- Continue weaning from reliance on debt for routine recurring maintenance
 - Increases Street/Sidewalk repairs by \$245,000
- Maintain repair and replacement of essential equipment and vehicles
 - Police Cruiser – Fuel Efficient Staff Vehicle Rotation
 - Street Sweeper
- Continue support for revitalizing economic development program



FY2009 General Fund

Estimated Revenue



Tax Cap Calculation

FY2008 Actual Tax Levy	\$55,059,717
Calendar Year 2007 CPI-U Average	2.8%
Sub-total	<u>\$1,541,672</u>
Net Taxable New Construct/Demo Value	\$54,000,000
FY2008 Actual Tax Rate	\$19.63
Sub-total	<u>\$1,060,020</u>
Max Increase Allowed for Total FY2009 Property Tax Levy	<u>\$2,601,692</u>



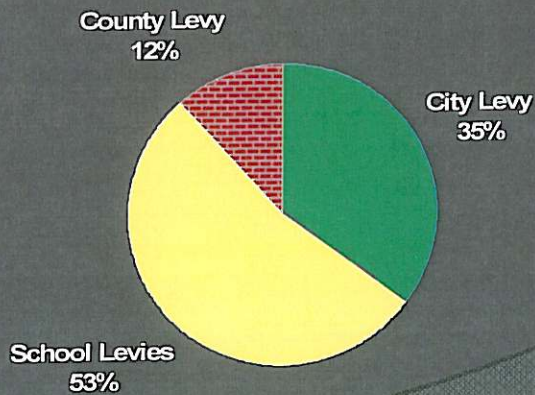
Tax Cap Allocations

Amount Calculated for Max Increase to Local School Portion of Tax Levy	\$1,069,687
Amount Calculated for Max Increase to State School Portion of Tax Levy	\$306,087
Max Increase Allocated for Combined School Related Property Tax Levy	<u>\$1,375,775</u>
Increase Required for County Related Property Tax Levy	<u>\$915,051</u>
Remaining Amount Allowed for City Portion of Property Tax Levy	\$310,866



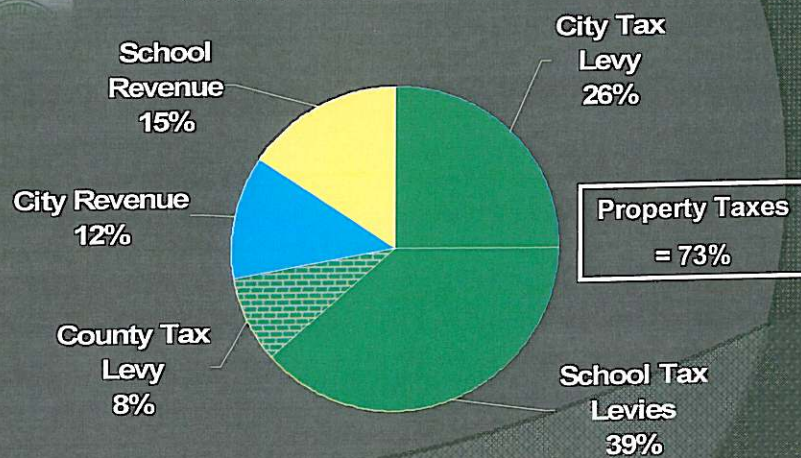
General Fund Revenue

Total Capped Property Tax Levy \$57,661,409



General Fund Revenue

Total Estimated Revenue \$79,963,716

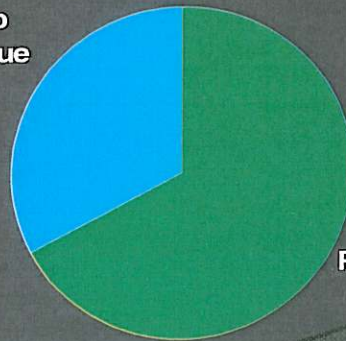




General Fund Revenue

City Estimated Revenue \$30,148,109

Non-Prop
Tax Revenue
33%

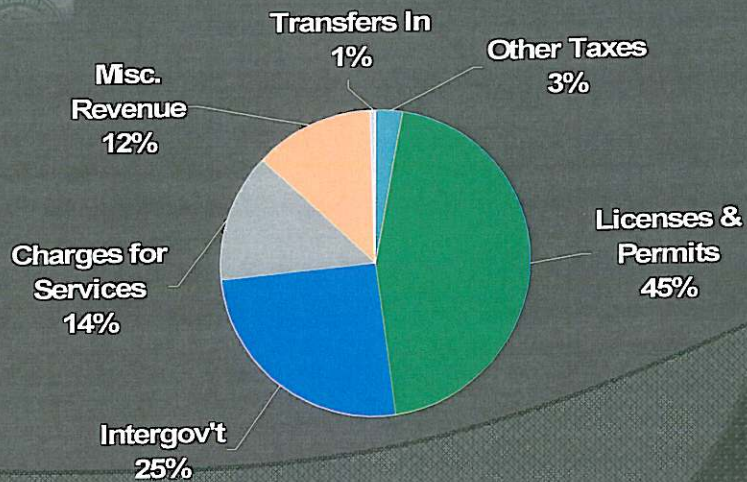


Property
Taxes
67%



General Fund Revenue

City Non-Property Tax Revenue \$9,912,419





General Fund Revenue

	\$ Amount	\$ Change	% Change
Other Taxes	\$282,010	\$10,000	3.6%
Licenses & Permits	4,467,223	(120)	0.0%
Intergovernmental	2,518,756	204,344	8.8%
Charges for Services	1,357,875	151,282	12.5%
Misc. Revenue	1,236,555	189,538	18.1%
Transfers In	50,000	18,000	56.3%
Total	\$9,912,419	\$573,044	6.1%



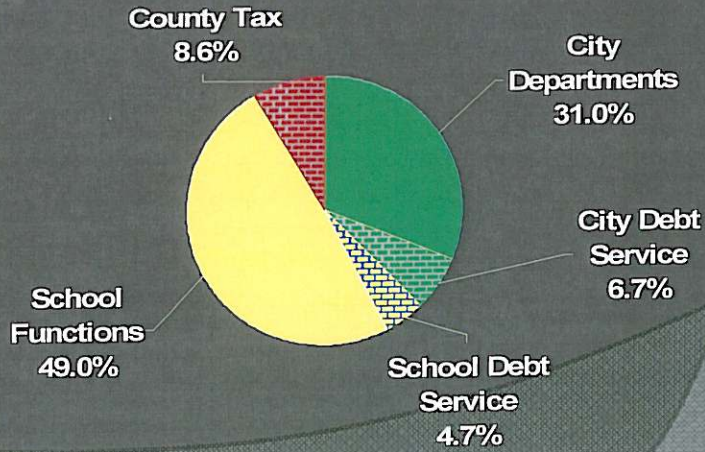
FY2009 General Fund

Proposed Expense



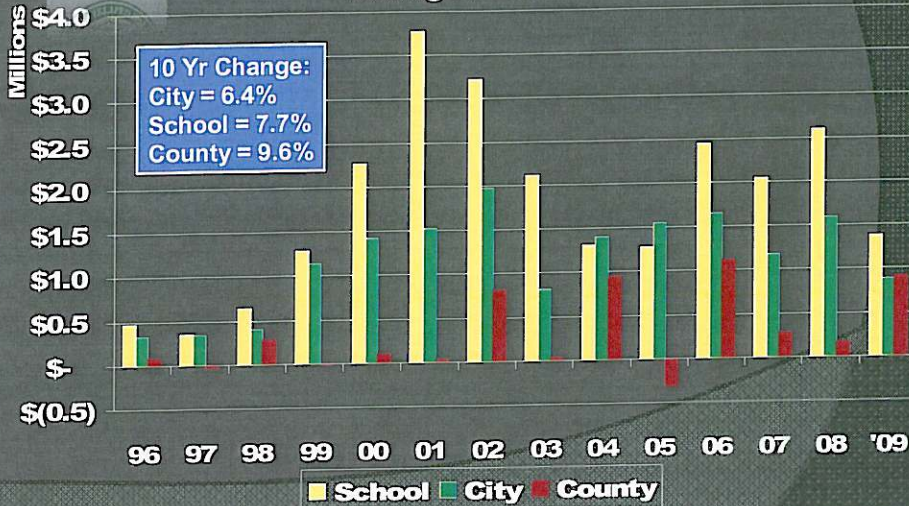
General Fund Expense

Total Proposed Expense \$79,963,716



General Fund Expense

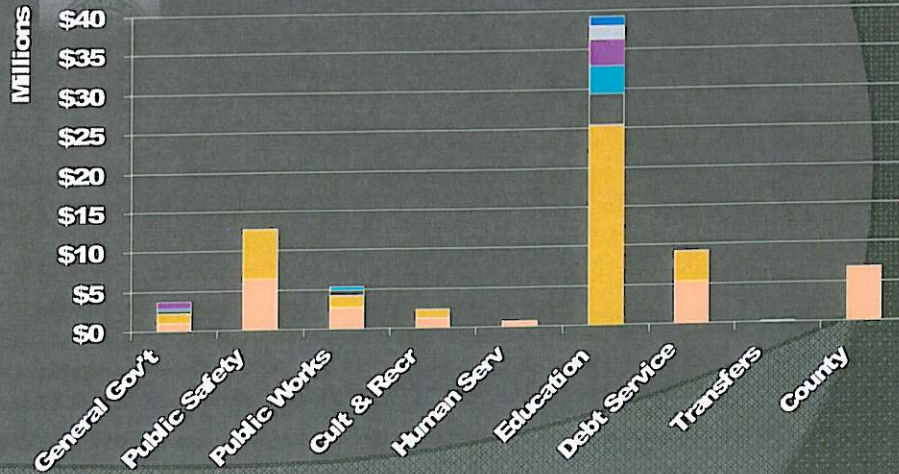
Change From Previous Year





General Fund Expense

Total Proposed Expense \$79,963,716



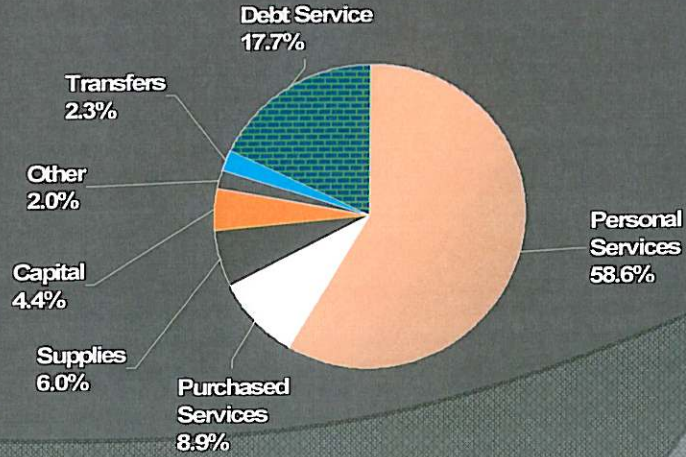
General Fund Expense

City Proposed Expense:	\$ Amount	\$ Change	% Change
Personal Services	\$17,658,517	\$177,174	1.0%
Other Operating Costs	5,809,621	60,675	1.1%
Total City Operations	23,468,138	237,849	1.0%
Capital Outlay & Reserve	1,332,457	430,877	47.8%
Debt Service	5,347,514	215,184	4.2%
Total	\$30,148,109	\$883,910	3.0%



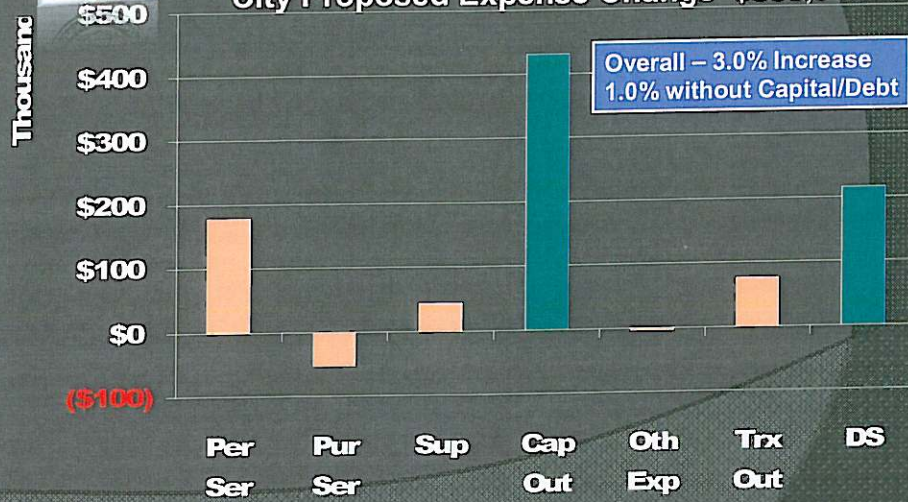
General Fund Expense

City Proposed Expense \$30,148,109



General Fund Expense

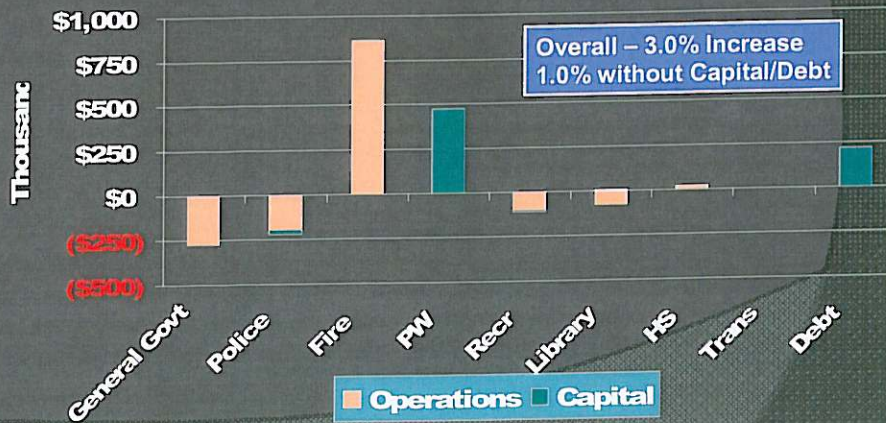
City Proposed Expense Change \$883,910





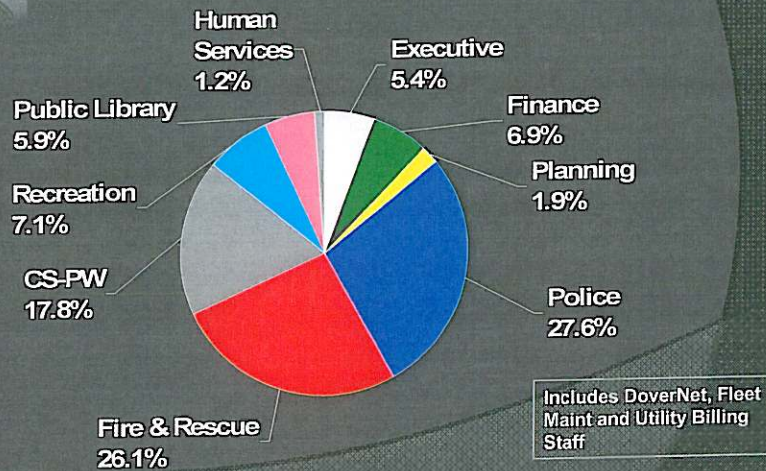
General Fund Expense

City Proposed Expense Change \$883,910



General Fund Expense

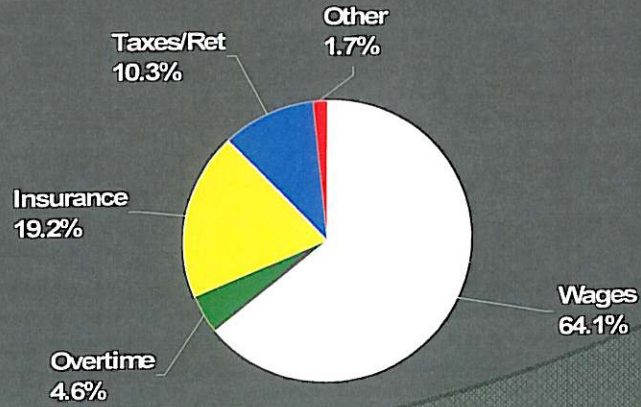
Full-Time Equivalent Personnel – 233.8





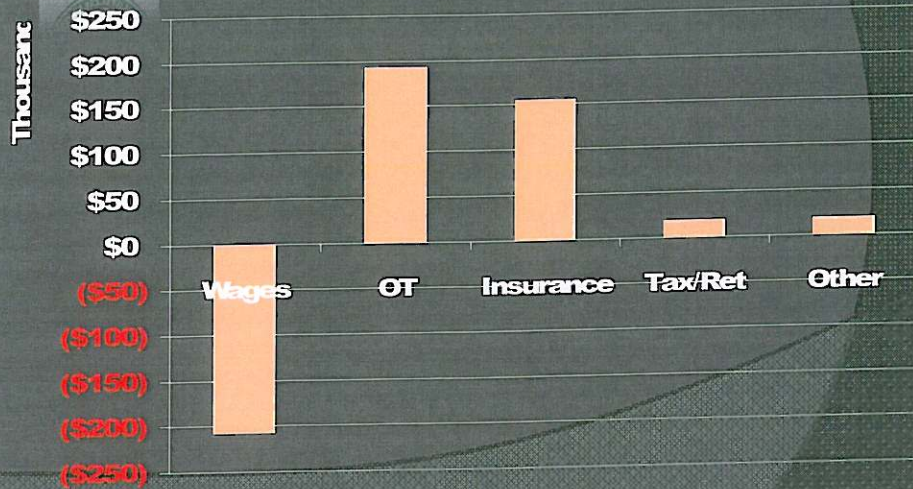
General Fund Expense

City Personal Service Expense \$17,658,517



General Fund Expense

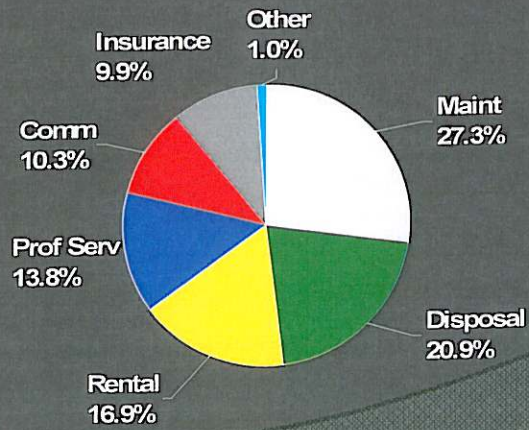
City Personal Service Change \$177,174





General Fund Expense

City Purchased Service Expense \$2,685,126



General Fund Expense

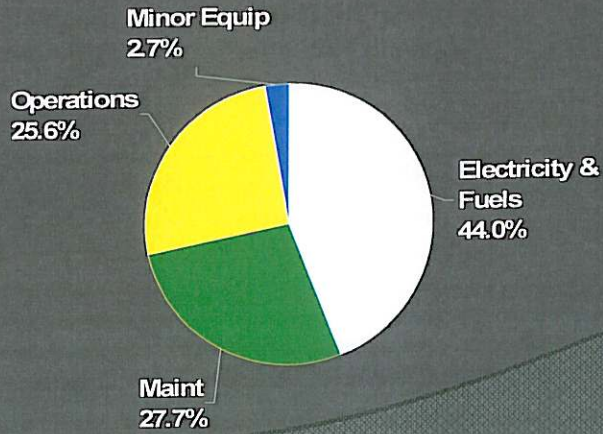
City Purchased Service Change **(\$53,816)**





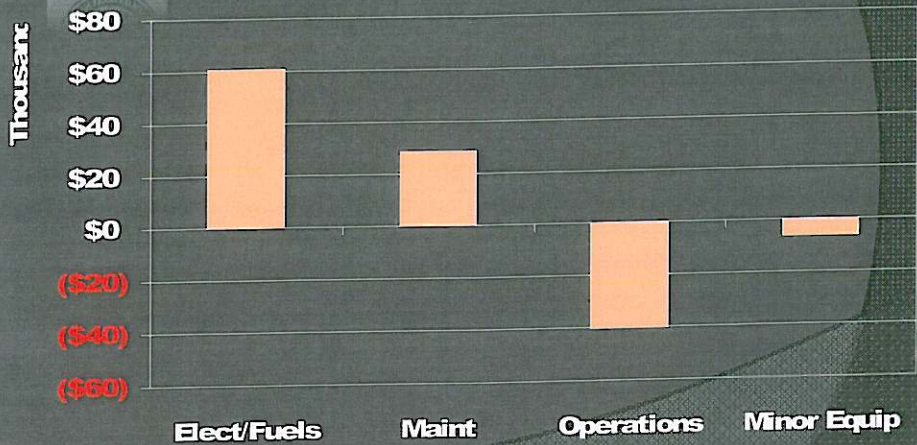
General Fund Expense

City Supplies Expense \$1,817,165



General Fund Expense

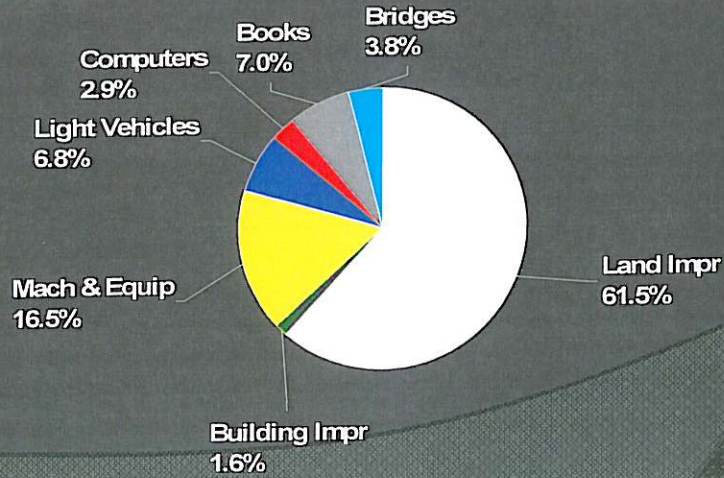
City Supplies Change \$42,584





General Fund Expense

City Capital Outlay Expense \$1,332,457



General Fund Expense

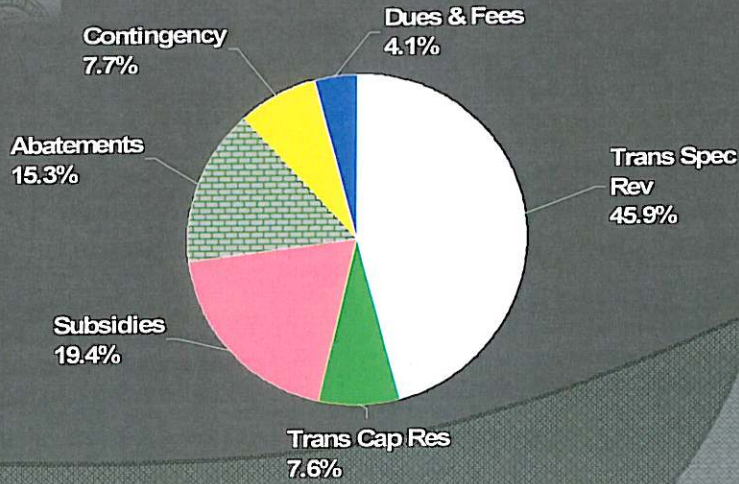
City Capital Outlay Change \$430,877





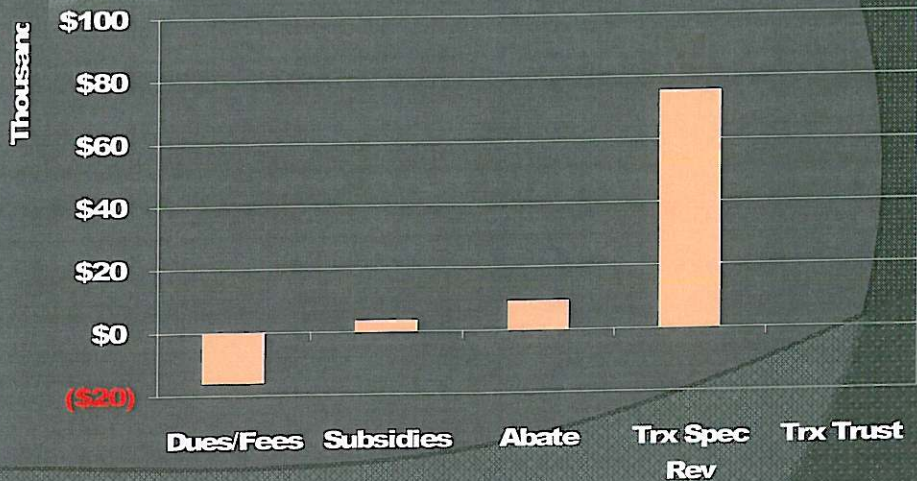
General Fund Expense

City Transfer and Other Expense \$1,307,330



General Fund Expense

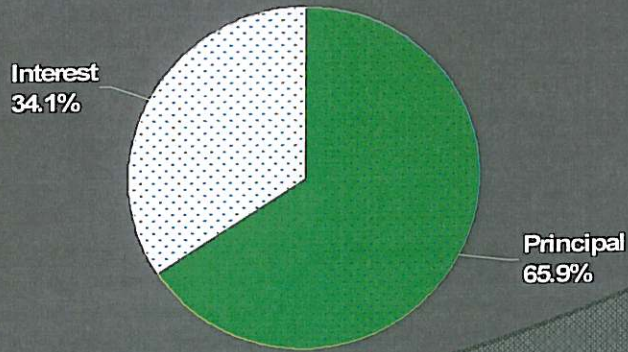
City Transfer and Other Change \$72,207





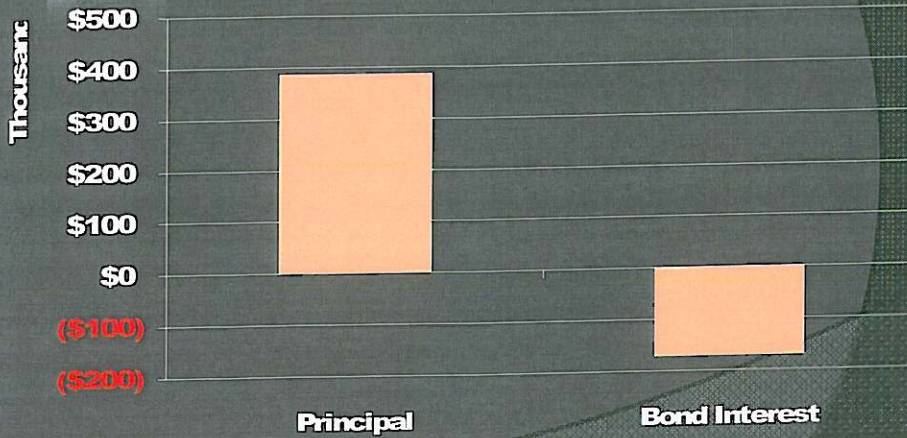
General Fund Expense

City Debt Service Expense \$5,347,514



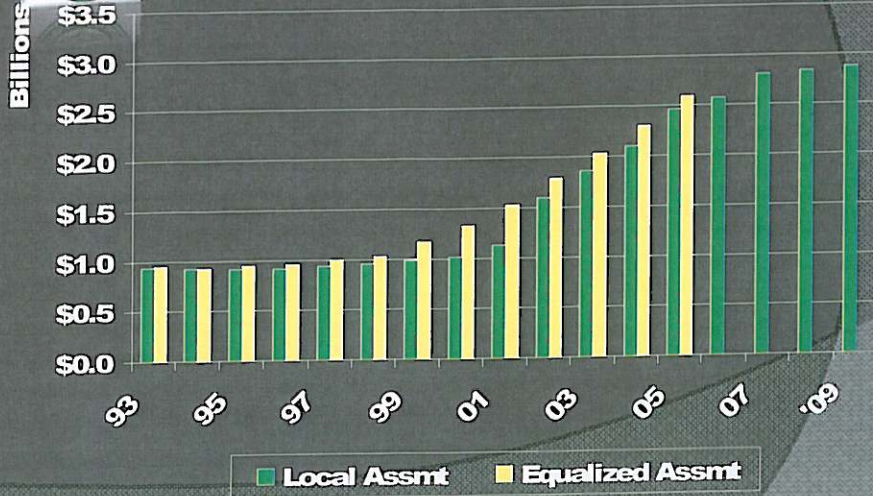
General Fund Expense

City Debt Service Change \$215,184

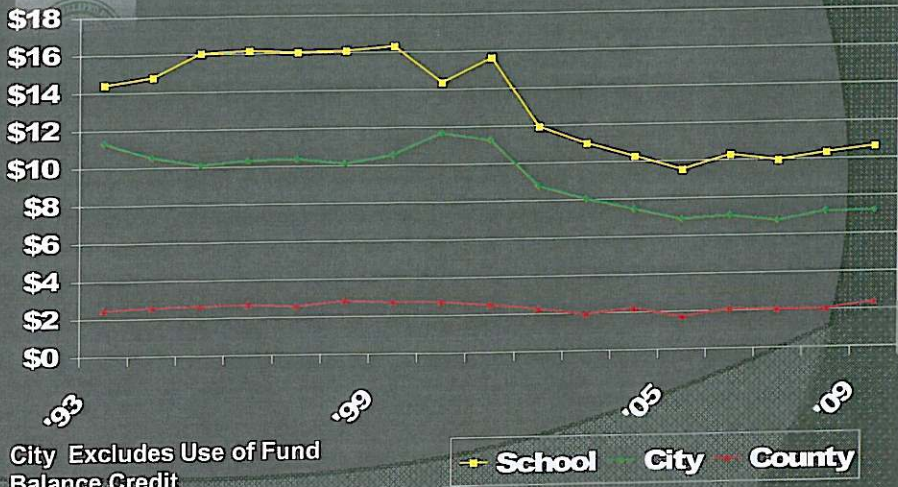




Property Valuation



Property Tax Rates





Property Tax Bill

**FY2009
Tax Rate
Breakdown**

	Rate
City	\$7.23
School - Local	\$8.44
School - State	\$2.21
County	\$2.36
Total	\$20.24



Property Tax Bill

**Mr. and Mrs. John Q. Taxpayer
City of Dover, NH**

Average Residential Assessment = \$259,688	FY09 Tax	\$ Change	% Change
City	\$1,878	\$0	0.0%
School	\$2,766	\$83	3.1%
County	\$613	\$75	14.6%
Total Property Tax Bill	\$5,257	\$158	3.1%



Property Tax Bill

Mr. and Mrs. John Q. Taxpayer

City of Dover, NH

Tax Increase Breakdown

Average Residential Assessment = \$259,688	City	School	County	Totals
Operations	(\$60)	\$78	\$75	\$93
Capital	42	0	0	42
Debt Service	18	5	0	23
Totals	\$0	\$83	\$75	\$158



Property Tax Bill

Mr. and Mrs. John Q. Taxpayer

City of Dover, NH

Tax Increase Breakdown

Average Residential Assessment = \$259,688	City	School	County	Totals
Operations	(3.2%)	2.9%	14.0%	3.7%
Capital	2.2%	0.0%	0.0%	0.8%
Debt Service	1.0%	0.2%	0.0%	0.4%
Totals	0.0%	3.1%	14.0%	3.1%



Remaining FY2009 Budget Considerations

- Evaluate additional contracted services
 - Landscaping
 - Facility Maintenance
 - Cemetery Operations
 - Snow Plowing
- Explore regionalization of services
 - County Public Safety Dispatch Services



Remaining FY2009 Budget Considerations

- Additional Grant Opportunities
 - DOJ Prevention Grant Awarded
 - Kid's Cabinet Grant Application
- Review PILOT Options
 - Review existing tax-exempt eligibility
- Evaluate feasibility of consolidating year-round aquatic activities to Jenny Thompson Pool



End of Presentation



Remaining FY2009 Budget Considerations

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End of Presentation

J. MICHAEL JOYAL, JR
City Manager
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City of Dover, New Hampshire

OFFICE OF THE CITY MANAGER

MEMORANDUM

TO: The Honorable Mayor and City Council
FROM: J. Michael Joyal, Jr., City Manager
SUBJECT: FY2009 BUDGET ADJUSTMENTS
DATE: 4/9/2008

Having submitted my FY09 Proposed Budget in accordance with C6-3.1A(1) of the City Charter, following are descriptions and financial analysis of the budget adjustments and additions that would allow for the continuation of existing programs and service levels.

In assembling a proposed municipal budget for the coming year, all functions, programs and the associated costs for municipal services were evaluated and prioritized. Based upon this review and the requirement to limit the overall property tax levy to the amount required by Charter, the proposed FY2009 General Fund Budget for City related departments is nearly \$1.5 million less than that originally requested by the departments. The proposed budget, at a 1.0% increase in operating costs excluding debt and capital, is well below the 2.8% year-end average CPI-U for all US cities. The proposed budget ultimately results in various staff adjustments along with reductions in purchased service and supplies.

For an operational spending level of only 2.8%, the addition of \$412,600 would be allowed and would mitigate some of the program and activity adjustments reflected in the proposed FY2009 General Fund Budget for City related departments. The addition of the full \$1.5 million removed from the proposed budget would increase operational spending over the prior year by 5.7% and increase capital outlay by an additional 34% furthering attainment of the goal of reducing reliance on debt for capital infrastructure repairs and replacement. With the cost additions that would result in either a 2.8% or 5.7% operational budget, municipal services in the areas of public safety outreach, recreation and cultural facilities could be restored to current levels of operation.

The attached will provide you with a general description by department of the programs or activities that could be restored in the FY2009 Budget as currently proposed should additional funding be allocated or otherwise reprogrammed. Should you wish to further consider these adjustments, the staff and I are prepared to discuss each in more detail.

PERSONNEL/PROGRAM CHANGES ASSOCIATED WITH
PROPOSED FY2009 BUDGET

Include any combination of the following to allow net addition of \$412,612 for 2.8% operational increase or \$1,092,706 for 5.7% operational increase;

Executive (restore \$26,000)

Restore Grants/Subsidy for Dover Veteran's Council, Seacoast Shipyard Association and Main Street Program. (\$26,000)

Planning (restore \$39,000)

Restore dues for continued membership in Strafford Regional Planning Commission (\$19,000)

Provide for additional consulting funds needed for Master Plan updates (\$10,000).

Police (restore \$240,000)

Restore 3 non-sworn positions (RFT 40 hrs.) These 3 positions would allow the department to continue the LEADS targeted enforcement program supporting a more proactive patrol strategy. Certain youth prevention programs would be restored to include programming activity in the Teen Center. The victim/witness advocate program would be continued to prepare and support victim/witnesses throughout the legal prosecution process (reduce \$170,000)

Restore 1 Police Officer (RFT 41.25 hrs). This position would allow the department to continue the Middle School Resource Officer. Middle School classroom lessons including those for both children and parents would be supported along with any other prevention related activities previously done in conjunction with the Middle School staff (reduce \$70,000).

Fire and Rescue (restore \$75,000)

Hire 1 Firefighter/EMT (RFT 42 hrs.). This position would allow for a Public Education officer to coordinate and present public fire safety programs. Additionally, position would help to offset increased overtime expenditure (restore \$75,000).

CS-Public Works (restore \$81,500)

Restore addition of 2nd traffic arrow and crosswalk painting to be completed in the fall and continue with one painting during spring of each year (\$10,000).

Restore mosquito baiting program to capture and test for infection of EEE and/or West Nile Virus (\$36,500)

Restore street lights. Continue to maintain low priority street lights (\$25,000)

Restore curb side metal pick-up service (\$10,000)

Recreation (restore \$155,000):

Restore hours of various seasonal full and part-time positions. The City's summer parks program would be continued and remain available to all children (\$60,000).

Continue public operation of Jenny Thompson outdoor pool in lieu of leasing to interested organizations (\$60,000).

Restore funding of most special programs. Special programs including fireworks, special events, recreation newsletter and Cocheco Arts Festival sponsorship (\$35,000)

Public Library (restore \$134,000):

Restore hours of operations and hire/increase hours of regular part-time positions. 5.5 hours of operations would be restored allowing for additional weeknight morning and evening service (\$60,000).

Restore additional funding for books and publications (\$20,000)

Restore Public Library newsletter and program materials (\$4,000)

Restore funding for complete replacement of carpeting (\$50,000)

Other (restore \$330,000):

Restore additional funding for street/sidewalk repairs in accordance with CIP recommendation (\$330,000)