



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Workshop Meeting
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Wednesday, January 31, 2007**
Meeting Time: **7:00 pm WORKSHOP**

Those present: Councilors Cheney, Ciotti, DeDe, Keays, Mayor Myers, Councilors Scott, Trefethen, and Turner. Also present: City Manager Joyal and City Attorney Allan Krans. Deputy Mayor Hindle was present then he left for another meeting.

1. PLEDGE OF ALLEGIANCE

The Mayor stated that Deputy Mayor Hindle was here and then left for a meeting at the county where they were holding a public hearing on their budget. The Mayor stated he had submitted his comments and for the record these are comments from him as an individual he gave to Mike Rollo of Rollinsford.

2. FY08 BUDGET DISCUSSION

The Mayor stated we are here to discuss Turner's proposed cuts on how to get to a 0% or 2% budget in order to give the city manager direction before he presents his budget to them in April. The Mayor has asked the city manager to give us an update on this year's budget if we are running ahead or behind also if there is any thing he would like to bring to our attention.

Scott wants a point of order as he would like to look at the total frame work as he likes and wants to look at Turners idea of starting from what the tax payer can afford. He referred to the town of Hudson again. Scott continued the city manager sent them the wages paid for many years but it is still incomplete. He wants the city manager to use Hudson's model. (See handout from Scott in council folder of 1/31/2007). The Mayor advised him to consult with the city manager first before we discuss this handout.

The Mayor then deferred to Turner.

Turner stated this is an effort to give the city manager some direction in the budget process. He wants to go through the list quickly and get a quick vote, then the city manager will know what items should not be put into this year's budget. Discussion ensued on how we would discuss these items.

Turner asked Joyal to comment on each item, the Mayor would also like discussion on each after the manager speaks.

Keays thinks this is waste of time to go over a 0% budget; he can't see what we will gain by doing this. He might go along with a 2% budget but a 0% is impossible.

The City Manager commented he had a chance to work with Turner when this list was put together. He wants the council to understand the scope of services they have chosen to provide it's citizens. There are certain things done by statute but beyond that it is ultimately the council's priorities; his concern is this is a little premature. They are not seeing the big picture; they do not have the proposed budget as yet. He himself still has a number of issues that have to be decided on by him before they receive the proposed budget in April. But we can go through these and talk about them in general terms. Like



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the first one, on grants, does the council want to provide this or have these groups find their own funding.

On staffing he would like them think of this as peeling away the outside services and preserving the core services. The manager would argue that COAST is extremely important. People in the organization are the ones that provide the services and training is required for them.

On individual positions Cheney was adamant that she did not want to cut Fire Department personnel and the council agreed with it and this was taken off the table last year. All they are doing is taking apart the budget before they have even seen it. It does not allow him to present them with a well thought out plan. By taking a position on these he is being forced into a position of making recommendations that he would not recommend to them anyway.

DeDe is in agreement with Keays, each of these items was taken off the table last year. There may be some different opportunities the City Manager may be able to consider for 2007-2008. The City Manager knows how to deliver these services. He knows the City Manager will come up with a 0 and a 2% and the regular City Manager budget. He also knows we will come closest to accepting the City Manager's budget. The area that needs to be modified the most needs to be done at the state level (pensions). We had meetings and each of the unions came before them and talked about the sacrifices that need to be made. These items represent customs that most of the citizens won't accept nor will most of the council accept them. He commended Turner for trying to do something. A 0% is just not realistic.

The Mayor says one of his jobs is to facilitate discussion. This is out there and the council can decide which direction they want to go with this; he noted they need to keep a score card as they go along, what did the CIP do to the budget. He agrees with the city manager that none of these items can be excluded from the next year's budget. He is here to look at ideas from the council.

Trefethen shares Turner's frustration with the budget process and they try to do it slightly different each year and it is still frustrating. Every dollar they spend is either for an employee or for a service. If we cut \$100,000 out of department "X"; it may be a couple of people or a service and maybe a constituent needs this service. This is a gut wrenching process. He likes the idea of moving backwards from the tax rate. When we say we don't want more than "X" for a tax rate; it is not possible to predict. He just does not know of another way. He thinks the list is to give the city manager direction but he would not support cutting many items on the list. He went through the list quickly listing what he could not support. he would like to have more of a philosophical discussion on the money spent in the city.

Turner has just heard 3 councilors say that they cannot support these items. He agrees. He is trying to simplify things. These are items that he does not support having in the budget. The Mayor clarified that he wants these things to stay in budget.

DeDe says the folks at home must be confused. The list before them now is a list of cuts that were before them last year and were all voted down. He does not think we will want to accept these this year any more than last year. DeDe thinks it would be a miracle if



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they came up with a 2% budget this year as there are contractual obligations. We are facing a tough year.

Trefethen says while we did not choose to eliminate these items from the budget, he thinks the same thing will happen again this year. It comes down to the council setting priorities. We are the only people that can decide what the City Manager can spend.

Keays is all for letting the City Manager present his budget but he is also all for going line by line department by department on the budget. This is the way to get a good solid budget.

Cheney agrees with Keays on the 0 and 2% budget being presented. We went through the list last year and there were so many things they did not want removed. Also she would like to see the answers to the handout from Scott like the Town of Hudson provides. If we look to see what happens when attrition occurs and fill in with other people that we have, and we look at the bigger picture she thinks it would be helpful. When we look at the CIP and we are expected to know what we are going to spend in 2013, she thinks if they see some graphs, etc. that would help.

The Mayor asked about the binders that the manager put together in the beginning of their term and if the answers to this handout were all provided in that. The City Manager stated this is all posted on the website but he will make sure the council gets a copy. He is also adding to the budget the total benefits costs and this will be in another section of the budget. The budget will be much thicker this year and it will also be on the website.

Cheney also thinks it would be helpful putting the big picture into a big book. She mentioned doing some graphs or Power Point Presentations so it is easier to understand and one that shows the current contractual obligations. To hear the unfunded obligations she would like to see something a little more organized and straight forward. The departments come in to tell them their needs but this data would help the big picture. Maybe the new Finance Director can allow them to see this.

Scott says no one ever said being a councilor is easy. He agrees the 0% will be difficult to achieve but the 2% will be doable. He continued comparing us to Hudson. The Mayor would like him to check the binders to see if the information he is looking for is there. The Mayor tried to clarify information on the contracts and pensions and how the contracts have changed over the years so that newer employees cannot bank as many days.

Also we can only know what will occur within the next three years with the way the union contracts are written. The Mayor stated it will be up to the next council to decide on co-pays with COLAs, again the budget is a one year snapshot. He believes what Scott is after is the amount of accrued benefits. The contingency fund was designed for this purpose which is there for employees to take some of their accruals. Ciotti says a lot has been said but it goes back to the 0% and 2%. The 0% is unrealistic; as there are so many of the things this does not include. A lot of things are not taken into account on this. We need to take the time to go through each line item.

Turner wants to put the lid on it; he just wanted to bring this forth to see if the council wanted to agree on this. Cheney wants to reiterate that she would like it if this contract that is about to be approved goes into effect and does it meet what the labor committee



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discussed. This contract meets the “what if” scenario. It applies to what we have to decide this year. She hopes there are fresh ideas coming through.

Ciotti asked about the snow budget that is not being spent. In the past the money has to go back to the general fund; is there any thing they can do to put this leftover money into next years snow budget, so that the cushion is there and it will be there for next year as a cushion. What can we do to build that budget up.

The City Manager does not want everyone to get their hopes up, there have been some expenditures to date with the small snow events. At the end they can take money out of the fund balance and appropriate it for anything they want next year. The fund balance is for any major expenditure, this past year they appropriated some funds to go back to the school. The other option is appropriate the fund balance is to off set the budget but he does not recommend this. Third they could also recommend a special revenue trust fund; there are things they could do but it is up to the discretion of the council.

Turner also found last year that we had two workshops where the departments went through their individual budgets. What he would rather see is where each department head responds to the City Manager’s reductions and the department head can respond to it rather than seeing everything he ever wanted to know about the Library for instance. Deal with it on a reduction by reduction item. The Mayor thinks this is a good idea especially in the second year of a 2 year cycle of the council. DeDe is not sure but there may have been a miss-impression from the wages that are posted in the budget we have looked at as they are for contracts in effect at that time. It would be a mistake for the public to walk away with the impression that the budgeted costs for personnel services has been guessed at. When it is posted, it will be crafted with the actual costs.

3. **ADJOURN**

Trefethen moved seconded by DeDe to adjourn at 8:15 pm with all in favor.