

**MINUTES  
BUDGET WORKSHOP  
DOVER CITY COUNCIL  
COUNCIL CHAMBERS  
APRIL 18, 2002  
6:30 PM**

Members Present: Christenbury, Hindle, Hofemann, Nossiff, Taylor, Tweedie and Whitmore.  
Dunnington present at 7:00 p.m.  
Member Absent: Quigley.

**DISCUSSION RE:**

**1. COMMUNITY SERVICES DEPARTMENT BUDGET OVERVIEW**

Community Services Department Director Pete Lavoie introduced the members of his staff in attendance including, Recreation Director Gary Bannon, Facility and Grounds Superintendent Paul Chalue, Public Works Director Doug Steele, and Fleet Services Supervisor Sam Crowley.

Pete began by discussing items that had previously been removed from the CIP and placed into the operating budget but have now been cut by the City Manager. Some of these items include LED Traffic Lights, although there is a possibility they will be able to get funding for the LED lights through a new program for municipalities through PSNH. There is also a possible program available for replacement windows for City Hall and Butterfield Gym that they are looking into as well. Also, City Hall Annex/McConnell Center improvement for \$60,000, heavy equipment for \$200,000, a vehicle replacement study for \$25,000, Silver Street by-pass study for \$30,000, drainage study master plan, and playground improvements has been completely removed as well as a recreation van.

Mr. Beecher explained that on page 233 it shows the bottom line total for the department went up \$317,000 equaling 3.1%.

Lavoie stated that major increases include personnel services, and property insurance, electricity and heating fuel as the McConnell Center and trail station have been added to their facilities as well as the new public works facility on Mast Road. He then reviewed various items throughout the budget.

Tweedie asked about vehicle replacement and maintenance costs and why the vehicle replacement study was removed considering that since it comprises such a major portion of the budget, it would make sense to ensure that we are doing it correctly via a study.

Lavoie stated that there was a vehicle study done for police department a few years ago, which did prove that theory.

Beecher stated it can always be put back in.

Tweedie then asked what are the actual costs for public works vehicles regarding maintenance costs, age, etc. He stated that some of these vehicles are ver old and we could be throwing away lots of money by repairing these instead of replacing them.

Sam Crowley stated that the average age of all of the city vehicles is 9 years, but this includes the brand new vehicles and the 1957 dump truck in community services. He explained that they are utilizing a fleet maintenance analysis system, which tracks everything done to each vehicle.

Hofemann asked how many mechanics there are and are they certified.  
Sam stated there are 4 certified mechanics in addition to himself.

### **Recreation Budget, Page 303**

Lavoie stated 42,000 was cut by the manager already and anything else would impact recreation programs, which would impact the revenue side.

Besides the personnel services, the insurance, electricity increases, heating fuel in the Butterfield Gym line item also now includes the McConnell Center gymnasium.

The Indoor Pool and Thompson Pool have increased mostly due to the above stated items as well as operating supplies.

Regarding the Arena, the increase is due to both facilities now being in operation. He stated that Paul Chalue has been monitoring the electrical costs of all of the buildings, but the new arena was difficult to predict until it actually began operations.

Christenbury asked, regarding page 318, #4622, electricity is going from \$3,000 to \$20,000, and why the major increase.

Beecher stated that last year it was only for Butterfield Gym.

Chalue stated that the McConnell Center, since being in operation, has already cost \$11,000.

Christenbury stated he would like to see the bills and asked if the cost of these utilities was factored into setting rental rates, such as was done with the School facilities.

Gary Bannon stated the School did this separately from the city, and therefore, we have not yet done this. He stated that the Butterfield Gym actually runs on a natural gas generator, and only when it shuts down do they use PSNH, which then causes a spike in costs.

Christenbury then asked when the last time an actual comprehensive study of costs versus the charges has been done.

Bannon stated that 5-6 years ago an energy management study was done, but the bills are actually split down the middle between the gym and pool, and it is difficult to tell which is using what because there is not a separate meter.

Tweedie stated he thought that we were using the McConnell Center gym as a temporary facility when there was a problem at the Butterfield Gym, but now it appears that we are using both and asked if the programs have now been expanded.

Bannon stated that we have always used both gyms since the middle school was relocated.

The Butterfield Gym is used 7 days a week and the McConnell gym is used 6 days a week. He stated that the school still paid the electrical costs for the McConnell Center until a year ago, when the building was transitioned to the city.

Tweedie then asked about the drop of insurance costs and does that mean we have moved full time people to part time status.

Joyal explained that there have been some employees who have switched plans from family to single as well as the contractual increase in co-pay by employees to account for this decrease even though the insurance costs have increased.

Christenbury stated that although the Manager says that the McConnell Center is paid by the taxpayers regardless of which budget it falls under (school or city) this is not acceptable to him. He feels that Valerie McKenney of the School Board did an excellent job getting users to pay more into using the school facilities, because we need to take a good look at basing rates on actual costs. He stated this is one area that he will be looking to cut.

Taylor asked if our recreation programs serve other communities.

Bannon stated that there are only a few that serve non-residents but they are charged non-resident rates and are only offered once Dover residents have signed up and there are spaces available. He stated that regarding the cost of the programs, a few years ago he did a study per the Council request which concluded that the rates would have to be increased 3-4 times to recoup actual cost. Bannon stated that our facilities are good and need to be kept up to date, but it needs to be decided if we are going to compete with private facilities, which would cost money to make money.

Whitmore asked that a demographic breakdown per program/per facility be provided to the Council.

Bannon explained that the senior population is a target group for more daytime activities, which they are looking to expand upon.

Tweedie asked about page 317, uniforms.

Bannon explained that this is the cost for the Lil' Shots basketball uniforms, which used to be paid for by sponsors, but because there has been a lack of sponsorship available, they are now funding through the budget and then charging the cost to the parents with the registration fee.

Christenbury asked how we know they are Dover residents.

Bannon stated they are required to provide proof at time of registration.

Lavoie then discussed page 367, Fleet Maintenance Division – 3.1% increase. He stated that basically the increase again is attributed to personnel, insurance, supplies etc. as well as the cost for an additional piece of software for the computerized fleet analysis program.

ARENA FUND (see handout in folder)

Bannon began by reviewing Charts A-1 and A-2, which compares the revenue and expenses of the Dover Arena from FY1992-2001 to the point of beginning construction of the second arena facility. He explained that FY01 and FY02 are construction years, which obviously includes only expense for the 2<sup>nd</sup> facility and no revenues.

Next, he reviewed Items B-1 through B-7, which gives the projected Arena revenue and expenses through FY 2006. He explained that some of the larger ice users are locked into rates due to their contributions toward the new facility, but other user rates will gradually increase. He explained that they will also be programming off-season events which will also bring in additional revenues (SEE Charts C-1 through C-4 for specific events and projections). He stated that off-ice use is a good revenue source because it costs a lot less to operate and there is a lot of interest by many different groups.

He noted the Capital Reserve line Item in FY04-06, which is important to have in case of major replacement issues ie., roof, zamboni, etc. He stated that FY06 is the first year projected to be all profit and will be when the current contracts will expire and allow rates to be increased for the major users. Therefore this is when they will be able to put a considerable amount into the capital reserve and still be able to run the facilities at a profit.

Whitmore stated she likes the off-ice uses and would like to know what the net profit will be as opposed to the gross projections.

Bannon stated that Ray Terrell is still working on these figures and was able to get the information presented tonight together with 5 days notice.

Christenbury stated that in Councilor Quigley's absence he would like to ask about the status of the fundraising money.

Bannon stated there was \$620,000 pledged and we have received \$200,000.00 so far. He explained that there are various contracts, which provide for funding over a certain amount of years.

Christenbury asked where this money will appear in the budget.

Bannon explained that this will be held in a trust fund and the Council can determine to spend or save these funds.

Christenbury asked that the spreadsheet be provided regarding the pledges received and still to be received.

Meeting was adjourned at 7:30 p.m.

Valerie A. French  
Deputy City Clerk