



CITY OF DOVER

JOINT FISCAL COMMITTEE - AGENDA

Meeting Type: Regular Meeting
Meeting Location: School Board Chambers, McConnell Center
Meeting Date: **Wednesday, October 5, 2011**
Meeting Time: **7:00 PM**

1. **CALL TO ORDER**
2. **APPROVAL OF MINUTES**
 - A. **February 14, 2011**
3. **PRESENTATION THE CAPITAL IMPROVEMENT PROGRAM DEVELOPMENT PROCESS AND ISSUES**
4. **STATUS OF NHRS DOWNSHIFTING**
5. **REVIEW TAX CAP AMENDMENT**
6. **OTHER BUSINESS**
7. **ADJOURN**



CITY OF DOVER

JOINT FISCAL COMMITTEE - MINUTES

Meeting Type: Regular Meeting
Meeting Location: Council Chambers, City Hall
Meeting Date: **Monday, February 14, 2011**
Meeting Time: **6:15 PM**

Present: Mayor Myers, Deputy Mayor Trefethen, Councilor Carrier, Councilor Cruikshank, Councilor Garrison, Councilor Hooper, and Councilor Weston, School Board Chairperson Carolyn Mebert, School Board Vice Chairperson Audra Lurvey, School Board Secretary Beth Setear, and School Board Members Kenneth Appel, Doris Grady, and Robert McCrory.

Also Present: City Manager Joyal, Deputy City Clerk Mistretta, Superintendent Briggs-Badger, and Business Administrator Laura Verville.

Absent: Councilor Cheney, Councilor Nedelka, and School Board Member Matthew Mayberry.

Mayor Myers led the Pledge of Allegiance.

1. CALL TO ORDER

2. APPROVAL OF MINUTES

A. November 17, 2010

Ms. Setear moved to approve the minutes; seconded by Mayor Myers.

Vote: 13/0.

3. DISCUSSION ON THE FISCAL YEAR 2012 BUDGET

Ms. Mebert discussed the School Board's budget with the Council. The default budget for the School Board is 2.3%, and adding in the administrators' budget needs brings the budget increase to 9.9%. She spoke about the top ten on their priority list, six of which were reinstatements of cuts taken out of the budget in previous years. She asked the Council for their direction the School Board should take in the budget deliberation.

Mayor Myers said the Council hasn't started its budget process yet, but will be sharing some of the same budget increases in retirement and health insurance. He said there is a lot of uncertainty with the State and County budgets. He spoke about the tax cap formula still being used in drafting their budget. He said many citizens have told him to not increase spending. He spoke about the updates to the Financial Policy.

Councilor Hooper spoke about the State Legislature. She said the State is talking about severe cuts. Several programs were only getting \$1.00 as a placeholder in the budget, but not funded.

Deputy Mayor Trefethen discussed the decreased revenues, and said level funding would increase property taxes. He asked the City Manager to propose a budget with no increase to property taxes.

Superintendent Badger-Briggs discussed her four handouts regarding the budget to the Committee.

Ms. Grady spoke about the budget, and reminded the Council that the School needs to know the amount before April 15th to allow time to tell people whether or not they have a job.



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Mayor Myers referred to the default budget and the final 9.9% increase with all the priorities, and asked the School Board what their plans were regarding their budget.

Ms. Setear said she understands they probably won't be including a lot of items on their priorities list. She compared Dover to other towns, and said Dover is already on the bottom of the list for amount spent per student.

Mr. McCrory said the high priority items can be funded within the tax cap. He said the school has already cut the budget the last few years, and now they are being choked. He felt the school should take care of the present staff and not hire new people.

Ms. Grady said they need to eliminate what is not working, and transfer it to what is working. She will not support a 9.9% increase to the budget, nor will she support a level funded budget. She would prefer to see new programs and materials that will help children learn, and not hiring new employees.

Councilor Carrier spoke about the budget and the controversy with overriding the tax cap last year, and facing the same situation again.

Councilor Weston started a discussion regarding the budget and if they were inclusive. She asked if they were not inclusive how they were going to be funded.

Superintendent Briggs-Badger said there were not included, and they would come before the Council to ask for additional appropriation. She said they are confident that the Council will not keep the School budget at level funding. She said the unions have heard the public and the teachers' contract has no raises.

Deputy Mayor Trefethen started a discussion regarding the drop in revenues and tuition. He said they have to take everything into account.

4. FINANCIAL POLICIES USED IN BUDGETING PRACTICES

Mayor Myers discussed the three areas where the financial policies affect the School budget. He said if the Council adopts the financial policies they will be requesting the School to implement them. He spoke about discussions with the State and giving the city and towns the revenue streams that are sustainable and predictable. He asked the public to help get that message across.

Councilor Hooper spoke about the new bill in the legislature regarding parents getting a tax waiver for their children going to private school.

5. OTHER BUSINESS

6. ADJOURN

Ms. Lurvey moved to adjourn; seconded by Councilor Weston.
Vote: 13/0.

Superintendent Briggs-Badger's four handouts have been archived with the minutes.

QUESTION: SHALL THE DOVER CHARTER BE AMENDED AS FOLLOWS:

6-3.1 Limitation on Property Tax Levy Increase

The City Council shall adopt the annual municipal budget for city and school purposes to limit the property tax levy on taxpayers to the property tax levy from the previous tax year increased by the amount of inflation calculated from the Consumer Price Index-Boston and the net increase in new construction. Enterprise funds, dedicated funds, capital reserve funds, grants, county tax, state property tax, and revenues from sources other than local taxes shall be excluded from the limitation on the property tax levy. Appropriations in the annual municipal budget shall not exceed the property tax levy increased by other revenues generated by the municipality.

- A. The "amount of inflation" means the average of the thirty-six (36) month changes for the calendar years immediately preceding the budget year as stated in the Consumer Price Index-Boston published by the United States Department of Labor.
- B. "Net increase in new construction" means the total value of building permits minus the total value of demolition permits for the previous calendar year based on information provided from city departments.
- C. The "property tax levy" means the amount sought to be collected from property taxes.
- D. The budget limit provisions on the total property tax levy may be overridden by a two-thirds (2/3) majority vote of all elected members of the City Council."
- E. If any provision of this section is invalidated in proceedings before a court of law, the remaining provisions consistent with the general law and constitution shall remain in full force and effect.

Background: This charter amendment changes the existing tax cap provisions by substituting in the whole and replaces with new substituted language. The new language is consistent with new state legislation. The amended language limits budget increases to a three year inflation formula with exclusions.