



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Workshop Session
Meeting Location: Council Chambers, City Hall
Meeting Date: **Wednesday, June 5, 2013**
Meeting Time: **7:00 pm**

1. CALL TO ORDER

2. MOMENT OF SILENCE

3. PLEDGE OF ALLEGIANCE

Councilor Spuler led the Pledge of Allegiance.

4. ROLL CALL ATTENDANCE

Present: Mayor Trefethen, Deputy Mayor Carrier, Councilor Cheney, Councilor Crago, Councilor Garrison, Councilor Hooper, Councilor Spuler, Councilor Weeden, and Councilor Weston.

Also Present: City Manager Joyal and City Clerk Lavertu.

5. DISCUSSIONS

A. GENERAL BUDGET DISCUSSION

Councilor Weeden asked if there was any discussion at the previous workshop about his request to increase the sewer fund to \$500,000, an additional \$40,000, so it meets the reserve level.

Mayor Trefethen said they didn't discuss that issue, but said that during the Special Meeting an amendment could be made.

Deputy Mayor Carrier asked about Fund balance, lowering it to an even 8%, and what the number would be.

City Manager Joyal explained the financial policy to have at least 8% fund balance. He asked the Finance Director what the numbers were at 8.2%.

Finance Director Lynch said based on the proposed budget it would be \$7,269,352, and the City ended fiscal year 2012 with \$7,285,806, a difference of around \$20,000.

Councilor Weston asked what the difference was between 8% and 8.2%.

Finance Director Lynch said .2% of the 2013 budget is \$177,000.

Councilor Cheney discussed the contingency fund and the issue that the budget is increasing greater than revenues, which push the dollar amount up.

City Manager Joyal explained that he proposed a 0.34% increase trying to get it to the 0.5% of General Fund expenditures. He said the primary reason for the increase is to achieve the financial policy level and receive a good bond rating. He said if the armory doesn't sell they will have the contingency fund to fall back on.

Councilor Cheney talked about the budget increasing faster than the tax cap. She asked what the increase would be if they used the tax cap.

Mayor Trefethen asked for clarification regarding her statement that the budget increasing faster than the tax cap, because the City's side of the budget conforms to the tax cap.

Councilor Cheney said the increase to the budget is 5.5%.

City Manager Joyal said it has always been a tax cap and not a spending cap.

Mayor Trefethen said revenues have always been part of the formula.



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Councilor Weeden asked what the percentage would be if the \$88,000 for the contingency fund wasn't added in the budget.

City Manager Joyal said this year's budget was \$187,268 in the contingency fund. He answered Councilor Cheney's question: with a 1.97 CPI the increase would be \$3,689. He said the \$88,000 was to try to meet the target level of the financial policy.

Councilor Spuler referred to discussions at the previous workshop at add a police officer for a \$6.00 increase, and a \$6.00 increase for the school. He asked if the Fire Chief could speak to the Council regarding what they would do with a \$4.00 increase.

City Manager Joyal clarified the question and asked the Fire Chief what his priorities would be if he had an additional \$60,000 in the Fire Department's budget.

Fire Chief Driscoll said he would put it towards overtime costs, which would allow him to have a 12 personnel staffing rotation. He said it would cover half of what he requested.

Deputy Mayor Carrier started a discussion on using the contingency fund until they sell the armory.

City Manager Joyal said the contingency fund is used to buffer his estimates that were presented in the proposed budget. He recommended the Council adopt his budget because he felt they were reasonable estimates. He said they are constantly evaluating the budget and making adjustments.

Councilor Weeden said they have \$276,204 in the proposed budget for contingency and said if the City didn't sell the armory it would impact that.

City Manager Joyal said that was true.

Councilor Weeden asked if the armory was up for sale.

City Manager Joyal said it is up for sale and they already have an interested buyer. He said if there isn't an agreement within the next few days they will list it with a real estate agent. He said he felt it was reasonable that the City will sell the armory this year.

Councilor Spuler asked if the City needed the contingency fund last year.

City Manager Joyal said he will be bringing forwarded a resolution next week to pay for the HVAC system, which wasn't budgeted for and funds were needed from the contingency fund.

Mayor Trefethen said anything left in the contingency fund goes into Fund Balance.

Councilor Cheney asked the percentages for the last two budgets.

Finance Director Lynch said in 2011 it was .12; 2012 it was .15; 2013 is was .25.

Mayor Trefethen said the proposed for 2014 is .34.

Councilor Weeden asked why they couldn't spend that money instead of putting it in the Fund Balance.

Mayor Trefethen said they could spend it.

Councilor Cheney referred to the Fee Schedule and asked about water investments fees going up 21%.

City Manager Joyal said it wasn't an impact fee, but an investment fee for a new customer to buy into the system. He said the formula is set by the Dover Utility Commission (DUC) rules. He discussed the fees.



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6. ~~CITIZEN'S FORUM~~

~~*Citizens are invited to speak on the subject matter of the Workshop. Statements shall be limited to five minutes.*~~

The Citizen's Forum was held during the Special Meeting which immediately followed this Workshop.

7. ADJOURNMENT

Mayor Trefethen called for a four minute recess at which time the Council would convene for the Special Meeting. Meeting adjourned.