

CITY OF DOVER, NEW HAMPSHIRE
FY2015 Proposed Budget


Presented to the City Council
on April 9, 2014

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City Manager




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



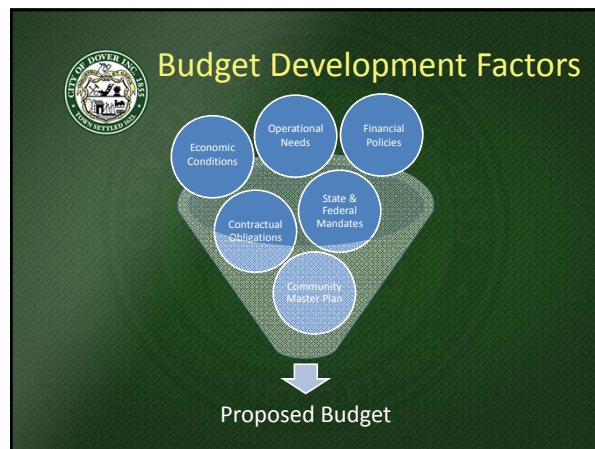
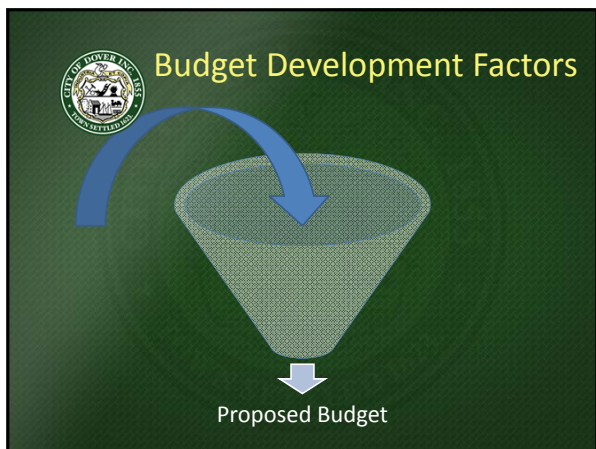
The Budget Document


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



Approach to Budget Development


- Review all core service deliverables
- Avoid across-the board cuts
- Services reflect community priorities
- Fees support programs w/ individual benefit
- Budget adjustments are sustainable
- Recognize services are provided by people






Priority Based Budgeting Philosophy

- ⦿ Prioritize services instead of departments
- ⦿ Focus deliberations on program value
- ⦿ Relate services to achieving strategic results
- ⦿ Provide transparency for community priorities
 - How we value our services
 - Why we invest in our priorities
 - How we address varied community needs



Priority Based Budgeting Steps

- ⦿ Identify strategic priorities
- ⦿ Define results of strategic priorities
- ⦿ Inventory core service programs/activities
- ⦿ Score and group programs/activities
 - Basic program attributes
 - Strategic priority results
 - Community expectations



Priority Based Budgeting Overview


- ⦿ 5 overall strategic priorities
- ⦿ 5 performance areas
- ⦿ 6 distinct core service deliverables
- ⦿ 9 organizational units delivering services
- ⦿ 24 basic service attribute levels
- ⦿ 111 unique programs/activities
- ⦿ 4 priority groupings



Our Strategic Priorities




Our Strategic Priorities

Results Map for the City of Dover, NH

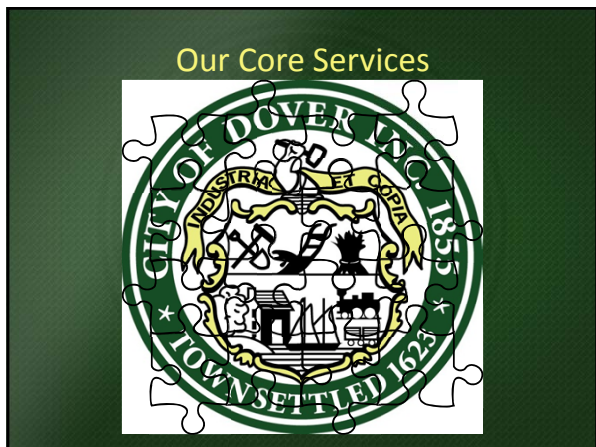
Performance Areas	Strategic Focus Areas				
	Public Safety	Public Education	Public Infrastructure	Economic Development	Fiscal Stewardship
CUSTOMER-FOCUSED	Maintain positive public perception and reality of personal safety and property security	Assure equal opportunity to receive quality education and related services	Maintain availability of safe, reliable infrastructure needed to support quality of life	Promote opportunities to improve the quality of life	Maintain affordability and provide for continuation of needed local government services
PRODUCT & PROCESS	Deliver public safety services meeting and/or exceeding highest industry standards	Deliver comprehensive K-12 curriculum to meet requirements of diverse student population	Identify, prioritize and maintain community infrastructure to fulfill immediate and future needs	Undertake activities that promote economic well being and improved quality of life	Monitor and adjust products & processes to realize efficiencies
LEADERSHIP & GOVERNANCE	Provide resource allocations necessary to support expected service levels and promote confidence in local government services through overall performance management and communication				
FINANCIAL & BENCHMARK	Monitor resource allocations and adjust to remain within established budgets while meeting service requirements				
WORKFORCE-FOCUSED	Assure recruitment, retention and training of employees and volunteers to fulfill service delivery needs				Maintain competitive compensation levels that are at median labor market levels, neither the highest nor lowest

Core Values Customer-Focused Service Integrity Innovation Accountability Stewardship


Our Core Services

 <p>General Government</p> <ul style="list-style-type: none"> • City Council • Executive • Finance • Planning & Community Development 	 <p>Public Safety</p> <ul style="list-style-type: none"> • Police • Fire & Rescue 	 <p>Public Works</p> <ul style="list-style-type: none"> • Community Services 	 <p>Culture and Recreation</p> <ul style="list-style-type: none"> • Recreation • Public Library 	 <p>Human Services</p> <ul style="list-style-type: none"> • Public Welfare 	 <p>Education</p> <ul style="list-style-type: none"> • SAU Office • High School • Career/Technical • Alternative School • Middle School • Garrison • Home Street • Woodman Park
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← Strategic Priorities Are Integrated Across All Functional Service Areas →




Priority Based Budgeting Basic Program Attributes



- Mandated to provide program (5 levels)
- Cost recovery of program/activity (5 levels)
- Change in demand for service (9 levels)
- Reliance on municipal government for service (5 levels)

Priority Based Budgeting Quartile 1 Grouping




- Communication with citizens
- Municipal financial management
- Code enforcement and land use regulation
- Emergency police, fire and ems response
- Public drinking water & sewer utilities
- Street maintenance, snow removal
- Public schools



Priority Based Budgeting Quartile 2 Grouping

- ⦿ Economic development related activities
- ⦿ Community oriented policing
- ⦿ Environmental projects management
- ⦿ Traffic control and street lighting
- ⦿ Fleet & small equipment maintenance
- ⦿ Municipal building and parks maintenance
- ⦿ Ice arena




Priority Based Budgeting Quartile 3 Grouping

- ⦿ Municipal records archives
- ⦿ Municipal utility billing and tax assessment
- ⦿ Drug/Alcohol abuse public education
- ⦿ Cemetery operation and maintenance
- ⦿ Municipal solid waste and recycling
- ⦿ Streetscape maintenance and sweeping
- ⦿ McConnell Community Center
- ⦿ Indoor pool and related year-round activities




Priority Based Budgeting Quartile 4 Grouping

- ⦿ Public meeting space for groups
- ⦿ Public transportation
- ⦿ Recycling Center hours
- ⦿ Community events/programs
- ⦿ Senior Center and related activities
- ⦿ Youth playground programs
- ⦿ Community Fitness Center/Gymnasium
- ⦿ Outdoor pool and related summer activities




FY2015 Proposed Budget

All Funds	Proposed	\$ Change	% Change
City	\$58,308,801	\$1,977,720	3.5%
School	53,315,654	1,916,725	3.7%
County	7,980,468	208,669	2.7%
Total	\$119,604,923	\$4,103,114	3.6%




FY2015 Budget

- ⦿ Revenue Considerations
 - ⦿ Sizeable increase in sewer utility rates
 - ⦿ Modest increase in School revenue
 - ⦿ Expected increase in permit activity
 - ⦿ Activity/program fees levels unchanged
 - ⦿ Risk pool surplus refund
 - ⦿ Tax Cap




FY2015 Budget Adjustments

- ⦿ Expense
 - 2.0% change in personnel costs
 - 1.5% change in purchased services
 - 0.9% change in supplies/materials
 - 6.7% change in other expenses
 - 2.4% change in debt service
 - 9.6% change in capital outlay




FY2015 Budget Adjustments

- Position adjustments
 - Add 2 new FT Police Officers
 - Increase Plumbing Inspector hrs to FT
 - Add PT Library Staff hrs
 - Eliminate PT Info Tech Administrator
 - Adjust PT Clerk & Secretary hrs
 - Increase election worker hrs (x2)
 - Adjust PT PEO hrs




FY2015 Budget Adjustments

- Maintain limited FasTrans Service
- Continue TIP Funding for COAST
- Street maintenance funding below CIP
- Maintain existing programs and hours
- Implement TIF funding of Parking Garage
- Conforms with financial policies*




FY2015 General Fund

Estimated Revenue




Tax Cap Calculation - City

FY2014 Actual City Tax Levy	\$25,798,503
Calendar Year 2011-2013 CPI-U Average	1.9%
Sub-total	<u>\$490,172</u>
Net Taxable New Construct/Demo Value	\$25,000,000
FY2014 Actual Tax Rate	\$9.99
Sub-total	<u>\$249,750</u>
Max Increase Allowed for Total FY2015 City Property Tax Levy	<u>\$739,922</u>



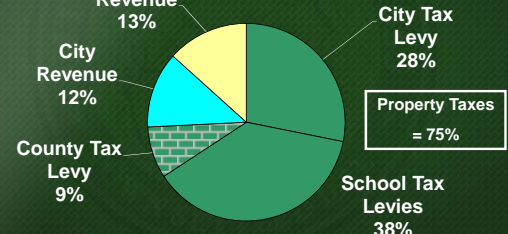
Tax Cap - School

FY2014 Actual City Tax Levy	\$27,934,161
Calendar Year 2011-2013 CPI-U Average	1.9%
Sub-total	<u>\$530,749</u>
Net Taxable New Construct/Demo Value	\$25,000,000
FY2014 Actual Tax Rate	\$10.54
Sub-total	<u>\$263,500</u>
Max Increase Allowed for Total FY2015 School Property Tax Levy	<u>\$794,249</u>

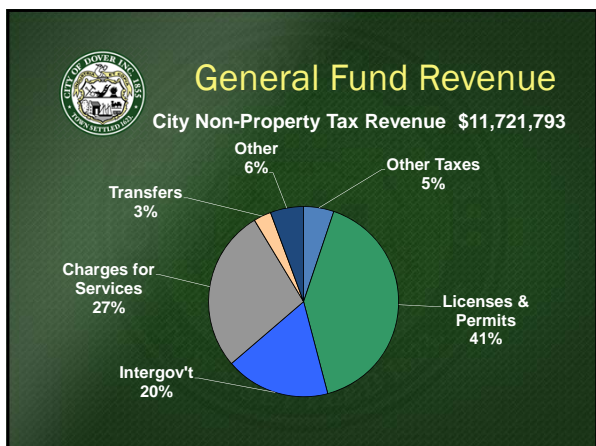


General Fund Revenue

Total Estimated Revenue \$94,264,390

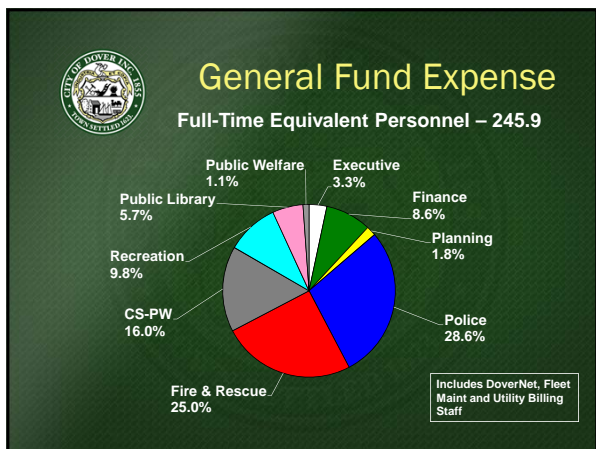
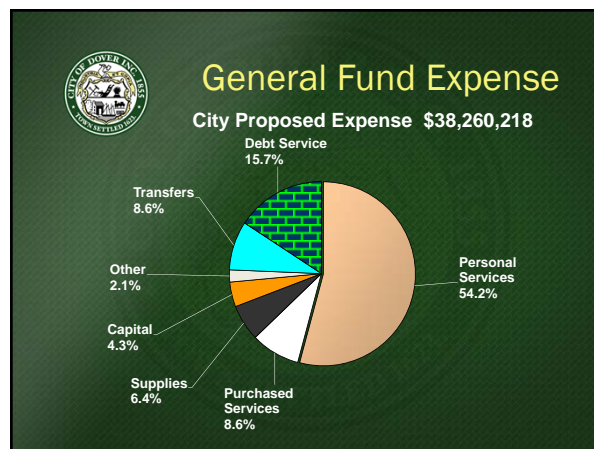
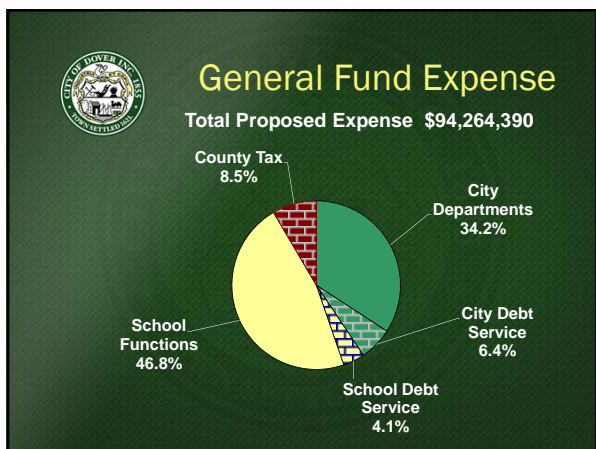


School Revenue	13%
City Revenue	12%
County Tax Levy	9%
School Tax Levies	38%
City Tax Levy	28%
Property Taxes	= 75%



FY2014 General Fund

Proposed Expense



Property Tax Bill

FY2015

Tax Rate Increase Breakdown

	Rate
City	\$0.18
School - Local	\$0.21
School - State	\$0.04
County	\$0.05
Total	\$0.48



Property Tax Bill

Average Residential Assessment = \$222,093	FY15 Tax	\$ Change	% Change
City	\$2,258	\$40	1.8%
School	\$2,954	\$56	1.9%
County	\$662	\$11	1.7%
Total Property Tax Bill	\$5,874	\$107	1.8%