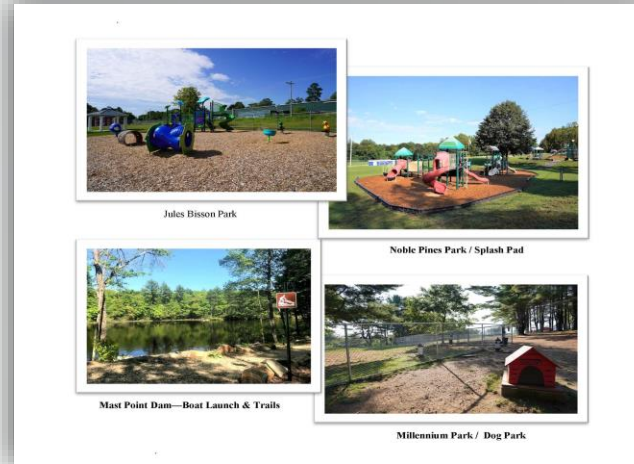


# Fiscal Year 2022-2023 Proposed Budget

APRIL 4, 2022



## City

Presented by:  
Robert M. Belmore, City Manager



## School

Presented by:  
Lori Lane, Superintendent of Schools

# Introduction

**My thanks to all City Departments, Department Heads and Staff for their efforts during the entire Budget process, and to Finance Director Smith for his assistance in developing this Proposed Budget in accordance with the City Charter.**

# Focus

**This Presentation's Focus is Aimed at Providing an Overview to the Proposed City Budget & School Department Budget**

FY2022-2023 Budget has been prepared in accordance with Section 7.4.1 of City Charter "Limitation on Budget Increase" (aka Tax Cap):

- Real Estate tax revenue is limited to a factor no more than the change in the National CPI – Urban which is 4.7% for the calendar year 2022.
- Plus, when annual changes in real estate values occur, real estate taxes may be further increased by applying the prior year's tax rate to the net increase in new construction.
- Annual Budget - Article VII and Article X of the City Charter
  - City Manager must present Budget to Mayor and Council by March 15.
  - City Manager reviewed Budget requests with Department Heads and Key Staff, adjusted departmental requests while maintaining the objective of keeping the budget efficiently funded to maintain core City services.
  - School Board's adopted Budget from Superintendent's proposal.

# Tax Cap - Summary

▪ FY22 Amount raised by taxes	\$ 30,701,548
▪ Add: Amount of increase for CPI (4.7%)	\$ 1,442,973
• Amount allowed for Net Construction Value	<u>\$ 1,101,200</u>
Amount allowed to be raised by taxes FY23	\$ 33,245,721
▪ Estimated amount to be raised by taxes with proposed FY23 Budget	<u>\$ 32,338,441</u>
▪ <u>Estimated Amount Under Tax Cap</u>	<u>\$ 907,280</u>

# Budget Notes

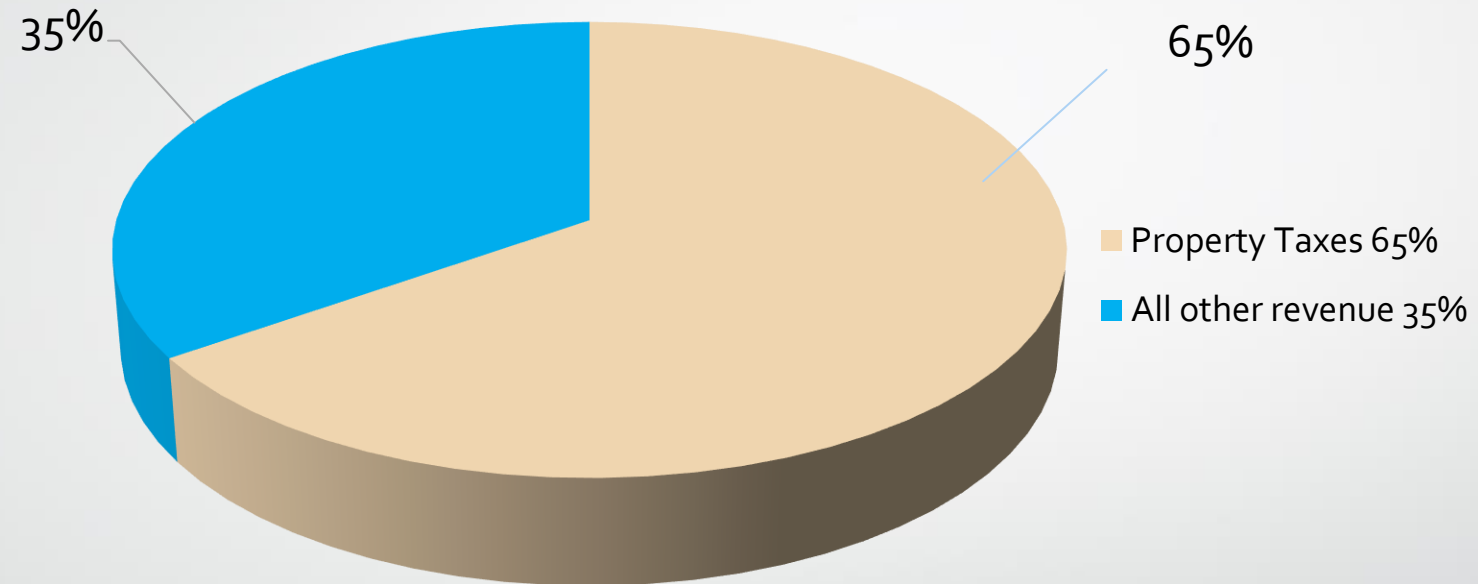
- **Departments-General Fund Budget**
  - **Gross G/F Budget reflects an increase of \$933,153. 6.49%.**
    - Salaries and associated payroll driven costs such as FICA increased \$374,480.
    - Capital outlay increased \$88,984.
    - All other operating expenses increased \$165,836.
    - Debt Services and Capital Leases increased \$306,733.
    - One staffing change proposed – a Full-Time Planning Technician effective January 1, 2023, replacing the Part-Time Economic Manager position.

# 2022-2023 Proposed Budget Revenue Estimates

Category	21-22 Budget	22-23 Proposed
Taxes & Penalties	30,820,062	32,356,954
Licenses, Permits, Fees	2,019,975	2,094,975
Intergovernmental	1,095,185	1,095,185
Education	9,599,116	9,332,749
Other Revenue	778,161	883,161
Use of Fund Balance	1,219,671	1,050,000
<b>Total Revenue</b>	<b>45,532,170</b>	<b>46,813,024</b>

# City General Fund Revenue

City Revenue = \$15,511,243



- **Property Tax revenue continues to be the main source of support for City Appropriations.**

# 2022-2023 Proposed Budget

## Budget Structure - Appropriations

### General Fund

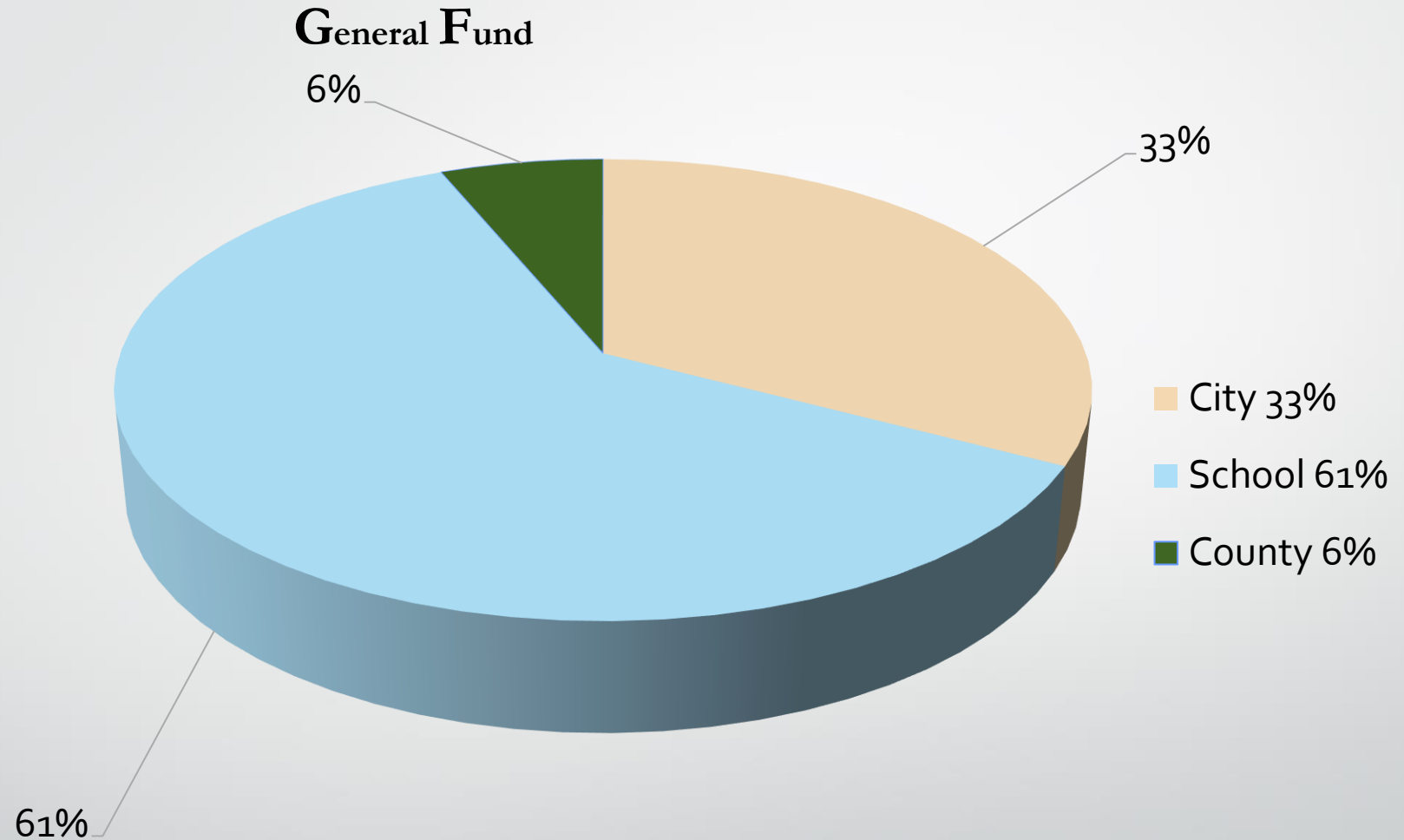
- Major Program  
Areas/Departments
- School
- County

### Proprietary Fund

- Water
- Sewer
- Solid Waste (pay-per-bag  
program)
- Cable Fund



# Summary of Proposed Expenditures



# City Appropriations

## Departments – Major Program Areas

- **Elected Leadership**

Mayor/Council, Civic Promotions,  
Community Support-Outside Agencies

- **City Management**

City Manager's Office, Human Resources  
Legal services for all City Departments

- **Finance and Administration**

Finance, IT, City Clerk, Tax Collector,  
Library, Human Services (Welfare), Assessing,

- **Development Services**

Planning, Building & Code  
Economic Development, Recreation

- **Public Safety**

Police & Fire, EMS

- **Public Works**

PW Administration, Street Maintenance,  
Solid Waste, Cemetery, Engineering

- **Other Expenses**

Debt Service, Capital Leases,  
Superfund Monitoring, Contingency

- **School**

- **County**

As approved by the County Delegation

- **Capital Outlay**

CIP and other one-time appropriations

- **Enterprise Funds**

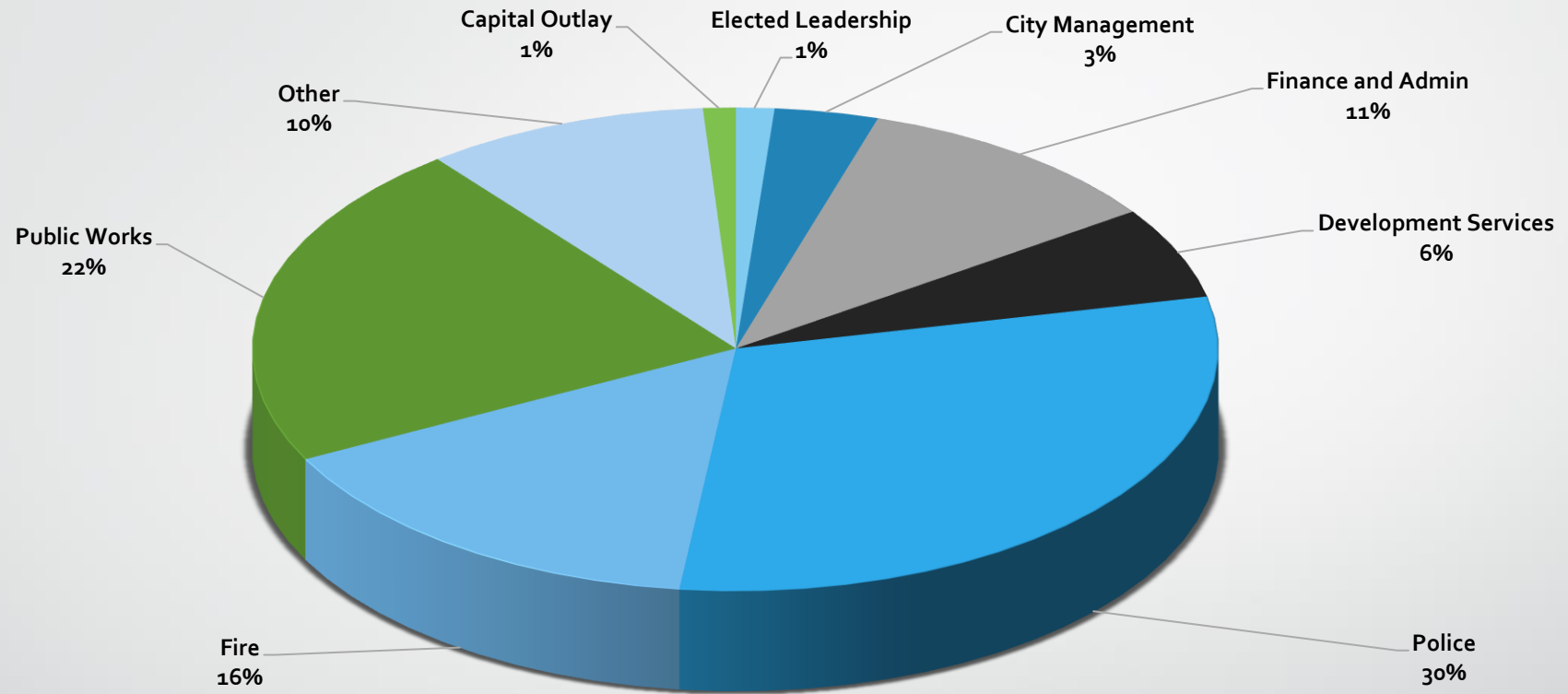
Water, Wastewater, Pay-Per-Bag

# City Appropriations

## Departments – Major Program Areas

Department	FY2023 Proposed	Increase/(Decrease)
Elected Leadership	\$ 196,505	\$ 44,769
City Management	\$ 532,787	\$ 15,959
Finance & Admin	\$ 1,628,474	\$ 91,562
Development Serv.	\$ 942,564	\$ 37,029
Public Safety (Police & Fire)	\$ 7,029,344	\$ 226,182
Public Works	\$ 3,362,989	\$ 126,725
Debt Service/Leases	\$ 1,245,328	\$ 306,823
Capital	\$ 167,459	\$ 88,984
Other/Contingency	\$ 213,701	\$ (4,880)
Enterprise Funds	\$ 6,770,205	\$ 1,292,606
Cable Fund	\$ 71,649	\$ (34,247)

# General Fund Appropriations

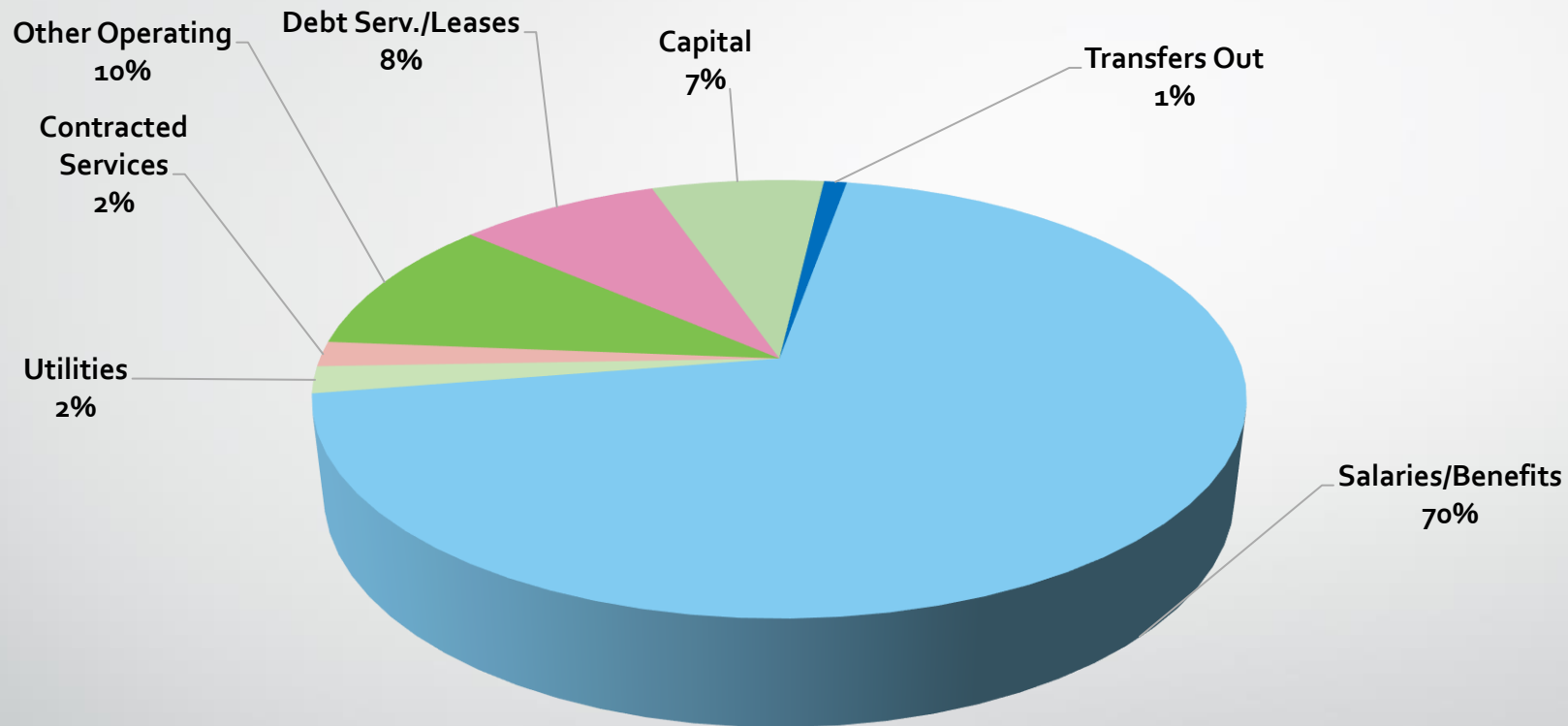


❑ Other appropriations include Debt Service, Capital Leases, Contingency, transfer to capital reserve fund, and superfund landfill monitoring cost.

❑ For the purpose of this slide, Police and Fire are represented separately, however in the City Budget they make up the Public Safety department and total 46% of the total Budget.

# General Fund Appropriations

by category



- ❑ Utilities are Telephone, Internet, Heat, and Electric.
- ❑ Capital is the Capital Outlay Budget plus \$900,000 for road resurfacing projects.

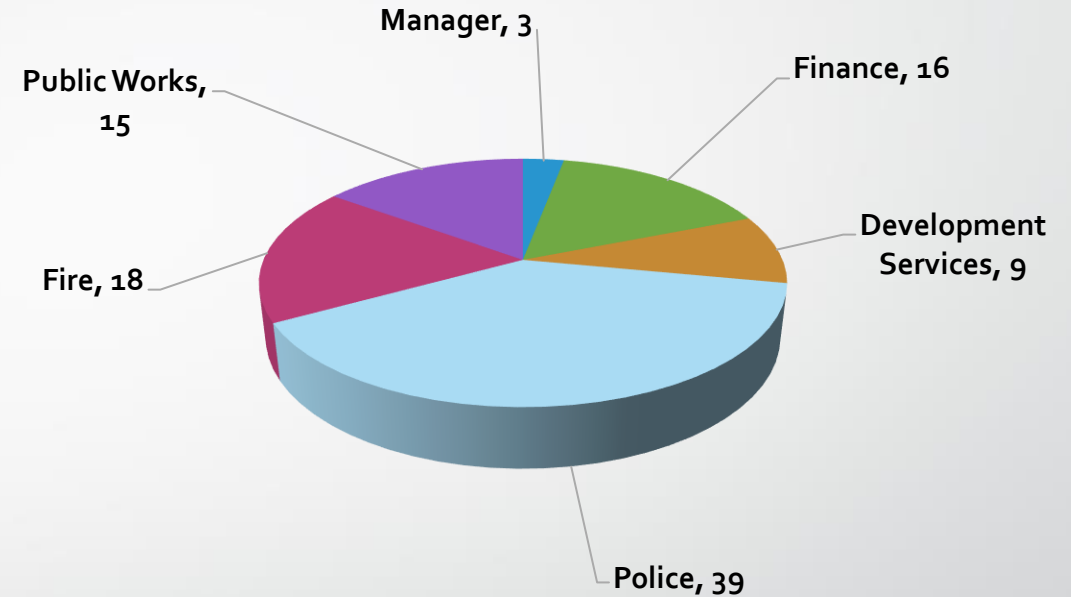
# General Fund Personnel

Full Time G/F Employees = 91

Part Time G/F Employees = 9

Statistics represent number of personnel in proposed FY23 Budget. Statistics do not include elected officials or seasonal employees. Seasonal employees are proposed for recreation, snow removal (DPW), summer seasonal (DPW).

Figures above are only G/F, and do not include 7 F/T employees in water department, 6 F/T employees at the wastewater treatment facility, and 1 F/T Clerk split between water and wastewater.



# 2022-2023 Proposed Budget

## Proposed Capital Improvements Capital Outlay

Replace Jaws of Life	\$ 35,000
Down-payment on Vehicle Lease/Purchase 1 Police Cruiser, 1 Police Undercover Vehicle	\$ 20,000
Thermal Imaging Camera	\$ 11,308
Jules Bisson Basketball Court	\$ 20,000
PD Server Replacement	\$ 26,151
Library Building Assessment	\$ 55,000

# 2022-2023 Proposed Budget

## Estimated Tax Rate

set by State Department of Revenue Administration in Fall

	<b>21/22</b>	<b>22/23</b>	
	<b>Actual</b>	<b>Estimated</b>	<b>Change</b>
City	8.62	9.07	-.45
School - Local	14.58	15.89	1.31
School - State	1.81	1.36	(.45)
County	2.52	2.64	.12
<i>Total</i>	27.53	28.96	1.43

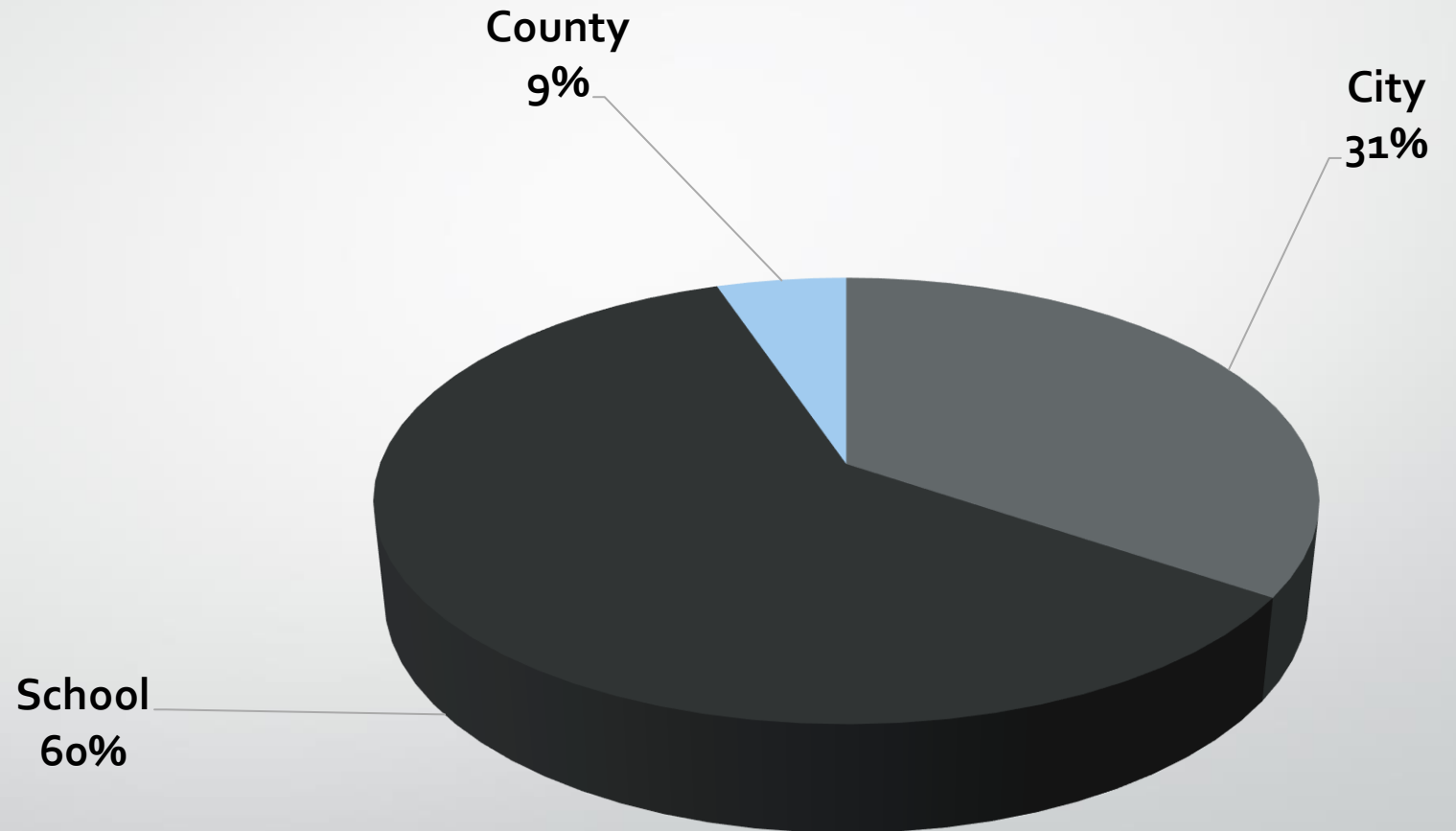
❑ Property Tax Rate based on estimated assessed valuation of \$1,095,000,000



# 2022-2023 Proposed Budget

Estimated Tax Rate

\$28.96 per \$1,000



# 2022-2023 Proposed Budget

## Estimated Property Tax Bill

Example - Residential Assessment =  
\$250,000

	Actual FY22 Tax	Estimate FY23 Tax	\$ Change
City	\$ 2,155	\$ 2,265	\$ 110
School (State & Local)	\$ 4,098	\$ 4,315	\$ 217
County	\$ 630	\$ 660	\$ 30
Total Property Tax Bill	\$ 6,883	\$ 7,240	\$ 357

## 2022-2023 Enterprise Funds Wastewater Fund

**Proposed FY 2023 Budget = \$3,417,865**

**No Utility rate increase scheduled at this time**

- Anticipated revenues for FY 2023 are \$3,418,731.
- Estimated FY 2023 operating surplus is approx. \$866.
- Current rates are \$8.05 per 100 cubic feet of use effective July 1, 2020.
- An average bill, using 9,000 cubic feet per year – State DES avg. home, is \$765.

### **Budget highlights**

- Increase in overall Budget is \$886,455 or 35.02%.
- Budget includes treatment facility with 6 full time staff and one shared staff (utility billing clerk).
- Budget increase is due to first year Principal and Interest payment for State revolving loan for the recent \$13.5 million dollar facility upgrade.

# 2022-2023 Enterprise Funds

## Water Fund

**Proposed FY 2023 Budget = \$2,754,483**

**No Utility rate increase scheduled at this time**

- Anticipated revenues for FY 2023 are \$2,975,000.
- Estimated operating surplus in FY2023 is approx. \$221,000.
- Current rates are \$5.40 per 100 cubic feet of use effective July 1, 2020.
- An average bill, using 9,000 cubic feet per year – State DES avg. home, is \$516.

### **Budget Highlights**

- Proposed Budget increase of \$356,167 or 14.85%.
- CIP Projects –
  - Noble Pines (Hamilton St.) Water Tank Roof Replacement - \$154,500
  - Engineering for Water Main Replacement - \$172,500
    - (Main Street – Indigo Hill Road to Wildflower Circle and Daniel St.)
  - Water Treatment Plant Evaluation - \$100,000

# 2022-2023 Enterprise Funds

Solid Waste (Pay-Per-bag) fund

**Proposed FY2023 Budget = \$597,857**

**Current Pay-Per-Bag Rates are \$2.00 for 30-gal bag and \$1.45 for 15-gal bag**

- Anticipated revenues for FY2023 is approx. \$595,000.

## **Budget Highlights**

- Proposed Budget increase of \$49,984 or 9.12%.
- As we prepare this presentation, the City is considering an additional increase to collection and disposal, in addition to the annual escalators in the contract, in response to a request from Waste Management. If agreed to, this budget will require an adjustment upward to reflect the new rates.



# Somersworth School District 2022-2023 Proposed Budget Presentation

April 4, 2022

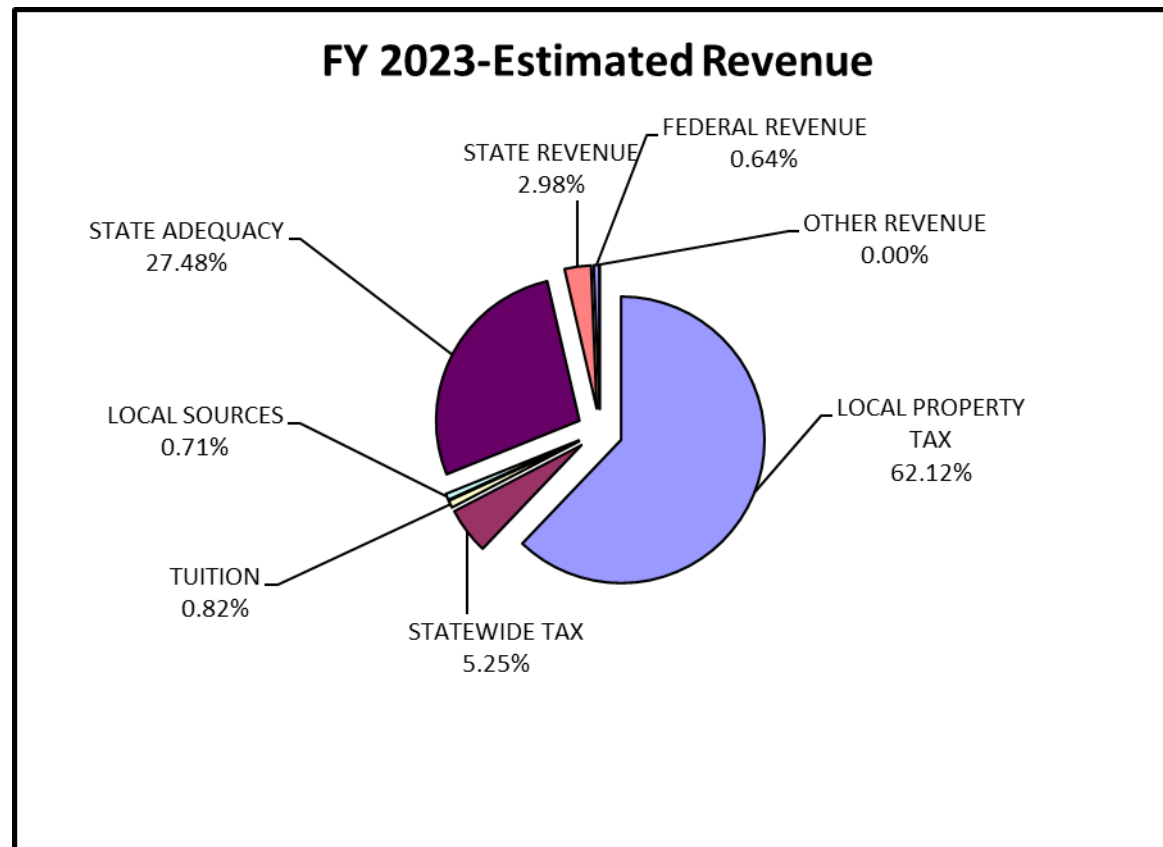
# Somersworth School District

## 2022-2023 Estimated Revenue

The projected Fiscal Year 2022-2023 estimated revenue is \$9,332,749, which results in a decrease in estimated revenue of approximately \$686,038, primarily due to the following reasons:

- Reduction in State of NH Adequacy Education Aid: \$(183,279)
- Reduction in Building Aid: \$(26,131)
- Decrease in Rollinsford SAU Revenue: \$(6,957)
- Decrease in SAU Fund Balance: \$(307,000)
- Decrease in Use of Fund Balance: \$(419,671)
- Increase in Medicaid: \$50,000
- Increase in SYC Revenue: \$190,000
- Increase in Preschool Revenue: \$17,000

# Somersworth School District 2022-2023 Estimated Revenue



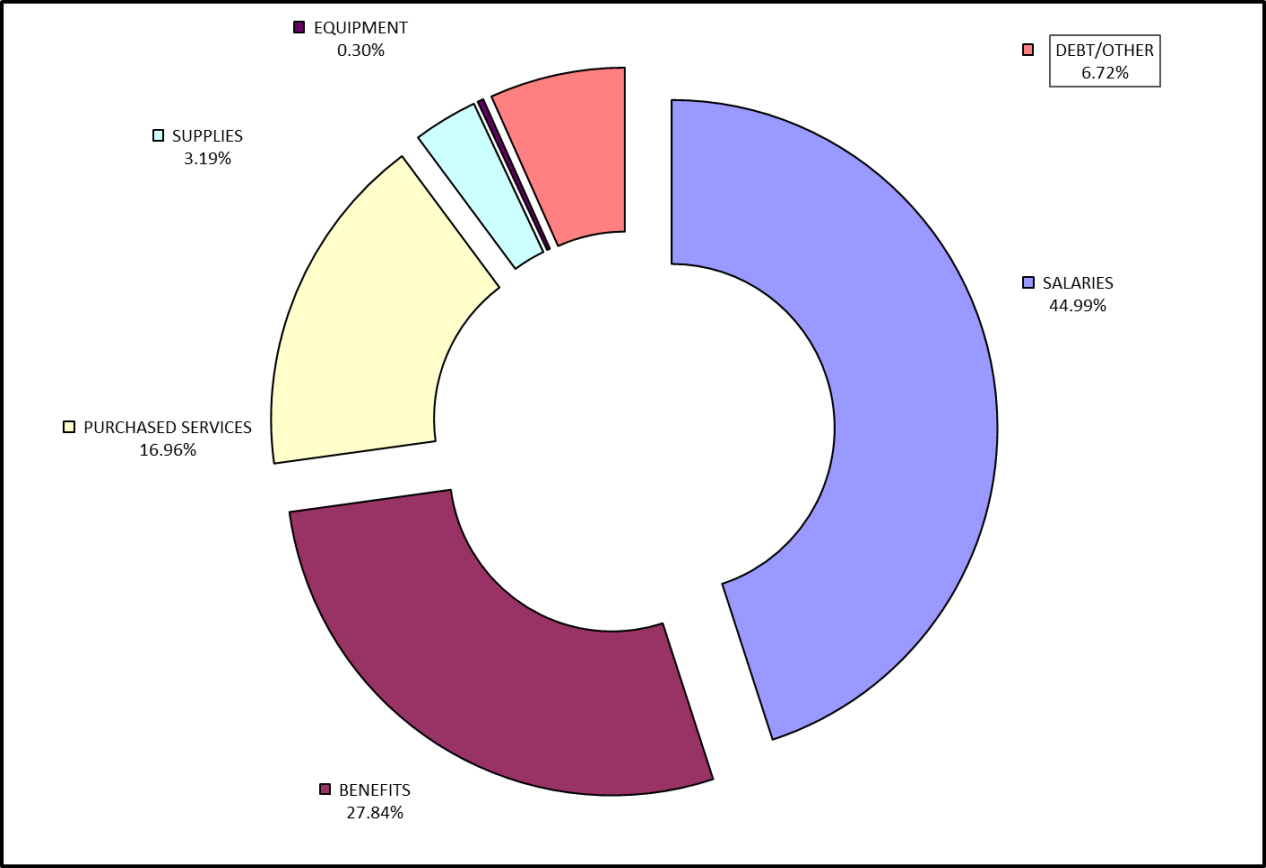


# Somersworth School District

## 2022-2023 Expenditures

- ▶ The Fiscal Year 2022-2023 Proposed Budget total is \$28,596,753. The proposed expenditure change is \$316,231 more than the Fiscal Year 2021-2022 Approved Budget. General Expenditure items throughout the budget include:
  - Medical Insurance actual 6.9% increase for Custodians and actual 8.5% increase for all other staff over 2021-2022 actual rates
  - Primex Property and Liability- 10.9% Increase
  - Primex Workers Compensation- 8.4% Increase
  - Northeast Delta Dental Rates- Estimated 3% Increase
  - Includes Teacher (3%), SACA (3%) and Custodian (4%) Salary Increases based on negotiated contracts.
  - Includes 3% Salary increase for all non-union staff
  - SAU Approved Budget Increase- \$23,000
  - Includes one new staff position: Grounds Maintenance Position
  - Includes Revenue and Expenditures for SYC Program as recommended by the SYC Joint Task Force and Joint Commission
  - Includes expanded Title I Director/Grant Writer position from Part Time to Full Time
  - Includes Additional Leadership Team Stipends for Elementary
  - Reduction of 3.5 positions due to a decrease in enrollment

# FY 2022-2023-Contractual Obligations



## Somersworth School District Contractual Obligations

Salaries:	44.99%
Benefits:	27.84%
Purchased Services:	<u>16.96%</u>
Total:	89.79%

# FY 2022-2023 Proposed Budget Summary

## Total Budget Summary

2021-2022 Approved Budget	\$	28,280,522
2022-2023 Proposed Budget	\$	28,596,753
Total Expenditure Increase	\$	316,231
2021-2022 Estimated Revenue	\$	10,018,787
2022-2023 Estimated Revenue	\$	9,332,749
Total Loss in Revenue	\$	686,038
Total Net Budget Increase	\$	1,002,269

## Tax Cap Summary

Total Net Amount to be Raised by Taxes per Tax Cap	\$	19,775,637
Total Net Amount proposed to be raised by Taxes	\$	19,264,004
Total Amount Below Tax Cap	\$	511,633