

## **SPECIAL CITY COUNCIL MEETING**

MUNICIPAL COMPLEX  
DATE: MONDAY, MAY 14, 2007

PORTSMOUTH, NH  
TIME: 7:00PM [or thereafter]

At 6:00 p.m., an Anticipated "Non-Meeting" with Counsel was held – RSA: 91-A:2 I (c).

### **I. CALL TO ORDER**

Mayor Marchand called the meeting to order at 7:10 p.m.

### **II. ROLL CALL**

Present: Mayor Marchand, Assistant Mayor Ferrini, Councilors Grasso, Dwyer, Raynolds, Pantelakos, Whitehouse, Smith and Hynes

Mayor Marchand announced that May 15, 2007 will be the Final Budget Review Work Session and will serve as the basis to finalize the votes for the budget.

### **III. RECESSED PUBLIC HEARING** (*Recessed from April 18, 2007*)

#### **A. PROPOSED FY JULY 1, 2007 THROUGH JUNE 30, 2008 BUDGET**

Mayor Marchand opened the recessed public hearing from April 18, 2007 regarding the Proposed FY July 1, 2007 through June 30, 2008 budget.

### **IV. PRESENTATION**

- Budget Summary – City Manager Bohenko

City Manager Bohenko spoke to the budget work sessions which have been held with various departments. The public hearing on the budget was recessed from April 18, 2007 to allow for additional input from residents relative to the work sessions that were held on the budget. He said as a result of the budget work sessions the City Council requested him to come back with further proposed adjustments. The Finance Department provided copies to those in attendance outlining the proposed options available to the City Council.

#### Option A

City Manager Bohenko reported that Option A represents an additional .16 cent reduction in the tax rate. The proposed FY08 tax rate is \$16.50 and with Option A the tax rate would be \$16.34 for a total increase of 3.94% over last year.

Recommended Reductions are as follows:

➤ <b>Reduction from Health Insurance</b>	<b>\$100,000.00</b>
➤ <b>Reduction in Capital Outlay</b>	<b>\$270,000.00</b>
Fire Communications	\$25,000.00
Powered Ambulance Cot	\$12,000.00
Land Acquisition	\$25,000.00
Peirce Island Master Plan Project	\$25,000.00
McIntyre Federal Office Bldg – Phase I	\$25,000.00
Municipal Complex Site Improvements	\$25,000.00
Citywide Traffic Signal Inventory	\$25,000.00
Ceres Street Improvement	\$50,000.00
Traffic Calming/Upgrades	\$50,000.00
Capital Contingency	\$ 8,000.00
➤ <b>Decrease County Tax</b>	<b>\$100,000.00</b>
➤ <b>Decrease Contingency</b>	<b>\$100,000.00</b>
<b>Total Reduction to FY08 Budget</b>	<b>\$570,000.00</b>

City Manager Bohenko advised the City Council approximately every \$37,000.00 change in expenditures or revenues equates to approximately 1 cent on the tax rate. Approximately every \$370,000.00 change in expenditures or revenues equates to approximately 10 cents on the tax rate.

Option B

City Manager Bohenko reported that Option B represents an additional .18 cent reduction in the tax rate. The proposed FY08 tax rate is \$16.50 and with Option B the tax rate would be \$16.32 for a total increase of 3.82% over last year.

Recommended Reductions are as follows:

➤ <b>Reduction from Health Insurance</b>	<b>\$100,000.00</b>
➤ <b>Other Reductions (To be determined)</b>	<b>\$100,000.00</b>

➤ <b>Reduction in Capital Outlay</b>	<b>\$270,000.00</b>
Fire Communications	\$25,000.00
Powered Ambulance Cot	\$12,000.00
Land Acquisition	\$25,000.00
Peirce Island Master Plan Project	\$25,000.00
McIntyre Federal Office Bldg – Phase I	\$25,000.00
Municipal Complex Site Improvements	\$25,000.00
Citywide Traffic Signal Inventory	\$25,000.00
Ceres Street Improvement	\$50,000.00
Traffic Calming/Upgrades	\$50,000.00
Capital Contingency	\$ 8,000.00
➤ <b>Decrease County Tax</b>	<b>\$100,000.00</b>
➤ <b>Decrease Contingency</b>	<b>\$100,000.00</b>
<b>Total Reduction to FY08 Budget</b>	<b>\$670,000.00</b>

#### **V. PUBLIC COMMENT/INPUT**

Mayor Marchand reopened the public hearing and called for speakers.

Bill St. Laurent, President, Portsmouth Taxpayers Association, advised the City Council that the Association is in favor of the proposed reductions as outlined in Option A and Option B. He reported that the Association is pleased with how strong the City Council has been with the budget. Mr. St. Laurent said that he feels the tax rate could be reduced further, but the options available to the City Council are better than the original proposal. He commended City Manager Bohenko and the City Council for their hard work and effort in preparing the budget. Mr. St. Laurent said he felt that the proposals from the departments should have included what could be reduced in their budgets not just what departments needed. He advised the City Council that they need to consider how much more they can take from the taxpayers and at what expense.

Hugh Jencks, Peirce Island Committee, said that this budget process has been exemplary. He spoke in support of the funding in the Capital Improvement Plan for the ongoing improvements to Peirce Island. Mr. Jencks spoke regarding the Peirce Island Park Ranger position that was filled by an intern last year and its success. He discussed the various improvements that have taken place at Peirce Island and the need for the final phase of improvements to be made as outlined in the Peirce Island Master Plan. He informed the City Council that a brochure was created which outlines the history of the Island and its uses that are allowed. He discussed the need for improved signage for the Island. He urged the City Council to approve the funding for improved signage at Peirce Island.

Martin Cameron, Portsmouth resident, said that this budget appears to be a none event. He said that the City Council has worked hard on this budget and he is pleased to see the recommendation of further reductions. Mr. Cameron thanked City Manager Bohenko for his hard work and efforts in the creation of this budget.

Kent LaPage, Chair of School Board, thanked the City Council and City Manager Bohenko for their work on the budget. He said with the increase in floor space of the Library and the expansion of the High School the budget increases are reasonable. He advised the City Council that the increase in retirement costs is the hardest to deal with for the School Department. He advised the City Council that he is proud of the work done by the departments and City Council to keep the taxes low and services high.

Martin Cameron, Portsmouth resident, spoke to the wonderful coverage provided during the budget process by the City but felt it could have been better by the newspapers.

After three calls and no further speakers, Mayor Marchand declared the public hearing closed.

## **VI. ADJOURNMENT**

At 7:45 p.m., Assistant Mayor Ferrini moved to adjourn. Seconded by Councilor Whitehouse and voted.

A handwritten signature in black ink that reads "Kelli L. Barnaby". The signature is written in a cursive, flowing style.

Kelli L. Barnaby, CMC  
City Clerk