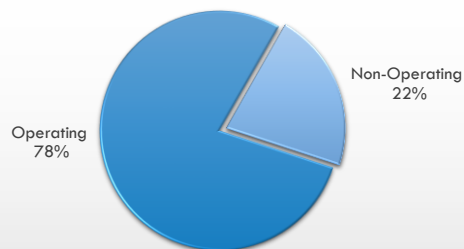




JOINT BUDGET COMMITTEE DECEMBER 17, 2015

FISCAL YEAR 2017 PRELIMINARY
INFORMATION

FY2017 BUDGET MAJOR CATEGORIES



OPERATING

- CONTRACTUAL OBLIGATIONS
 - COLA
 - RETIREMENT
 - LEAVE AT TERMINATION
 - HEALTH INSURANCE
 - WORKER'S COMPENSATION
- OTHER OPERATING

NON-OPERATING

- DEBT SERVICE
- CAPITAL OUTLAY
- COUNTY TAX
- OVERLAY
- ROLLING STOCK
- PROPERTY & LIABILITY

OPERATING BUDGET

16 COLLECTIVE BARGAINING UNITS

General Government	Expires	Police	Expires	Fire	Expries	School	Expires
Professional Management Association (PMA)	6/30/2016	Ranking Officers Association	6/30/2014	Fire Officers Association	6/30/2014	Principals/Directors	6/30/2018
Supervisory Management Alliance (SMA)	6/30/2016	Portsmouth Patrolman Association	6/30/2014	FireFighter Assocation	6/30/2014	Association of Portsmouth's Teachers	6/30/2018
AFSCME Local 1386B Library & Clericals	6/30/2017	Civilians	6/30/2014			Clerical Employees	6/30/2018
AFSCME Local 1386 Public Works	6/30/2014					Custodial	6/30/2017
						Cafeteria	6/30/2017
						Paraprofessionals	6/30/2017
						Custodial Supervisors	6/30/2018

8 Unsettled contracts for 7/1/2016

COLA

Collective Bargaining Agreements state the COLA adjustment percentage shall be determined by the rolling ten (10) year average of the November-November Boston-Brockton-Nashua CPI

CONSUMER PRICE INDEX - CPI-U (NOV. TO NOV. BOSTON-BROCKTON-NASHUA)	
FY 08	2.06%
FY 09	3.40%
FY 10	0.72%
FY 11	1.82%
FY 12	0.64%
FY 13	2.90%
FY 14	2.00%
FY 15	0.92%
FY 16	1.60%
FY 17	0.84%
10 Year Average	1.69% FY 2017 salaries use 2%

RETIREMENT NO INCREASE IN RATES FOR FY17

Retirement appropriation will be affected by increase in salaries due to:

- COLA Adjustments
- Step Increases

	FY17 Rates
GROUP I	
Employees	11.17%
Teachers	15.67%
GROUP II	
Police	26.38%
Fire	29.16%

	FY16 BUDGET	\$\$\$ INCREASE	FY17 PROPOSED BUDGET	% Change
GENERAL GOVERNMENT	839,134	14,643	853,777	1.74%
POLICE	1,301,852	26,028	1,327,880	2.00%
FIRE	1,306,762	39,864	1,346,626	3.05%
SCHOOL	3,440,364	139,321	3,579,685	4.05%
TOTAL	6,888,112	219,855	7,107,967	3.19%

LEAVE @ TERMINATION

General Government, Police, Fire and School Departments annually budget a fixed amount for each fiscal year which is transferred to the Leave at Termination Stabilization fund where sick leave liability due to employees upon termination is paid.

Recommend to level fund this appropriation for FY17.

FY17 BUDGET

GENERAL GOVERNMENT	\$300,000
POLICE DEPARTMENT	\$155,203
FIRE DEPARTMENT	\$70,084
SCHOOL DEPARTMENT	\$400,000
TOTAL	\$925,287

HEALTH INSURANCE PROJECTED FY17 PREMIUMS

FY17 Rates Projected Premium	Employee Contribution	City Contribution
\$13,860,970	\$2,028,662	\$11,832,309
	15%	85%

Health Insurance Premium Using 10-year Average increase of 4.7

HEALTH PREMIUM BUDGET @ 10 YEAR AVG	FY16 Budget	FY17 Budget Increase @ 4.70%	FY17 Budget	Estimated City Cost	Stabilization Fund
General Government	1,730,097	81,315	1,811,412	\$2,046,101	234,689
Police Department	1,490,798	70,068	1,560,866	\$1,579,475	18,610
Fire Department	1,157,270	54,392	1,211,662	\$1,148,835	(62,827)
School	6,154,349	289,254	6,443,603	\$7,057,898	614,295
Total General Fund Budget		10,532,514	11,027,542	11,832,309	804,767

WORKERS' COMPENSATION

	FY16	FY17	\$ Change	% Change
GENERAL GOVERNMENT	169,870	159,708	(10,162)	-6.0%
POLICE	119,147	187,175	68,028	57.1%
FIRE	199,769	149,607	(50,162)	-25.1%
SCHOOL	95,586	150,963	55,377	57.9%
TOTAL	\$584,372	\$647,453	\$63,081	10.8%

PRELIMINARY BUDGET BY DEPARTMENT

GENERAL GOVERNMENT

FY16 Budget	\$ 17,665,762	
Salary Adjustments <i>(includes SS & MEDICARE)</i>	154,036	
Retirement	14,643	
Health Insurance	81,315	
Workers' Compensation	(10,162)	
Electricity	24,624	
Natural Gas	5,880	
Gasoline	0	
Other Operating @3%	130,527	
	<u>400,862</u>	2.27%
2% Collective Bargaining <i>Includes FICA and Retirement</i>	<u>200,782</u>	
Total	<u>601,644</u>	3.41%

POLICE DEPARTMENT

FY16 Budget	\$ 9,617,688	
Salary Adjustments <i>(includes SS & MEDICARE)</i>	115,861	
Retirement	26,028	
Health Insurance	70,068	
Workers' Compensation	68,028	
Gasoline	0	
Other Operating @3%	13,729	
	<u>293,714</u>	3.05%
2% Collective Bargaining <i>Includes FICA and Retirement</i>	<u>146,679</u>	
Total	<u>440,393</u>	4.58%

FIRE DEPARTMENT

FY16 Budget	\$	<u>7,995,603</u>	
Salary Adjustments <i>(includes SS & MEDICARE)</i>		147,211	
Retirement		39,864	
Health Insurance		54,392	
Workers' Compensation		(50,162)	
Other Benefits <i>(insurance reimbursement)</i>		15,912	
Electricity		3,750	
Natural Gas		0	
Gasoline		0	
Other Operating @3%		<u>10,598</u>	
		<u>221,564</u>	2.77%
2% Collective Bargaining <i>Includes FICA and Retirement</i>		<u>112,041</u>	
Total		<u><u>333,605</u></u>	4.17%

SCHOOL DEPARTMENT

FY16 Budget	\$	<u>43,382,210</u>	
Salary Adjustments <i>(includes SS & MEDICARE)</i>		687,149	
Retirement		139,321	
Health Insurance		289,254	
Workers' Compensation		55,377	
Dental Insurance		14,000	
Electricity		0	
Natural Gas		0	
Gasoline		0	
Tuition		41,057	
Transportation		73,039	
Other Operating @4.21%		<u>139,217</u>	
		<u>1,438,414</u>	3.32%
2% Collective Bargaining <i>Includes FICA and Retirement</i>		<u>0</u>	
Total		<u><u>1,438,414</u></u>	3.32%

NON-OPERATING BUDGET

NON-OPERATING PRELIMINARY 2017 BUDGET

	FY16 BUDGET	\$\$\$ INCREASE	FY17 PROPOSED BUDGET	% Change
DEBT RELATED EXPENSES	275,000	-	275,000	0.0%
DEBT SERVICE	11,756,625	839,185	12,595,810	7.1%
CONTINGENCY	250,000	50,000	300,000	20.0%
OVERLAY	950,000	50,000	1,000,000	5.3%
COUNTY	5,002,383	275,131	5,277,514	5.5%
PROPERTY & LIABILITY	321,000	20,000	341,000	6.2%
ROLLING STOCK	809,860	243,465	1,053,325	30.1%
OTHER NON-OPERATING	791,149	16,000	807,149	2.0%
CAPITAL OUTLAY	1,765,000	235,000	2,000,000	13.3%
TOTAL	21,921,017	1,728,781	23,649,798	7.9%

FY 2017 TOTAL PRELIMINARY BUDGET

FY2017 PRELIMINARY BUDGET FOR DISCUSSION ONLY	FY16 BUDGET	Salary Adjustments	OTHER INCREASE	FY17 BUDGET	% Change	COLLECTIVE BARGAINING	TOTAL	\$ CHANGE	% CHANGE
OPERATING BUDGET									
GENERAL GOVERNMENT	17,665,762	168,679	232,184	18,066,624	2.27%	200,782	18,267,406	601,644	3.41%
POLICE DEPARTMENT	9,617,688	141,889	151,825	9,911,402	3.05%	146,679	10,058,081	440,393	4.58%
FIRE DEPARTMENT	7,995,603	187,074	34,490	8,217,167	2.77%	112,041	8,329,208	333,605	4.17%
SCHOOL DEPARTMENT	43,382,210	826,470	611,944	44,820,624	3.32%	-	44,820,624	1,438,414	3.32%
COLLECTIVE BARGAINING CONTINGENCY	313,922	-	(313,922)	-	-	-	-	(313,922)	-
TRANSFER TO INDOOR POOL	150,000	-	-	150,000	0.00%	-	150,000	-	0.00%
PRELIMINARY OPERATING BUDGET	79,125,185	1,324,112	716,520	81,165,817	2.58%	459,502	81,625,320	2,500,135	3.16%
NON-OPERATING									
DEBT RELATED EXPENSES	275,000	-	-	275,000	0.00%	-	275,000	-	0.00%
DEBT SERVICE	11,756,625	-	839,185	12,595,810	7.14%	-	12,595,810	839,185	7.14%
CONTINGENCY	250,000	-	50,000	300,000	20.00%	-	300,000	50,000	20.00%
OVERLAY	950,000	-	50,000	1,000,000	5.26%	-	1,000,000	50,000	5.26%
COUNTY	5,002,383	-	275,131	5,277,514	5.50%	-	5,277,514	275,131	5.50%
PROPERTY & LIABILITY	321,000	-	20,000	341,000	6.23%	-	341,000	20,000	6.23%
ROLLING STOCK	809,860	-	243,465	1,053,325	30.06%	-	1,053,325	243,465	30.06%
OTHER NON-OPERATING	791,149	-	16,000	807,149	2.02%	-	807,149	16,000	2.02%
CAPITAL OUTLAY	1,785,000	-	235,000	2,000,000	13.31%	-	2,000,000	235,000	13.31%
PRELIMINARY NON-OPERATING BUDGE	21,921,017	-	1,728,781	23,649,798	7.89%	-	23,649,798	1,728,781	7.89%
TOTAL OPERATING & NON-OPERATING	101,046,202	1,324,112	2,445,301	104,815,615	3.73%	459,502	105,275,118	4,228,916	4.19%

DISCUSSION

EXPENDITURES AND REVENUES

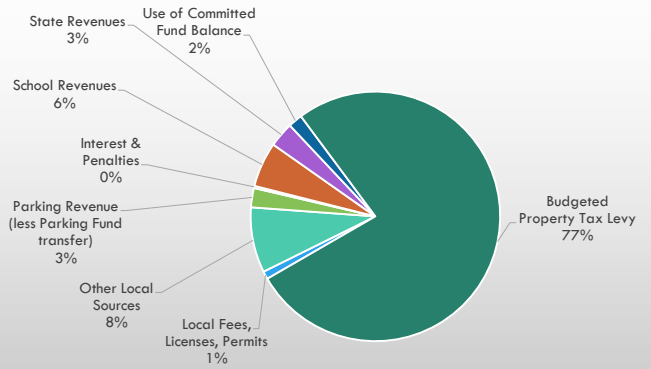
EXPENDITURES:

OPERATING	79,125,185
<u>NON-OPERATING</u>	<u>21,921,017</u>
	\$101,046,202

REVENUES:

LOCAL SOURCES	8,512,185
SCHOOL TUITION	5,790,750
STATE REVENUE	3,269,732
NET PARKING REVENUE	2,412,305
INTEREST/PENALTIES	300,000
FEES AND PERMITS	1,055,750
<u>USE OF RESERVES</u>	<u>1,573,500</u>
	\$22,914,222

PROPERTY TAX LEVY	\$78,131,980
TOTAL REVENUES	\$101,046,202



Major Local Source Revenues:

Motor Vehicle Permits	\$3.6M
PDA Airport District	\$2.2M
Water/Sewer Overhead	\$1.1M
Ambulance Rev	\$680K
Cable Franchise Fee	\$360K

Detail Revenues
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