

FY23 ADOPTED BUDGET RESOLUTIONS

(ADDENDUM TO THE FY23 PROPOSED BUDGET DOCUMENT)

Resolution #10-2022 Fee Schedule – The City Council adopted the Fee Schedule as presented in Appendix III of the FY23 Proposed Budget Document.

Resolution #11-2022 General Fund - The City Council adopted the General Fund Expenditures for the FY23 Budget in the amount of **\$131,774,911** on June 6, 2022 as shown below.

CITY COUNCIL’S ADOPTED FY23 GENERAL FUND BUDGET

| | |
|------------------------------|----------------------|
| MUNICIPAL GENERAL GOVERNMENT | \$22,835,740 |
| POLICE | \$13,268,356 |
| FIRE | \$10,323,327 |
| SCHOOL | \$55,802,082 |
| COLLECTIVE BARGAINING | \$3,137,450 |
| TRANSFER TO INDOOR POOL | \$150,000 |
| TRANSFER TO PRESCOTT PARK | \$272,255 |
| TRANSFER TO COMMUNITY CAMPUS | \$360,788 |
| NON-OPERATING | \$25,624,913 |
| TOTAL | <u>\$131,774,911</u> |

The FY23 Proposed Budget of \$133,208,876 was submitted to the City Council on May 2, 2022. Reductions were made to the General Fund Budget following a series of budget work sessions held by the City Council totaling \$1,433,965. The amendments are as follows:

OPERATING BUDGET ---Decrease of \$826,465

- **(\$201,080) – General Government:**
 - (\$28,517) – Delay Hire Communications & Digital Services Specialist ½ year.
 - (\$46,563) - Delay Hire Health Inspector ½ year
 - (\$50,000) - Health Insurance
 - (\$76,000) - Public Works – Energy Audit
- **(\$175,321) – Police Department**
 - (\$81,328) - Delay Hire of (2) Patrol Officers ½ year
 - (\$43,993) - Delay Hire Crime Analyst until 4th quarter
 - (\$50,000) - Health Insurance
- **(\$50,000) – Fire Department**
 - (\$50,000) – Health Insurance
- **(\$400,064) – School Department**
 - (\$48,869) - Not Fill Curriculum Leader
 - (\$16,172) - Leave PHS Library Aide at Part-time
 - (\$95,830) - Shift PMS Guidance Position to ESSER
 - (\$43,893) - Shift PMS Math Tutor to ESSER
 - (\$75,300) - Shift Chromebook Replacement to ESSER
 - (\$120,000) - Reduce Operating Districtwide

NON-OPERATING BUDGET---Decrease of \$607,500

- **(\$200,000) – Rockingham County Tax Obligation**
- **(\$32,500) – IT Replacement Fire Department equipment**
- **(\$325,000) - Capital Outlay Reduction**
 - (\$300,000) – Delay Traffic Calming South St. at Middle Rd.
 - (\$25,000) – McIntyre Federal Building
- **(\$50,000) – PortsmouthNH 400th Reduction**

City Council FY23 Adopted Budget

| | FY22 Budget | FY23 City Manager's Proposed Budget | FY23 City Council Adopted Budget | \$Change From FY22 Proposed Budget | \$Change From FY22 Budget | % Change From FY22 Budget |
|-----------------------------------|--------------------|---|--|--|---------------------------------|---------------------------------|
| OPERATING BUDGET: | | | | | | |
| General Government | 21,483,756 | 23,036,820 | 22,835,740 | (201,080) | 1,351,984 | 6.29% |
| Police | 12,553,495 | 13,156,399 | 13,268,356 | 111,957 | 714,861 | 5.69% |
| Fire | 9,816,421 | 10,149,433 | 10,323,327 | 173,894 | 506,906 | 5.16% |
| School | 53,551,766 | 56,202,146 | 55,802,082 | (400,064) | 2,250,316 | 4.20% |
| Collective Bargaining | 23,629 | 3,137,450 | 3,137,450 | 0 | 3,113,821 | 0.00% |
| Uniform Police Salary Adjustment | | 287,278 | 0 * | (287,278) | 0 | |
| Uniform Fire Salary Adjustment | | 223,894 | 0 * | (223,894) | 0 | |
| Transfer to Indoor Pool | 150,000 | 150,000 | 150,000 | 0 | 0 | 0.00% |
| Transfer to Prescott Park | 177,486 | 272,255 | 272,255 | 0 | 94,769 | 53.40% |
| Transfer to Community Campus | 116,000 | 360,788 | 360,788 | 0 | 244,788 | 211.02% |
| McIntyre Building Maintenance | 480,000 | 0 | 0 | 0 | (480,000) | -100.00% |
| Total Operating Budget | 98,352,553 | 106,976,463 | 106,149,998 | (826,465) | 7,797,445 | 7.93% |
| NON-OPERATING EXPENDITURE: | | | | | | |
| Debt Service & Related Costs | 13,797,890 | 13,749,821 | 13,749,821 | 0 | (48,069) | -0.35% |
| Overlay | 1,000,000 | 1,000,000 | 1,000,000 | 0 | 0 | 0.00% |
| Property & Liability Ins | 417,090 | 437,645 | 437,645 | 0 | 20,555 | 4.93% |
| County | 5,813,878 | 5,930,000 | 5,730,000 | (200,000) | (83,878) | -1.44% |
| Contingency | 300,000 | 300,000 | 300,000 | 0 | 0 | 0.00% |
| Rolling Stock | 584,500 | 601,000 | 601,000 | 0 | 16,500 | 2.82% |
| IT Equipment Replacement | 1,194,208 | 1,141,658 | 1,109,158 | (32,500) | (85,050) | -7.12% |
| Capital Outlay | 1,080,000 | 1,310,000 | 985,000 | (325,000) | (95,000) | -8.80% |
| Skateboard Park | 2,200,000 | 0 | 0 | | | |
| McIntyre Eng/Design | 400,000 | 0 | 0 | | | |
| McIntyre Settlement | 500,000 | 1,000,000 | 1,000,000 | | | |
| Other General Non-Operating | 784,914 | 762,289 | 712,289 | (50,000) | (72,625) | -9.25% |
| Total Non-Operating Budget | 28,072,480 | 26,232,413 | 25,624,913 | (607,500) | (2,447,567) | -8.72% |
| Total Gross Budget | 126,425,033 | 133,208,876 | 131,774,911 | (1,433,965) | 5,349,878 | 4.23% |

* As adopted, uniform salary adjustments were allocated to both Police & Fire respectively

As depicted in the above table, the uniform salary adjustment appropriation proposed by the City Manager was adopted by the City Council. As a result, \$287,278 and \$223,894 were allocated to the Police and Fire Departments respectively.

As a result of the amendments, the adopted FY23 budget will result in an estimated tax rate of \$15.30 per \$1,000 of valuation. This rate is an increase of 27¢ or 1.78% over FY22 before revaluation.

Keep in mind that the tax rate is set by the New Hampshire Department of Revenue Administration in the fall, once all state revenues, property valuation, and the county tax obligation are finalized.

Resolution #12-2022 Water Fund – City Council adopted the appropriations for the Water Fund in the amount of \$11,422,585 based on the full accrual basis of accounting and \$12,241,173 for cash requirements necessary to defray expenses for the operations of the water system. The appropriations and user rates were adopted as presented in the FY23 Proposed Budget submitted to the City Council on May 2, 2022 with no amendments.

Resolution #13-2022 Sewer Fund – City Council adopted the appropriations for the Sewer Fund in the amount of \$20,620,867 based on the full accrual basis of accounting and \$23,461,898 for cash requirements necessary to defray expenses for the operations of the sewer system. The appropriations and user rates were adopted as presented in the FY23 Proposed Budget submitted to the City Council on May 2, 2022 with no amendments.

Resolution #14-2022 Special Revenues – City Council adopted the appropriations for the Parking & Transportation, Stormwater, Community Development Block Grant, Economic Development (UDAG) and Prescott Park budgets as presented in the FY23 Proposed Budget submitted to the City Council on May 2, 2022 with no amendments. This resolution also identifies the use of \$1,687,600 from the American Rescue Plan Act (ARPA) funds for various capital and rolling stock items.

The following tax calculation page replaces page 114 of the FY23 Proposed Budget Document.

GENERAL FUND BUDGET SUMMARY - FY 2023

TAX CALCULATION

| | FY22 | FY23 | \$\$ | % | CITY MANAGER'S AMENDMENTS TO PROPOSED BUDGET | Allocation of Salary Adjustment | FY23 REVISED PROPOSED BUDGET | \$\$ | % |
|--|----------------------|--------------------------|--------------------|------------------|--|---------------------------------|------------------------------|--------------------|------------------|
| OPERATING BUDGET | BUDGET | CITY MANAGER RECOMMENDED | CHANGE FROM FY22 | CHANGE FROM FY22 | | | | CHANGE FROM FY22 | CHANGE FROM FY22 |
| General Government | 21,483,756 | 23,036,820 | 1,553,064 | 7.23% | (201,080) | | 22,835,740 | 1,351,984 | 6.29% |
| Police | 12,553,495 | 13,156,399 | 602,904 | 4.80% | (175,321) | 287,278 | 13,268,356 | 714,861 | 5.69% |
| Fire | 9,816,421 | 10,149,433 | 333,012 | 3.39% | (50,000) | 223,894 | 10,323,327 | 506,906 | 5.16% |
| School | 53,551,766 | 56,202,146 | 2,650,380 | 4.95% | (400,064) | | 55,802,082 | 2,250,316 | 4.20% |
| Collective Bargaining | 23,629 | 3,137,450 | 3,113,821 | | - | | 3,137,450 | 3,113,821 | |
| Uniform Police Salary Adjustment | 0 | 287,278 | 287,278 | | - | (287,278) | 0 | 0 | |
| Uniform Fire Salary Adjustment | 0 | 223,894 | 223,894 | | - | (223,894) | 0 | 0 | |
| Department Operating Budget | 97,429,067 | 106,193,420 | 8,764,353 | 9.00% | (826,465) | - | 105,366,955 | 7,937,888 | 8.15% |
| Transfer to Indoor Pool | 150,000 | 150,000 | 0 | 0.00% | - | | 150,000 | 0 | 0.00% |
| Transfer to Prescott Park | 177,486 | 272,255 | 94,769 | 53.40% | - | | 272,255 | 94,769 | 53.40% |
| Transfer to McIntyre Building | 480,000 | 0 | (480,000) | -100.00% | - | | 0 | (480,000) | -100.00% |
| Transfer to Community Campus | 116,000 | 360,788 | 244,788 | 211.02% | - | | 360,788 | 244,788 | 211.02% |
| Total Transfers/Other | 923,486 | 783,043 | (140,443) | -15.21% | - | - | 783,043 | (140,443) | -15.21% |
| Total Operating Budget | 98,352,553 | 106,976,463 | 8,623,910 | 8.77% | (826,465) | - | 106,149,998 | 7,797,445 | 7.93% |
| NON-OPERATING EXPENSE | | | | | | | | | |
| Debt Related Costs/TANS | 128,000 | 120,000 | (8,000) | -6.25% | - | | 120,000 | (8,000) | -6.25% |
| Debt Service Payments | 13,669,890 | 13,629,821 | (40,069) | -0.29% | - | | 13,629,821 | (40,069) | -0.29% |
| Overlay | 1,000,000 | 1,000,000 | 0 | 0.00% | - | | 1,000,000 | 0 | 0.00% |
| Property & Liability Ins | 417,090 | 437,645 | 20,555 | 4.93% | - | | 437,645 | 20,555 | 4.93% |
| Rockingham County Tax | 5,813,878 | 5,930,000 | 116,122 | 2.00% | (200,000) | | 5,730,000 | (83,878) | -1.44% |
| Contingency | 300,000 | 300,000 | 0 | 0.00% | - | | 300,000 | 0 | 0.00% |
| Rolling Stock | 584,500 | 601,000 | 16,500 | 2.82% | - | | 601,000 | 16,500 | 2.82% |
| IT Equipment Replacement | 1,194,208 | 1,141,658 | (52,550) | -4.40% | (32,500) | | 1,109,158 | (85,050) | -7.12% |
| Capital Outlay | 1,080,000 | 1,310,000 | 230,000 | 21.30% | (325,000) | | 985,000 | (95,000) | -8.80% |
| Skateboard Park | 2,200,000 | 0 | (2,200,000) | -100.00% | - | | 0 | (2,200,000) | -100.00% |
| McIntyre Eng/Design | 400,000 | 0 | (400,000) | -100.00% | - | | 0 | (400,000) | -100.00% |
| McIntyre Settlement | 500,000 | 1,000,000 | 500,000 | 100.00% | - | | 1,000,000 | 500,000 | 100.00% |
| Other General Non-Operating | 784,914 | 762,289 | (22,625) | -2.88% | (50,000) | | 712,289 | (72,625) | -9.25% |
| Total Non-Operating Budget | 28,072,480 | 26,232,413 | (1,840,067) | -6.55% | (607,500) | - | 25,624,913 | (2,447,567) | -8.72% |
| Total Gross Budget | 126,425,033 | 133,208,876 | 6,783,843 | 5.37% | (1,433,965) | - | 131,774,911 | 5,349,878 | 4.23% |
| REVENUES | | | | | | | | | |
| Municipal | 15,467,514 | 15,889,810 | 422,296 | 2.73% | 520,000 | | 16,409,810 | 942,296 | 6.09% |
| School | 6,523,880 | 6,745,978 | 222,098 | 3.40% | - | | 6,745,978 | 222,098 | 3.40% |
| State Revenues | 1,541,000 | 5,091,000 | 3,550,000 | 230.37% | 650,000 | | 5,741,000 | 4,200,000 | 272.55% |
| State Revenues-School Building Aid | 1,757,195 | 1,757,195 | 0 | 0.00% | - | | 1,757,195 | 0 | 0.00% |
| <i>Use of Fund Balance</i> | | 0 | 0 | | | | 0 | | |
| Budget Process | 480,000 | 1,000,000 | 520,000 | 108.33% | - | | 1,000,000 | 520,000 | |
| Property Appraisal | 100,000 | 100,000 | 0 | 0.00% | - | | 100,000 | 0 | 0.00% |
| Debt Service Reserve | 1,900,000 | 1,700,000 | (200,000) | -10.53% | - | | 1,700,000 | (200,000) | -10.53% |
| Supplemental Appropriation | 3,216,000 | 0 | (3,216,000) | -100.00% | - | | 0 | (3,216,000) | -100.00% |
| Total | 30,985,589 | 32,283,983 | 1,298,394 | 4.19% | 1,170,000 | - | 33,453,983 | 2,468,394 | 7.97% |
| BUDGETED PROPERTY TAX LEVY | 95,439,444 | 100,924,893 | 5,485,449 | 5.75% | (2,603,965) | - | 98,320,928 | 2,881,484 | 3.02% |
| War Service Credits | 521,416 | 521,416 | 0 | 0.00% | | | 521,416 | 0 | 0.00% |
| Adequate Education Formula | (12,043,851) | (8,597,476) | 3,446,375 | -28.62% | | | (8,597,476) | 3,446,375 | -28.62% |
| State Education Tax | 12,043,851 | 8,597,476 | (3,446,375) | -28.62% | | | 8,597,476 | (3,446,375) | -28.62% |
| Total Property Taxes Assessed | 95,960,860 | 101,446,309 | 5,485,449 | 5.72% | - | - | 98,842,344 | 5,485,449 | 5.72% |
| ASSESSED VALUATION WITH UTILITIES | 6,398,641,017 | 6,478,641,017 | 80,000,000 | 1.25% | - | - | 6,478,641,017 | 80,000,000 | 1.25% |
| ASSESSED VALUATION NO UTILITIES | 6,206,197,538 | 6,286,197,538 | 80,000,000 | 1.29% | - | - | 6,286,197,538 | 80,000,000 | 1.29% |
| MUNICIPAL & SCHOOL TAX RATE | 12.20 | 13.42 | 1.22 | 9.97% | - | - | 13.05 | 0.85 | 6.93% |
| COUNTY TAX RATE | 0.89 | 0.92 | 0.03 | 2.84% | - | - | 0.88 | (0.01) | -0.62% |
| STATE EDUCATION TAX RATE | 1.94 | 1.37 | (0.57) | -29.50% | - | - | 1.37 | (0.57) | -29.50% |
| COMBINED TAX RATE | 15.03 | 15.71 | 0.68 | 4.51% | - | - | 15.30 | 0.27 | 1.78% |