



BUDGET Revealed

YOUR GUIDE TO THE BUDGET PROCESS AND COMMUNITY FINANCES

www.dover.nh.gov/government/open-government/budget-revealed/

Notice to Dover Download subscribers

You are receiving this edition of Budget Revealed so we can share an example of other newsletters available to you. If you wish to keep receiving Budget Revealed, or would like to receive other newsletters from the City, please update your [subscription settings here](#).

No. 6 | Tuesday, April 7, 2015

Public hearing on school portion of budget is Wednesday, April 8

A public hearing on the school portion of the fiscal year 2016 proposed budget will be held Wednesday, April 8, 2015, at 7 p.m., in Council Chambers at City Hall. The public hearing is part of the City Council's regular meeting agenda, which can be [viewed here](#).

A second public hearing on the City portion of the budget will be held on Wednesday, April 22, 2015, at 7 p.m., in Council Chambers at City Hall.

The School portion of the budget can be [viewed here](#), or by visiting the Budget Revealed [online resource here](#).

The Education component of the proposed budget totals \$52,496,341, an increase of \$4,367,237, or 9.1 percent. The Education budget represents several divisions, including student support services, instructional programs, administrative services, facilities and operations and transportation. Another category, "Other," includes support services not directly related to previous accounts, such as the costs of unemployment compensation, general liability coverage, workers' compensation, severance pay, physical exams, immunizations, criminal records checks, and technology.

The proposed FY2016 school budget also includes the first year of debt service for the Dover High School and Career Technical Center renovation project. The amount of proposed debt service is \$2,086,500. With debt service included in the proposed budget, the Education component



City of Dover
New Hampshire

Proposed Budget
Fiscal Year 2016

As submitted to the City Council
By City Manager J. Michael Joyal, Jr.

**UPCOMING
BUDGET**

MEETINGS:

**Wednesday, April 8
7 p.m.**

City Council Meeting
School budget
public hearing

**Wednesday, April 15
7 p.m.**

City Council Workshop
Budget review

**Wednesday, April 22
7 p.m.**

City Council Meeting
City budget public hearing

**Wednesday, April 29
7 p.m.**

City Council Workshop
Budget review

**Wednesday, May 6
7 p.m.**

City Council Workshop
Budget review
and
Special Meeting
Budget adoption

**Wednesday, May 13
7 p.m.**

City Council Meeting
Budget adoption, if not
adopted on May 6

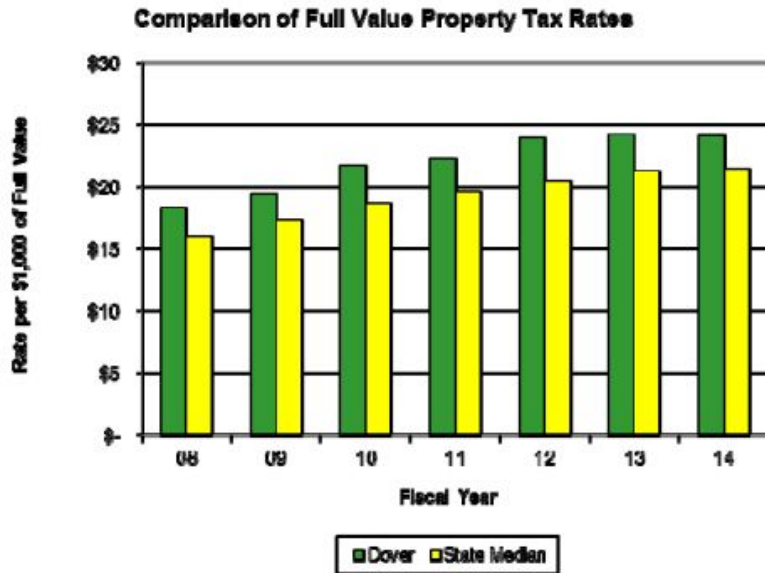
FOR MORE
INFORMATION:

Budget Revealed

 [Join our mailing list](#)

of the budget is over the tax cap, which requires a two-thirds majority vote of the City Council to adopt.

BY THE NUMBERS



The City's full value property tax rate remains stable in comparison to the New Hampshire state median. The median reflects the midpoint of all rates in the state. Because Dover remains approximately at the median, this means that about half of the tax rates in the state are higher than Dover's and about half are lower.

This is a good measure of tax burden as all municipal assessed values are brought to full-market value and tax rates equalized.

(This information appears on Page 30 (14) of the fiscal year 2016 proposed budget. The proposed FY2016 budget can be [viewed here](#).)

EFFICIENCY AND COST-SAVINGS INITIATIVES

Each year, City staff implements and follows budget initiatives and best practices that help reduce costs and improve efficiency across all services and operations. The cost-savings initiatives have saved the City millions of dollars over the last several years. Many of these efforts will or have the potential to reduce costs for years to come.

These savings are largely the result of the hard work and

creativity of City staff and department heads, in concert with the funding decisions made by recent City Councils. Each edition of Budget Revealed will highlight some of these cost-savings initiatives.

Transition to workers' compensation insurance plan reduces cost of coverage

In July 2014, the City of Dover transitioned from self-insuring workers' compensation for City and School staff to an insured plan. Prior to the change, the City was responsible for paying workers' compensation costs dollar for dollar. While self-insured, the City's worker's compensation budget was \$670,000, which included \$58,000 of additional insurance for claims over \$500,000. In addition, the City was required to contribute to the State of New Hampshire's workers compensation' Administrative Fund and the Second Injury Fund. The Second Injury Fund allows employers to limit compensation costs if an impaired employee sustains a workers' compensation injury more disabling than the same injury would leave a non-impaired worker.

In transitioning to an insured plan through the New Hampshire Risk Management Exchange, or Primex, the combined cost for the City and Schools is now \$601,000. Because Primex covers all workers' compensation costs, the City no longer pays the additional \$58,000 for insurance on claims exceeding \$500,000.

The City is responsible for self-insured claims made prior to the transition in July 2014, but as those previous claims are resolved, the City expects to see savings of \$58,000 under the new insurance plan for fiscal year 2015, as Primex premiums have remained constant.

BUDGET PRESENTATIONS

City Manager J. Michael Joyal, Jr. presented to the FY2016 proposed budget to the City Council on Wednesday, March 25, 2015. The presentation can be viewed by clicking on the image below.

FY2016 Proposed Budget



Presentation to the City Council
by City Manager J. Michael Joyal, Jr.

March 25, 2015

For more information, including departmental presentations and multimedia resources related to the budget, visit [Budget Revealed here](#).

DID YOU KNOW?

Long-term financial planning and the City's response to the impacts of the U.S. economy

On April 27, 2011 the City Council adopted a resolution to implement 32 financial policies. These adopted policies include maintaining all of the existing policy statements adopted in 1996 with updates to several of the benchmark indices. In addition, several new policy statements were also included, reflecting the most current best practices identified by the Government Finance Officers Association and the National Advisory Council on State and Local Budgeting. These financial policies address areas such as Stabilization Funds, Fees and Charges, Debt Issuance and Management, Use of One-Time and Unpredictable Revenues, Balanced Budgeting Practices, Revenue Diversification, and Contingency Planning. A copy of the financial policies adopted by the City Council is available on the City's website.

The City Council routinely adopts fiscal initiatives to respond to the changes in the economy that have resulted in impacts such as declines to non-property tax revenues and the community's tolerance for tax increases. The City Council has limited the adoption of bonding authorizations to be consistent with the annual amount of debt being

retired by the City's tax supported General Fund. The objective of this initiative is to move the City away from recurring debt financing and funding capital reserves at an appropriate level to move from debt financing certain capital outlay. These actions are consistent with the City's Debt Issuance and Management financial policies.

The City Manager and City Department Directors conduct an on-going evaluation of fiscal operations to insure that expenditures are managed in concert with revenues to insure General Fund Balance is maintained consistent with City policy limit of 8 percent. In FY2014 the City complied with the General Fund Balance policy by achieving an Unassigned Fund Balance of 14.1 percent. In response to past U.S. economic declines and the national rating agencies placing importance on municipalities increasing operating reserves, the City managed fiscal operations to increase General Fund operating reserves.

In FY2014 the City was successful in contributing 15 percent of the actuarially calculated OPEB Annual Required Contribution to an established dedicated fund. This action is consistent with the City's financial policy objective for managing and prefunding the City's OPEB obligations. FY2014 represents the third year in a row that the City has pre-funded a percentage of the OPEB Annual Required Contribution. In FY2014 the City, consistent with financial policies, maintained sufficient annual contributions into the General Fund Capital Reserve, Water Fund Capital Reserve and Sewer Fund Capital Reserve.

The City recognizes the importance of a formal process for long term financial planning and forecasting. The City continues to utilize a formal forecasting software application to aid in financial planning. The City utilizes this tool to provide insight to evaluating policy recommendations. The software is utilized to provide formal fiscal forecasting reports complete with national, regional, and local economic overviews and a 5-year projection of both General Fund operations and tax levy impacts as part of the budget process.

BUDGET RESOURCES

Want to know more? Check out this Budget Revealed session, hosted by City Manager J. Michael Joyal, Jr. In this video, the city manager details the budget process.

This session can also be seen on Channel 22. For upcoming times, tune in to DNTV Channel 22.

Click on the image below to view:



BUDGET Revealed

[Forward this email](#)

 **SafeUnsubscribe™**

This email was sent to webmaster@dover.nh.gov by webmaster@dover.nh.gov |
[Update Profile/Email Address](#) | Rapid removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).



Try it FREE today.

City of Dover | 288 Central Avenue | Dover | NH | 03820