

Fiscal Year 2016 Budget

May 18, 2015

www.Concordnh.gov



Celebrating 250 Years ~ 1765 - 2015

Overview

- Overarching Objectives
- Concord & Penacook Tax Rates
- Bond Rating
- Comparisons
- Financial Notes
- Fiscal Year 2016 Budget: Operating & Capital
- The Future

Six Overarching Objectives

- **A Safe City**

- Safe in Homes & Neighborhoods
 - Problem Oriented Policing (POP)
 - Replace Engine #5
 - Replace Fire Department Communications Equipment
 - Add Victim/Witness Advocate in Legal

- **A Vibrant City**

- Livable, Walkable Mixed Use City for Businesses and Residents
 - Increased Debt Service for Downtown Complete Streets and Route 3N/Penacook Village Projects
 - Replace Rolfe Park Pool
 - Dredging of Boat Ramps at Kiwanis Park

Six Overarching Objectives (continued)

- **An Interconnected City**

- Improved Transportation and Roadway Systems
 - Enhanced Annual Neighborhood Paving Program
 - Exit 16 Mountain Road/Shawmut Street Roundabout
 - Pleasant Street/Concord Hospital Signalization Project
 - Phased Rehabilitation of the Airport's Main Taxiway "A"
 - Phased Replacement of CAT Buses

- **An Innovative City**

- Keep Pace with Innovation and Drive of Private Sector
 - Accessible Voting System Program for Municipal Elections
 - Credit Card Chip Readers to Improve Fraud Protection
 - New IT Systems Administrator II Position
 - Expansion of IT Work Space
 - Implement Enterprise Wide Time Keeping System

Six Overarching Objectives (continued)

- **Communications and Customer Friendly City**

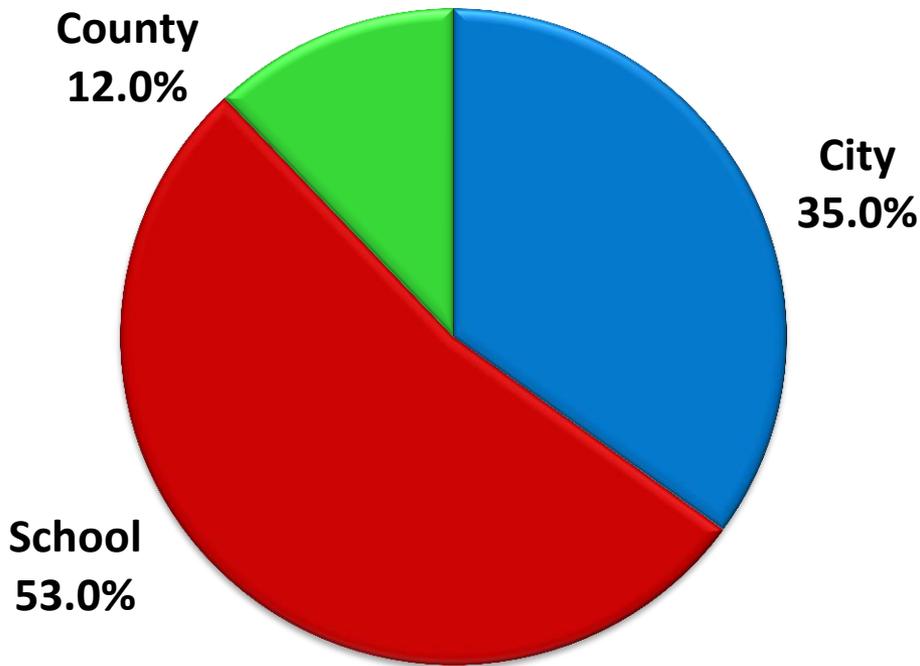
- Improved Customer Service
 - Additional Hours for City Clerk's Office Position for Vital Records
 - Internet-based Dog Licensing Program
 - New Building Permit Tracking System

- **A Well Maintained City**

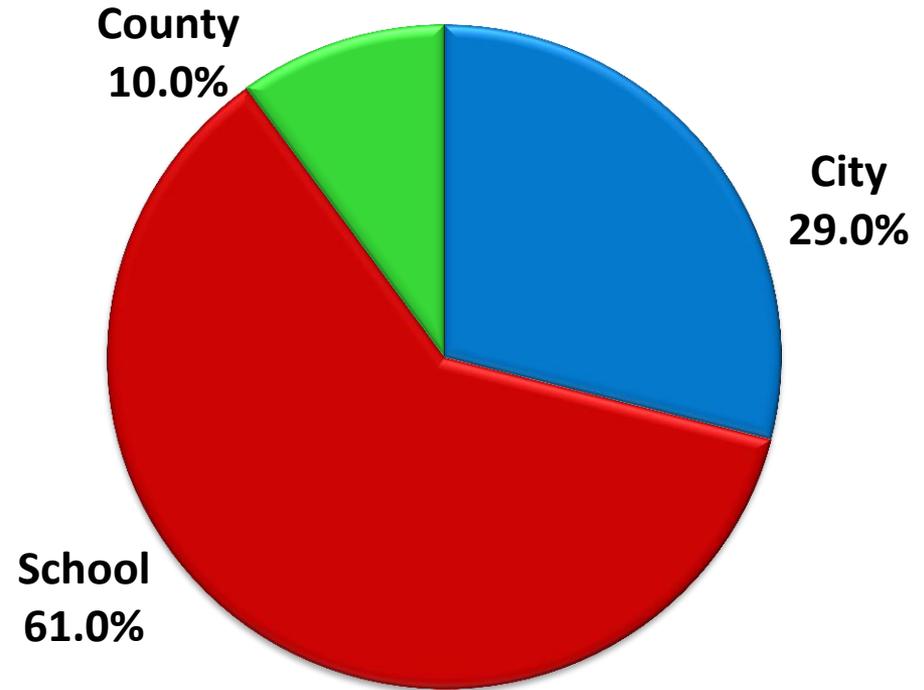
- Stewards of City Assets
 - Convert City Hall Complex to Natural Gas
 - COMF Roof and HVAC Replacement
 - Library Roof Replacement
 - Storm Water Improvements
 - Water Main Replacement & Construction
 - Repairs to Parking Infrastructure
 - Urban Weed Control Program

City of Concord Property Taxes

Concord



Penacook



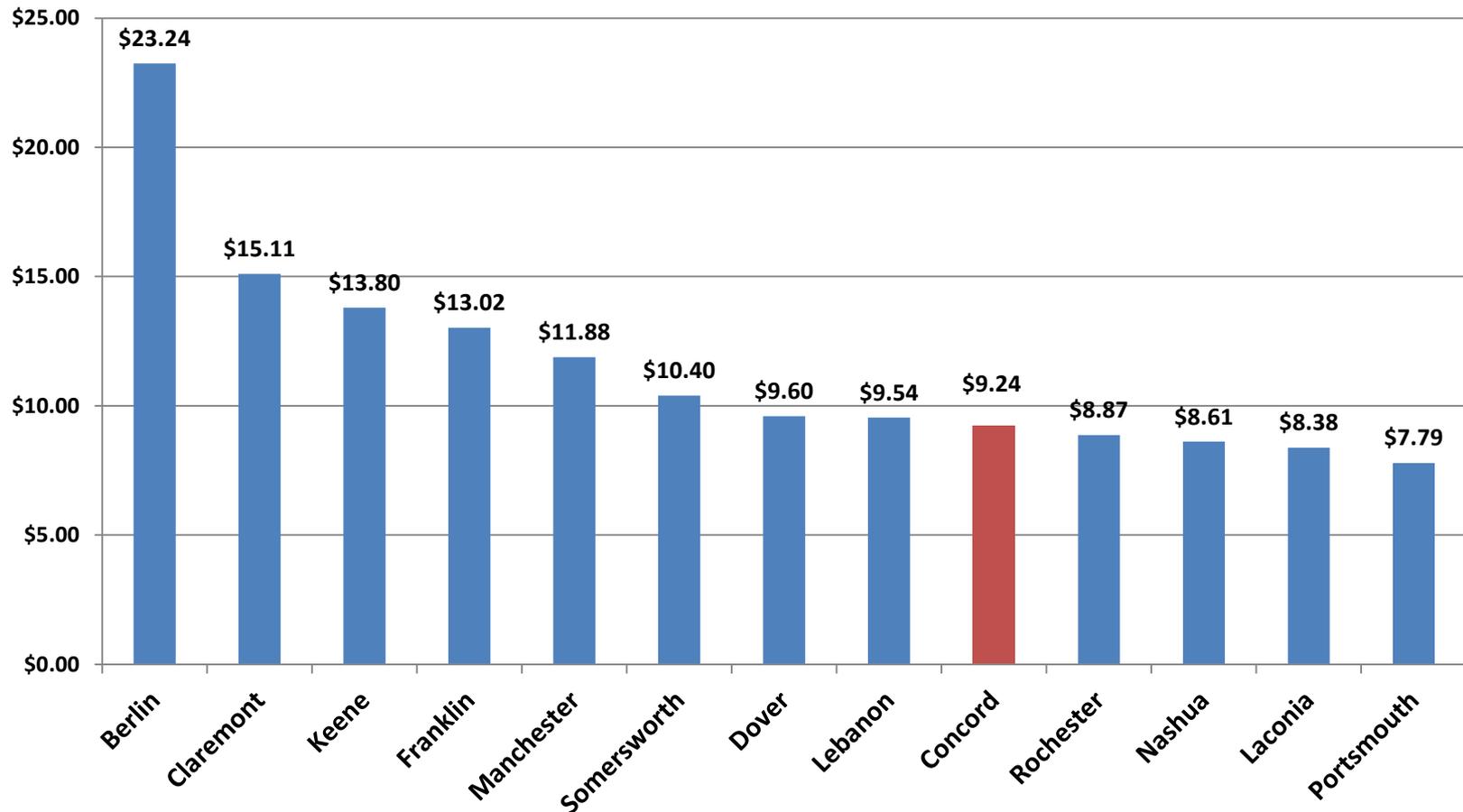
City's Bond Ratings

Standard & Poor's Affirmed
AA+ Bond Rating – January 2015

- Very Strong Management
- Very Strong Budget Flexibility
- Very Strong Liquidity

How does Concord's Full Value Municipal Tax Rate Compare with Other New Hampshire Cities?

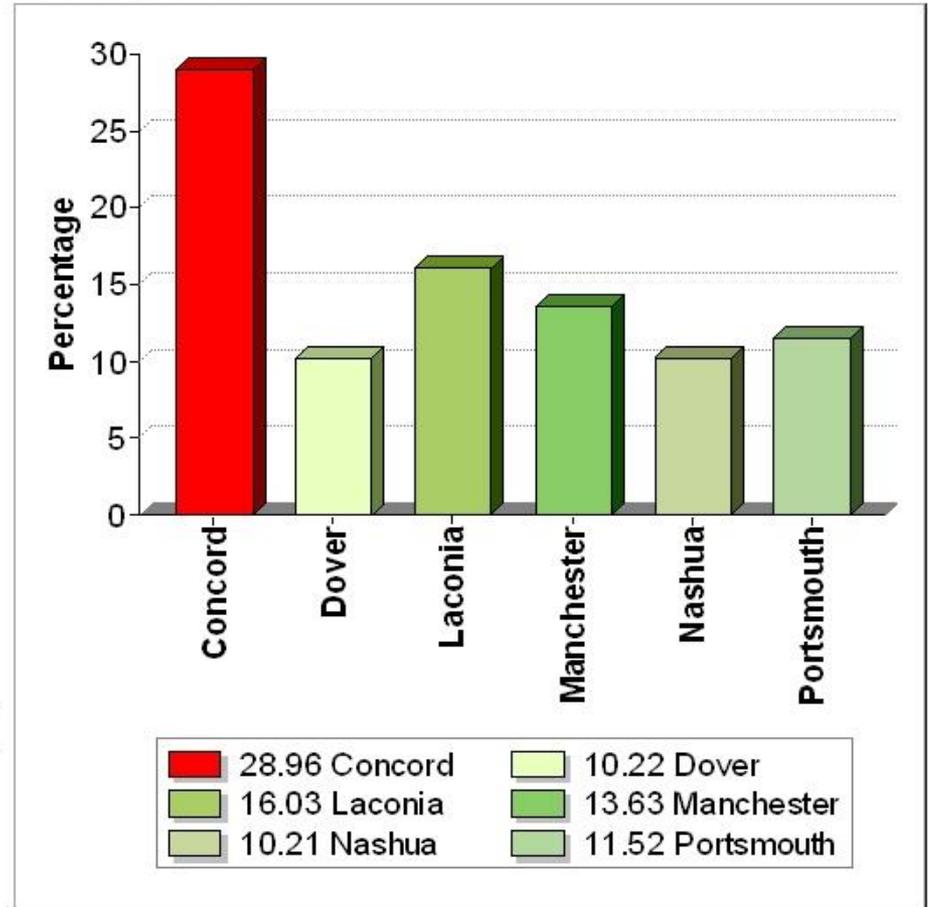
Tax Year 2014





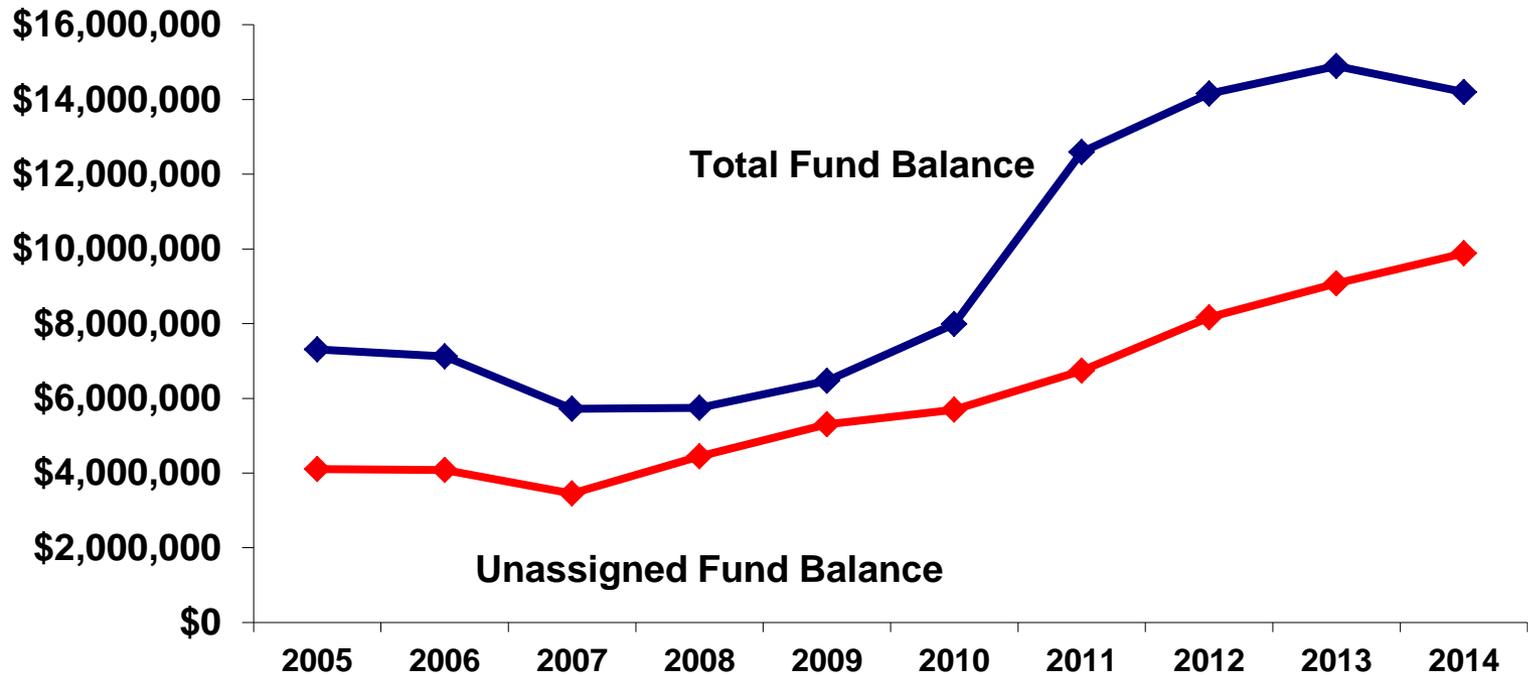
Percent Value Tax Exempt Comparable Cities In New Hampshire

Printed: April 2015



*City of Concord, New Hampshire
Engineering Services Division*

Total Fund Balance & Unassigned Fund Balance 2005 – 2014 Actuals

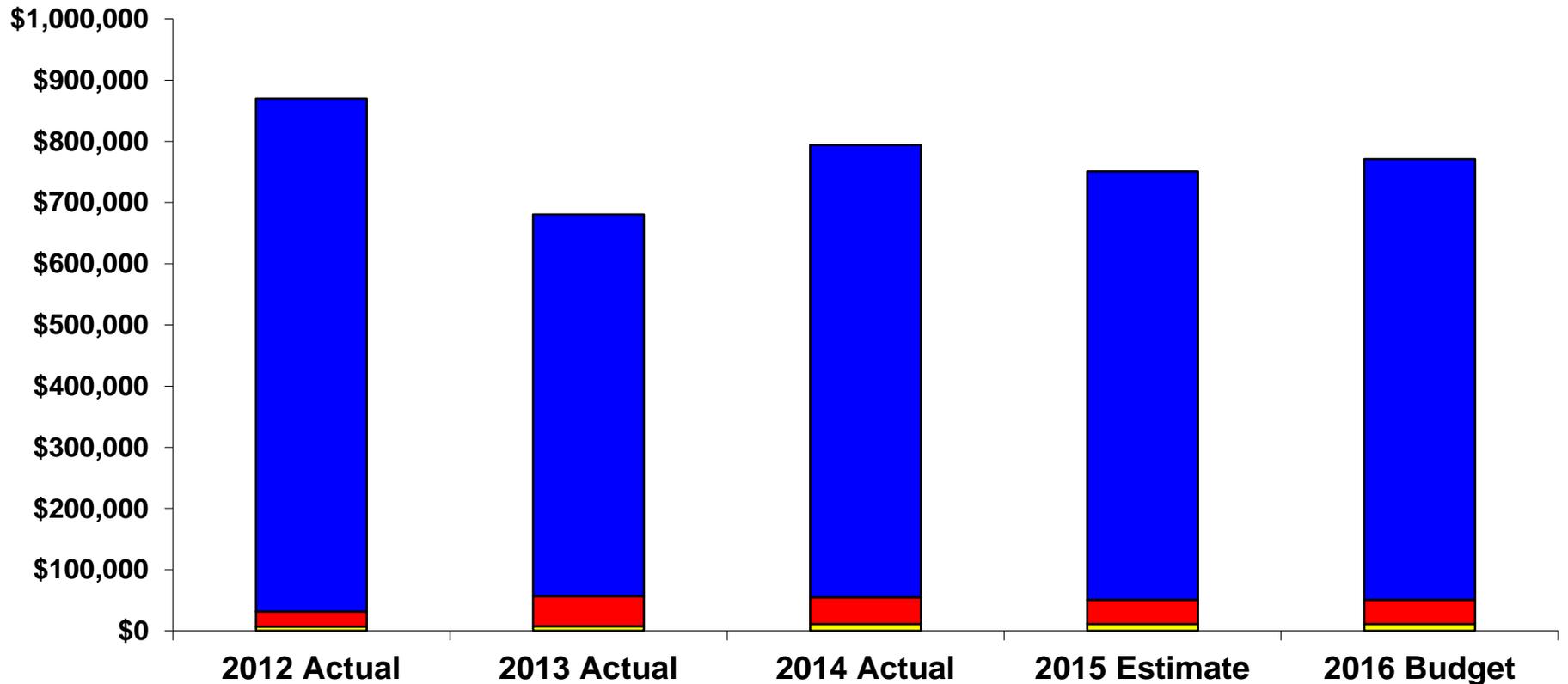


FY 2016 Budget – Items of Note

- Balanced Budget – 7th Year in a row
- Planning & Permitting Revenues
- Motor Vehicle Registrations
- Worker's Compensation Costs
- Balanced Budget
- Cost Drivers

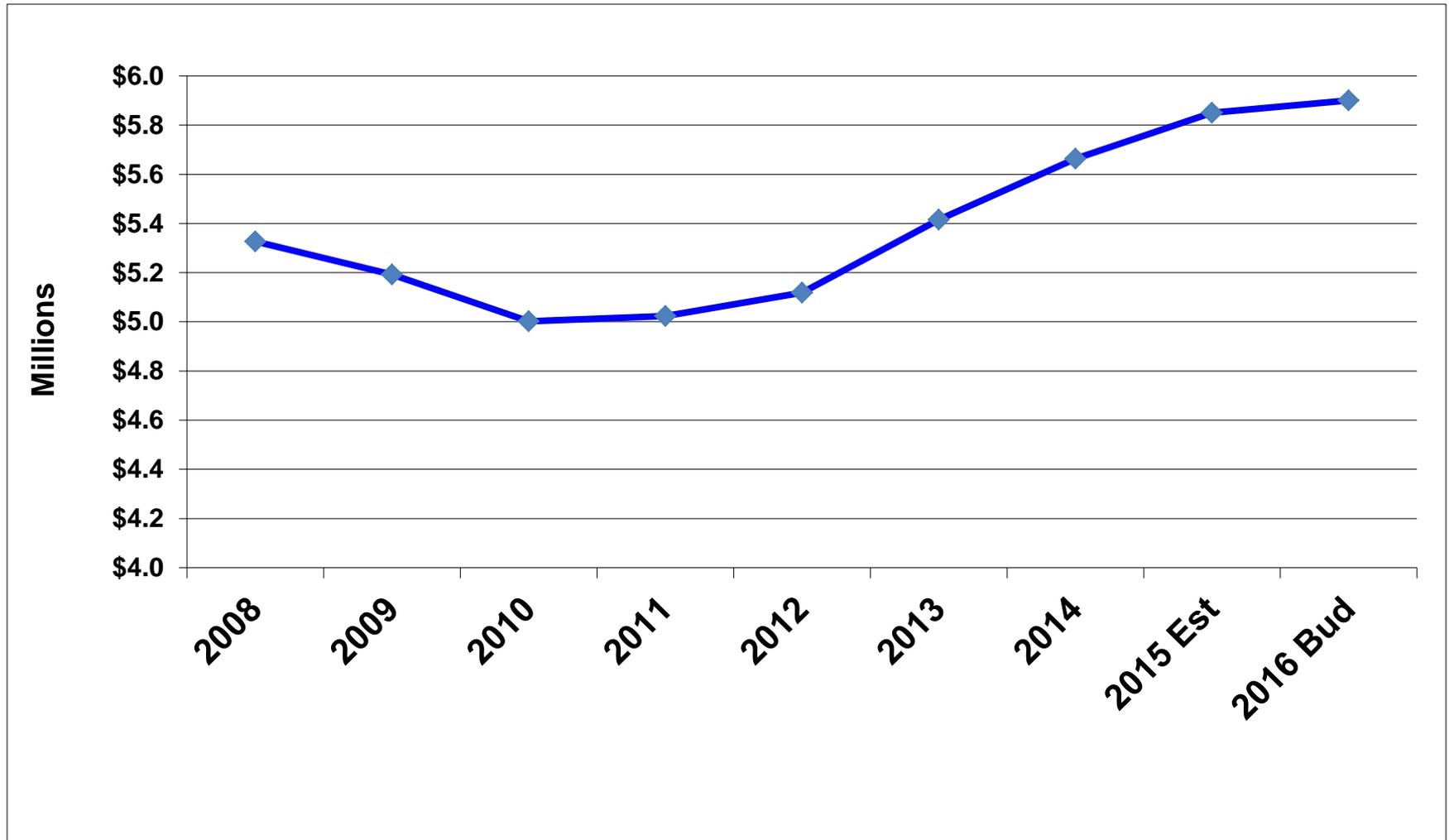
Planning & Permitting Revenue

Fiscal Years 2012- 2016

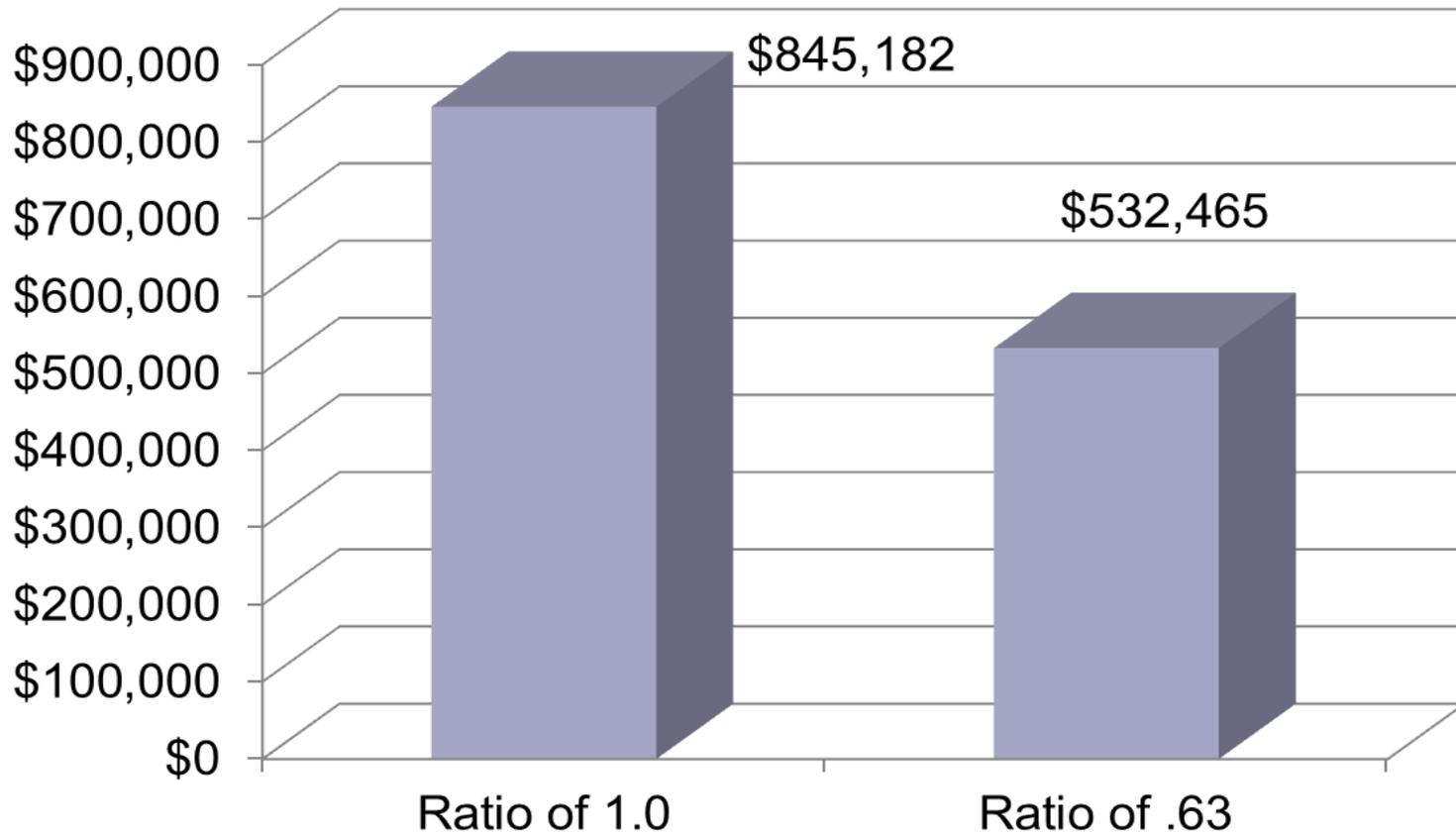


Motor Vehicle Registration Revenue

Fiscal Years 2008 - 2016



Worker's Compensation Costs



Balanced Budget Milestone

7th Year

No use of Unassigned Fund Balance

FY 2016 BUDGET

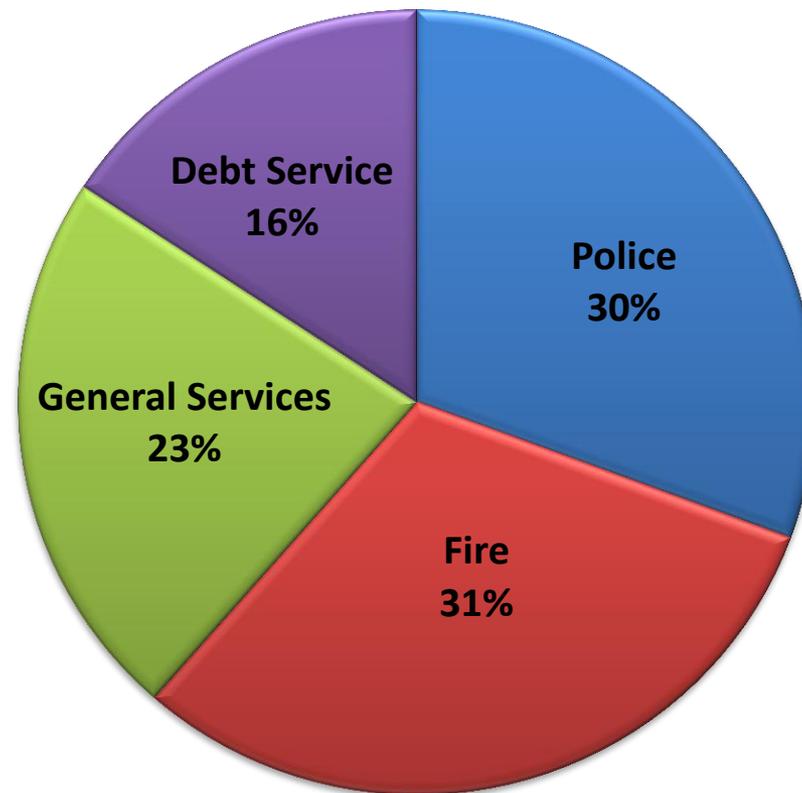
FY 2016 Proposed Appropriations

Budget Fund	FY 2016 Proposed
General Fund Operating	\$57,908,808
Parking – Special Revenue	\$2,219,392
Airport – Special Revenue	\$432,064
CDD – Special Revenue	\$429,189
Beaver Meadow Golf Course	\$954,833
Arena	\$640,493
Water	\$6,113,562
Wastewater	\$7,401,099
Solid Waste	\$3,655,266
Capital Project General	\$19,845,222
Tax Increment Financing	\$1,345,577
Grand Total Operating & Capital	\$100,945,505

Recommended Municipal Tax Rate Increase of 3.95%

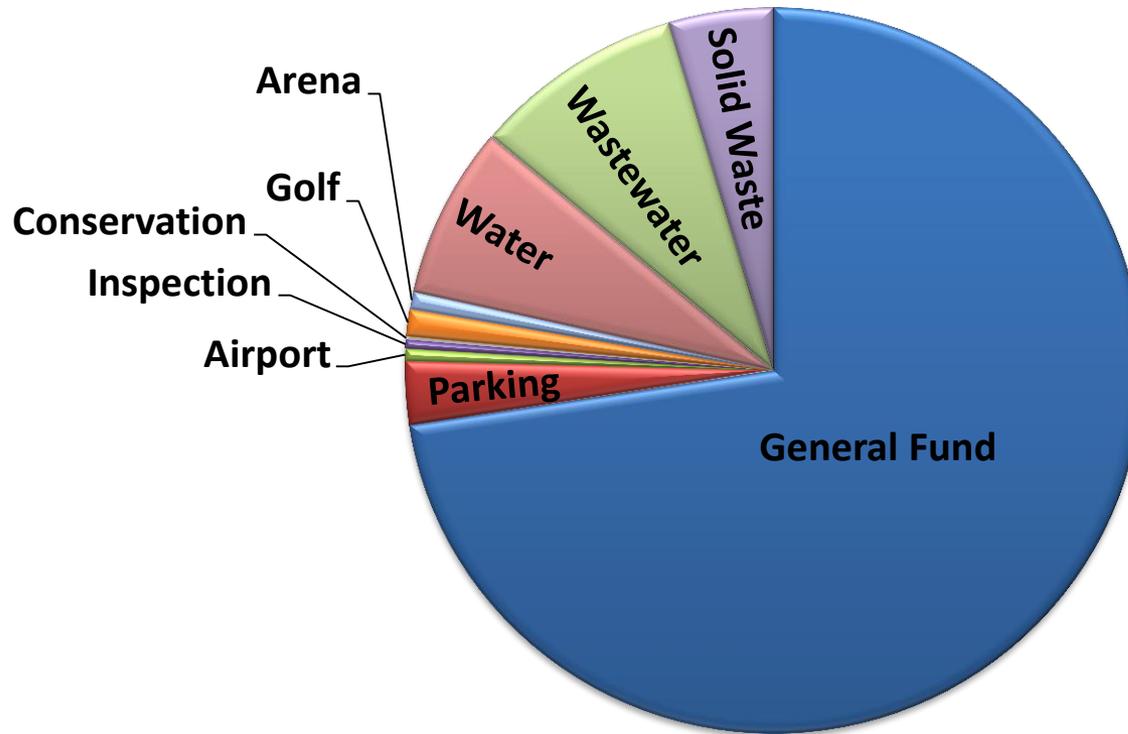
- State of New Hampshire Downshift of Retirement Costs for FY 2016 = \$1,376,000 in the General Fund equivalent to **3.64%**
- Increased Worker's Comp and Property Liability Insurance = \$53,200 or **0.15%**
- Health Insurance Cost Increase = \$665,600 or **1.9%**
- Additional costs for utilities = \$51,900 or **0.13%**
- New IT position and changes to Clerk's Office position = \$84,100 or **.24%**
- Increase in debt service costs for previously approved projects = \$57,400 or **.16%**
- Together these equal approximately a **6.22%** increase

What Do Property Taxes Pay For? Fiscal Year 2016



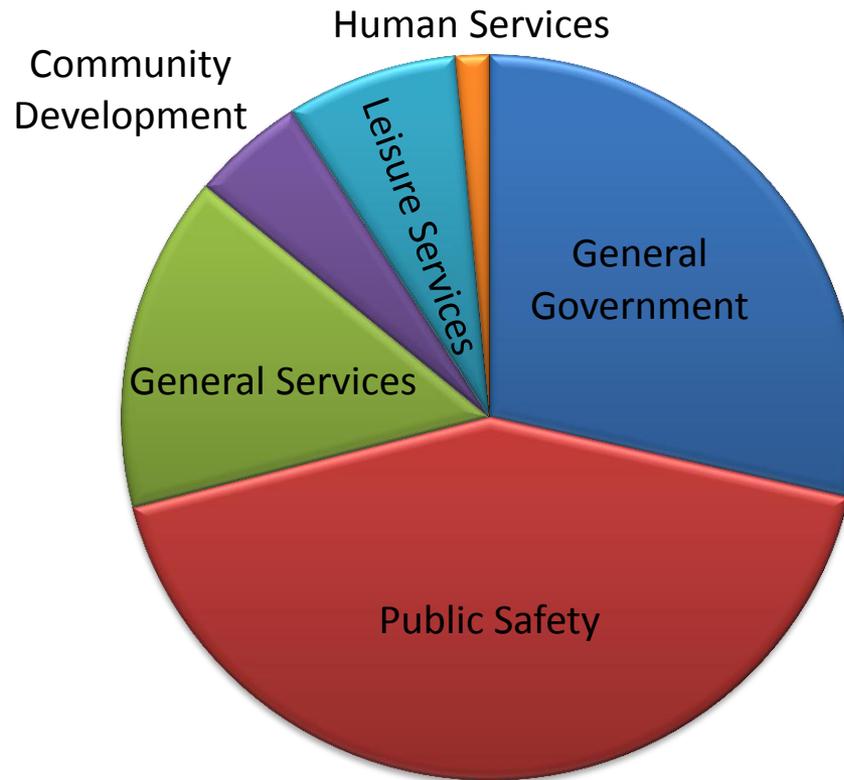
All Funds Appropriations

Fiscal Year 2016



General Fund Operating Budget

Fiscal Year 2016



Changes in Staffing Levels

- Significant staffing reductions have been made throughout the City over the last several years
- A total of 24 full-time equivalent positions have been eliminated since 2008
- No significant shift in staffing profile in FY16

Police Department

Reductions include:

- Managed cost savings due to existing vacancies (\$120,000)

Additions Include:

- Ballistic Vest Program \$70,000
- Cellebrite Updates \$3,600
- Drug Buy Money \$8,000

Overall Operating FY15 Budget to FY16 Budget: Up 4.2% or \$468,300 in the Operating Budget + \$165,000 for Police Vehicles and Equipment Replacement, CIP 575

Fire Department

Additions include:

- Engine #5 Replacement \$534,000
- Support Vehicle Replacement \$35,000
- Communications Equipment \$190,000
- Personnel Protective Equipment \$20,000
- Alarm Signal System Replacement \$32,000

Overall Operating FY15 Budget to FY16 Budget: Up 3.9%
or \$499,600

General Services Department

Reductions include:

- Managed cost savings due to existing vacancies (\$20,000)

Additions include:

- Admin – Training Opportunities \$1,365
- Fleet – Inspection and Maintenance Shop Lifts \$1,000
- Properties – Upgraded Work Order System \$3,600
- Properties – Overhaul Doors at Audi \$1,500
- Properties – PT Custodian for GSCC \$7,105
- Properties – GSCC Annual Floor Maintenance \$2,500
- COMF Facility Improvements \$459,000
- Annual Vehicle and Equipment Replacement \$766,000

Overall Operating FY15 Budget to FY16 Budget: Up 2.4% or \$207,000
(net of accounting change for Allocated Costs)

Community Development Department

Additions include:

- Open Space Plan Update \$30,000 – Offset with \$30,000 from Forestry Trust
- Training and Dues for City Planner \$1,425
- Development Permitting Software \$100,000

Overall Operating FY15 Budget to FY16 Budget: Up 2% or \$55,600 (net of accounting change for Allocated Costs)

Library Department

Additions include:

- Conference Opportunities for Staff \$1,750
- Mobile Print Service \$1,025
- Library Roof Replacement \$230,000

Overall Operating FY15 Budget to FY16 Budget: Up 2.5%
or \$41,300

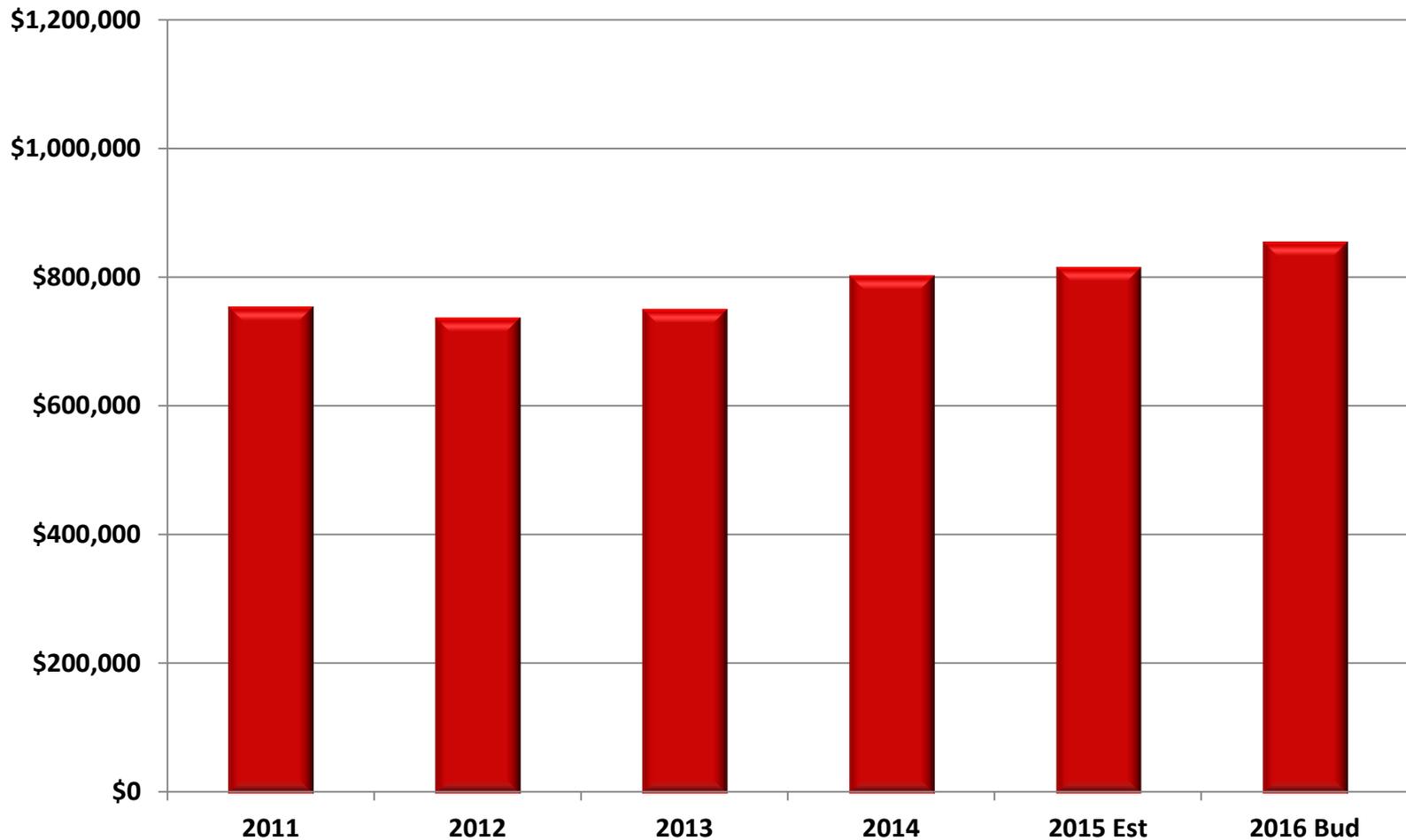
Parks & Recreation Department

Additions include:

- Replace Rolfe Park Pool \$391,229
- White Park Pond Maintenance \$7,500
- Continuation of Funding for Fireworks \$30,000
- New Men's Basketball Program Planned \$68,100 new revenue and \$43,320 expenses = Net gain of \$24,780

Overall Operating FY15 Budget to FY16 Budget: Up 4.4%
or \$113,500

Human Services Expenses



Support for Social Services Agencies

- Overall funding is recommended at \$271,780
- Funding is sustained for Concord Area Transit (CAT) services and the Community Action Program
- Funding is sustained for agencies providing shelter for the homeless, and rape and domestic violence victims
- Funding is sustained for the Penacook Community Center
- No funding for First Congregational Church since Cold Weather Shelter is not reopening in winter 2015

Water Enterprise Fund

- Rate increase of 3% is recommended, the projection was 4.5% at this time last year
- FY15 was budgeted for a \$299,175 loss; estimated gain of \$21,805 due to dry summer 2014 and high water use during July and August
- FY16 is budgeted for a \$379,377 loss with the increase in rate as recommended
- Sufficient working capital reserves remain in place

Waste Water Enterprise Fund

- Rate increase of 4.25% is recommended, the projection was 3% at this time last year
- FY15 was budgeted for a \$110,104 gain; estimated gain is \$76,184
- FY16 is budgeted for a loss of \$52,045 with the increase in rate as recommended
- Sufficient working capital reserves remain in place

Solid Waste Enterprise Fund

- There is a recommended 25% increase in the PAYT prices for both purple bags and containerized dumpsters
- FY15 was budgeted for a \$104,960 loss; estimated loss is \$142,104
- FY16 is budgeted for an \$87,772 loss
- The fund will remain solvent through FY21 with the proposed increase and will need to be reviewed again at that time
- Recommend that the City Council consider the increase supported by SWAC

Parking Special Revenue Fund

- Continues to present challenges
- Comprehensive parking study conducted in FY15, results and recommendations will be presented to City Council in Summer of 2015
- FY15 was budgeted for a \$77,618 loss; estimated loss is \$34,513
- FY16 is budgeted for a \$163,811 loss
- With this loss, working capital will be negative \$65k at the end of FY16

Golf Enterprise Fund

- FY15 was budgeted for a \$13,882 gain; estimated loss is \$6,705
 - Late season start this year
 - Change of Restaurant Contract & Golf Pro
 - Unscheduled purchase of furniture & equipment in function room
- FY16 is budgeted for a loss of \$9,678
- With this loss, working capital is projected to be \$6,930 at the end of FY16
- This amount is under the Fiscal Goal of 5% and continued vigilance to improve this performance is necessary

Arena Enterprise Fund

- FY15 was budgeted for a \$37,651 loss; estimated gain is \$3,414
- FY16 is budgeted for a \$32,323 loss
- Sufficient working capital reserves in place

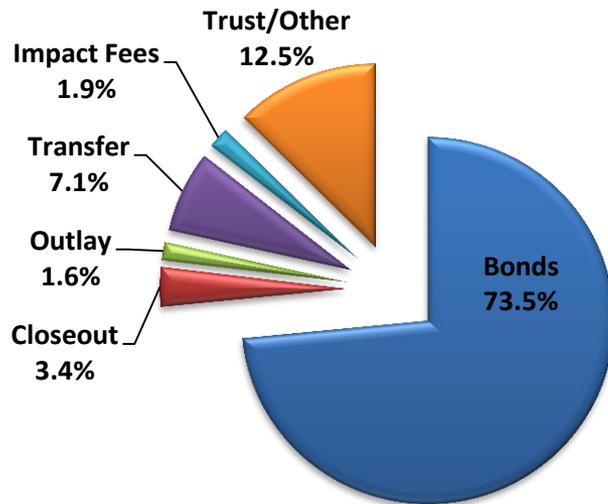
Airport Special Revenue Fund

- FY15 was budgeted for a \$56,659 loss; estimated loss is \$97,269
- FY16 is budgeted for a \$89,649 loss
- Significant working capital reserves in place
- Have reached new tentative agreement with current airport Fixed Based Operator
- Rental revenues are down significantly for the FBO while fuel flow markup is up \$21,600

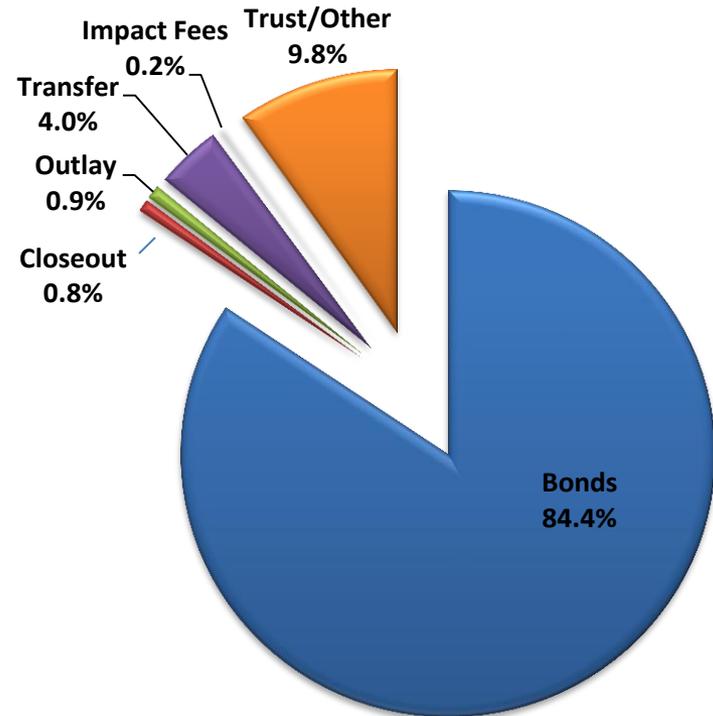
CAPITAL IMPROVEMENT PROGRAM

Capital Comparison by Funding Source

Fiscal Year 15 \$10,854,620

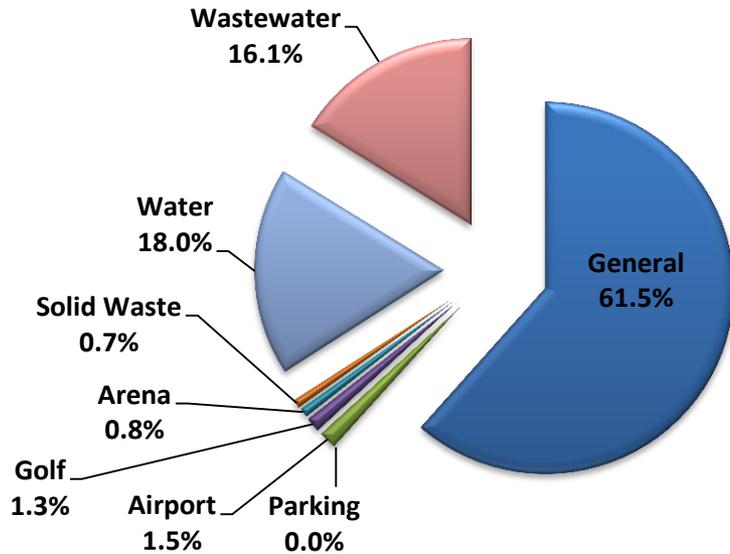


Fiscal Year 16 \$20,018,722

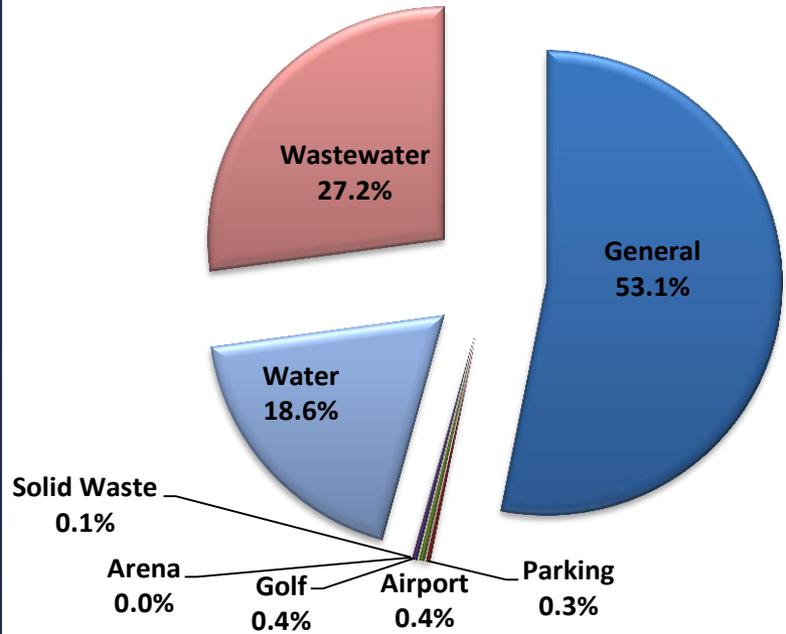


Capital Comparison by Fund

Fiscal Year 15 \$10,854,620



Fiscal Year 16 \$20,018,722



Hall Street Waste Water Treatment Plant

CIP #104

\$3,870,000

Equipment and
Systems
Improvement &
Structural
Repairs

Waste Water
Fund



Penacook Waste Water Treatment Plant

CIP #466

\$974,131

Equipment and
Systems
Improvement &
Structural Repairs

Waste Water Fund



“Enhanced” Annual Road Program

CIP #78

\$5,319,000

Combined FY16 &
FY17 funding is 3
times previous
proposed level of
funding for same
period.

\$1,319,000 HWR
\$4M GO Bond



Water Main Improvements

CIP #85 & 86

\$2,612,998

Water Main Replacements & Upgrades

Water Fund

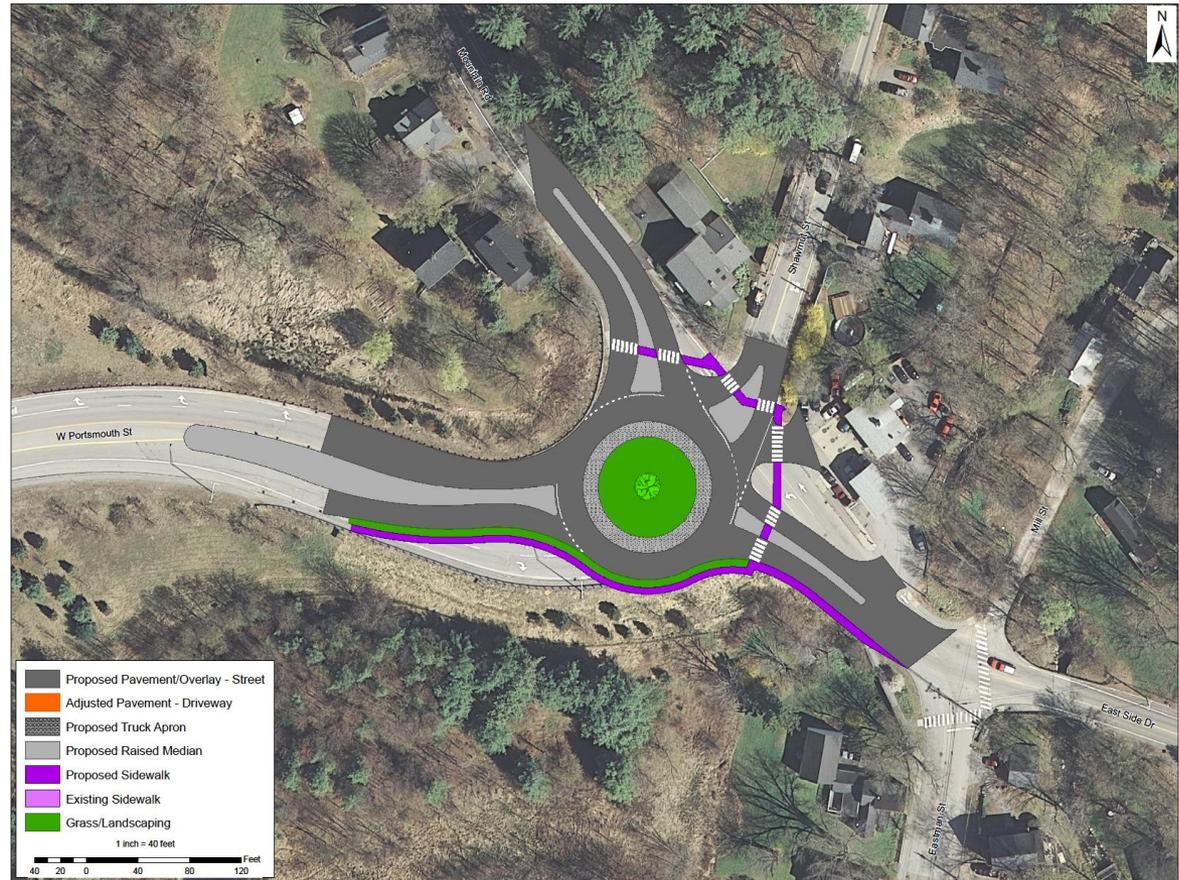


Interstate Exit 16 Roundabout

CIP #24

\$895,712

Final Design &
Construction



Rolfe Park Pool Replacement

CIP #63

\$391,229

City-Wide
Neighborhood
Pool Replacement
Program

Phase I of VII of
City Wide
Program



Engine 5 Apparatus Replacement

CIP #4

\$533,571

Replaces a 2003
Fire Engine



GSD Vehicle Replacement

CIP #121

\$766,000

- 4 six-wheel dump trucks
- 3 Pick-ups
- 2 Sanding units
- \$390K GO Bonds
- \$300K HWR
- \$38K Water Bonds
- \$38K WW Bonds



City Hall Campus – Steam to Natural Gas

CIP #65

\$600,000

City Hall, Annex,
Police Station,
GSCC, Audi &
Library

Payback = 4 1/2
years



Concord Public Library Roof Replacement

CIP #551

\$230,000

Repairs are no
longer practical



Portsmouth Street Drainage Project

CIP #83

\$400,000

Design,
Permitting &
Construction to
Replace Culvert
on Mill Stream



Concord Municipal Airport

CIP #75 & #468

Taxiway A
Rehabilitation
\$575,000

Hangar 3 Roof
Replacement
\$37,287

Federal, State &
Airport Fund

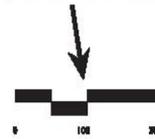


Pleasant Street/ Concord Hospital East Entrance Signalization

Project #40

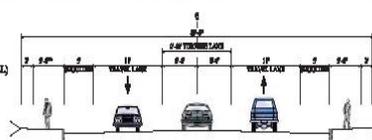
\$1,000,000 in
Private Donations

Private construction,
public inspection
and City acceptance



PLEASANT STREET
(LANEWAY PARKWAY AT INTERSECTION)
NOT TO SCALE

*Access to property
through easement



- LEGEND
- PAVEMENT
 - GENERAL PURPOSE DRIVEWAY
 - BIKEWAY MARK.
 - VEHICLE MARK.

Yonasson Hangan Brantley, Inc.

Figure 15-1
Laneway Parkway at Pleasant Street

Laneway Parkway Phase 2
Feasibility Study
City of Concord, NH

City-Wide Community Center at Keach Park

CIP #443

\$11,400,000

No funding
recommended
until City Council
determines final
project scope and
time frame for
implementation



Need to Focus on Going Forward

- OPEB Accrued Actuarial Liability on June 30, 2014 of \$42,000,000 (a decrease of \$2.6 million this year)
- PAYT – Expenses Exceed Revenue
- Parking Fund – Changes in Downtown Operations
- Downtown Complete Street Project Enhanced Maintenance: Capital & Operating (Separate from FY16 Proposed Budget) – Wide range of options and timing of implementation

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