PROGRAM HIGHLIGHTS FINANCE TREASURY

SERVICE INDICATORS	Actual 2010	Actual 2011	Estimated 2012	Projected 2013
1. Collection Rate as % of Current Levy	97.7%	98.0%	98.0%	98.0%
2. Property Tax Delinquencies (Revised to 6/30)	$3,100	$3,000	$3,000	$3,000
3. Property Tax accounts processed	13,815	13,767	13,800	13,850
4. Motor-Vehicle-by-Mail month average	33.6%	36.0%	36.0%	36.0%
5. Total Motor Vehicle Registrations	45,055	41,319	42,300	43,000
6. Investment Yield	.53%	.54%	.12%	.12%
7. Bond Rating – Moody's Investor Service	AA2	AA1	AA1	AA1
8. Bond Rating – Standard and Poors	AA	AA	AA	AA

2013 GOALS

1. Maintain a property tax collection rate of 98% to insure adequate financial resources for the City, School and County.
2. Continue to maintain or improve the City's current bond ratings.
3. Investigate options which allow companies to include marketing material with the motor vehicle renewal notices in order to generate additional revenue to offset the postage costs.
4. Complete and submit all final documents to the Department of Revenue Administration (DRA) in order to obtain a certified tax rate no later than October 31st of each year.
5. Continue to review procedures and office policies to identify ways to improve customer service. Review options to provide 24/7 methods to pay for services online by credit or debit card.
6. Review all available disaster recovery options for the Collection Office to determine an appropriate disaster recovery plan.
7. Investigate options for sending property tax bills electronically if legislation is changed to allow electronic tax billing.
8. Work with the State of NH – DMV as a pilot community for the new application for automobile dealerships to perform automobile registrations.
9. Head up the implementation of procedures and policies for the management of receivables, delinquent accounts and miscellaneous billing.

2012 GOALS STATUS

1. Maintain a property tax collection rate of 98% to insure adequate financial resources for the City, School and County.
   9-Month Status: The collection rate on December 31, 2011 was 96.5%, compared to 96.3% for December 31, 2010. The collection rate for June 30, 2011 was 97.9% and is expected to be at 98% by June 30, 2012. The mortgage companies have increased their monitoring of delinquent accounts and have been diligent in contacting customers who are delinquent, which has assisted with the collection process. The staff in the Collection Office continues to follow up by telephone or a site visit to all delinquent accounts.

2. Work in conjunction with the Controller's office to streamline the monthly bank reconciliation process.
   9-Month Status: The Controller's office has indicated the bank reconciliation process has improved and is currently working on a master spreadsheet to track all users and the application that each person uses to improve the process for the flow of documents between the City and the bank.

FINANCE TREASURY PROGRAM HIGHLIGHTS

3. Complete and submit all final documents to the Department of Revenue Administration (DRA) in order to obtain a certified tax rate no later than October 31st of each year.
   9-Month Status: The City continues to work with the NH Department of Revenue and both school districts to meet the goal of having a tax rate by October 31st. In the last two years, City staff has met in August with the DRA and School District administration to plan for the tax rate setting. Progress is being made to meet the October 31 deadline.

4. Contribute to the maintenance or improvements of the City's current bond ratings.
   9-Month Status: Moody's rating service affirmed the AA1 rating in January 2012. Standard & Poor's added a Positive Outlook to their AA rating. Both agencies commented on the financial strength of the City.

5. Based on recommendations from the Fiscal Services Committee, and the 2010 Management Letter indicating a need to strengthen the existing policies and procedures for handling departmental receipts, review and revise current procedures for cash handling.
   9-Month Status: The Tax Office has updated the cash handling procedure. A new team has been formed to review and make recommendations to improve the billing and collections for accounts receivable. The team will concentrate on three major areas in reviewing the accounts receivable: 1) looking at how the City bills for City services; 2) cash receipting of funds; and 3) collections of delinquent accounts.

6. Expand on the acceptance of debit and credit cards Citywide and align departments currently accepting credit cards to a new credit card processor. Limit the number of credit card processing companies within the City.
   9-Month Status: Currently in the process of implementing an online application (E-Reg) that allows for motor vehicle registrations by ACH, with a "go live" date in May 2012. A new program request has been submitted with the FY 2013 budget for acceptance of debit and credit cards Citywide for point of sale and online payments.

7. Complete year-end trust entries by August 15th.
   9-Month Status: All trust transfers that could occur before June 30th were completed as of March 31, 2012. It is anticipated that all transfers will be completed by the August 15 deadline.

8. Continue to enhance services to provide 24/7 options for tax payers.
   a) Provide property tax payment information on-line for income tax purposes.
      9-Month Status: The Division is working with the property tax software vendor to allow tax payments to be posted on the web for income tax purposes. The Division is also implementing an online application for motor vehicle registrations, which will allow individuals to renew online 24/7 by ACH.

   b) Enhance motor vehicle software to provide option for quotes on registration cost.
      9-Month Status: The application we are currently in the process of installing for online motor vehicle registration has an online quote feature which should be available in May 2012.

   c) Investigate other payment options for motor vehicle and property taxes.
      9-Month Status: The NH Tax Collectors' Association has brought forward legislation to change the current law to allow for electronic property tax billing, which will assist communities to do E-billing with their online payment applications. One of the features with the E-reg application we are currently working on has the ability to e-mail motor vehicle renewal notices and allow for online payments.

PROGRAM HIGHLIGHTS FINANCE TREASURY

9. Prepare RFP's for both banking and trust services.
   9-Month Status: The City Treasurer is working with the Trustees' of Trust Funds to determine if it is in the best interest of the City to do a Request for Proposal for trust services, or request a waiver from the City Manager. The City recently renewed their contract with the current bank for banking services for one additional year, with the option of five one-year extensions.

FINANCE TREASURY BUDGET DETAIL

	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
REVENUE						
M.V. ADMIN CHARGES	$38,615	$37,562	$37,424	$40,000	$38,870	$39,650
ADVERTISING PROCEEDS	$0	$0	$0	$0	$0	$5,000
DELINQUENT TAX INTEREST	$535,901	$642,560	$921,392	$555,000	$566,440	$530,000
MOTOR VEHICLE AGENT FEE	$97,758	$115,407	$114,912	$116,000	$116,650	$116,700
MOTOR VEHICLE REGISTRATION	$5,192,228	$5,001,592	$5,023,729	$5,194,380	$5,131,640	$5,300,000
M.V. TRANS SURCHARGE	$172,946	$168,017	$167,459	$172,000	$170,880	$174,000
INTEREST ON INVESTMENTS	$448,196	$116,621	$70,580	$60,000	$58,830	$60,000
Total	**$6,485,643**	**$6,081,758**	**$6,335,495**	**$6,137,380**	**$6,083,310**	**$6,225,350**
APPROPRIATIONS						
COMPENSATION	$357,856	$352,359	$360,468	$381,790	$376,710	$387,240
OUTSIDE SERVICES	$65,096	$66,284	$66,738	$68,427	$71,522	$72,845
SUPPLIES	$23,151	$19,965	$20,032	$23,310	$25,400	$26,145
INSURANCES	$4,460	$4,023	$5,123	$4,940	$5,600	$5,670
FRINGE BENEFITS	$118,344	$114,474	$123,938	$133,940	$135,560	$139,980
Total	**$568,907**	**$557,105**	**$576,298**	**$612,407**	**$614,792**	**$631,880**

POSITION TITLE	2010	2011	2012	2013
City Treasurer	1.00	1.00	1.00	1.00
Deputy City Treasurer	1.00	1.00	1.00	1.00
Fiscal Supervisor	1.00	1.00	1.00	1.00
Municipal Customer Service Representative	4.50	4.50	4.50	4.50
Administrative Technician II	0.24	*0.00	0.00	0.00
Total	7.74	7.50	7.50	7.50

*0.24 FTE Administrative Technician II position, shared among first floor offices in FY 2010, reverted to full-time status in City Clerk's Office.

FUNDING IMPACT FINANCE TREASURY

This budget contains no significant funding changes.

FINANCE TREASURY NOTES