

General Fund Revenue

<u>Summary</u>	2021	2022	2022	2022	2023
	Actual	Adopted	Revised	Projected	Budget
Revenue					
Property Taxes	\$44,047,528	\$44,157,853	\$44,157,853	\$44,157,853	\$46,696,609
Other Taxes	\$792,167	\$709,572	\$709,572	\$689,508	\$689,280
Intergov Revenue	\$6,204,153	\$4,096,234	\$5,130,592	\$5,312,514	\$5,140,991
Rental Income	\$219,361	\$278,502	\$278,502	\$244,177	\$276,481
Fines and Penalties	\$673,887	\$586,000	\$586,000	\$697,920	\$514,000
Licenses and Permits	\$1,106,566	\$1,164,785	\$1,164,785	\$1,251,443	\$1,314,547
Investment Income	\$60,116	\$45,000	\$45,000	\$35,000	\$800,000
Donations	\$35,000	\$48,200	\$48,200	\$36,990	\$52,000
Transfer In	\$4,007,379	\$3,901,793	\$4,103,940	\$5,186,499	\$5,044,909
Use of Fund Bal/RE	\$0	\$1,750,000	\$2,843,342	\$0	\$375,000
Motor Vehicle Reg	\$7,468,140	\$7,100,000	\$7,100,000	\$7,100,000	\$7,450,000
Dept Service Charges	\$3,507,187	\$3,532,394	\$3,532,394	\$3,991,985	\$3,905,200
Retiree Health Reimb	\$1,312,944	\$1,334,950	\$1,334,950	\$1,367,220	\$1,409,800
Other Revenue	\$1,398,502	\$963,450	\$963,486	\$1,307,390	\$983,290
Total Revenue	\$70,832,929	\$69,668,734	\$71,998,616	\$71,378,499	\$74,652,107

General Fund Revenue

<u>Detail</u>	2021 Actual	2022 Adopted	2022 Revised	2022 Projected	2023 Budget
Property Taxes					
Property Taxes	\$44,047,528	\$44,157,853	\$44,157,853	\$44,157,853	\$46,696,609
Subtotal	\$44,047,528	\$44,157,853	\$44,157,853	\$44,157,853	\$46,696,609
Other Taxes					
Timber Tax	\$18,698	\$15,000	\$15,000	\$15,000	\$15,000
Payment-In-Lieu-of-Tax (PILOT)	\$773,397	\$694,472	\$694,472	\$674,508	\$674,180
Excavation Activity Tax	\$72	\$100	\$100	\$0	\$100
Subtotal	\$792,167	\$709,572	\$709,572	\$689,508	\$689,280
Intergov Revenue					
Other Gov Agencies - Federal	\$93,659	\$0	\$99,040	\$99,040	\$0
Other Gov Agencies - State	\$2,150,029	\$125,000	\$130,742	\$304,142	\$125,000
Drug Forfeiture or Restitution	\$11,414	\$5,000	\$5,000	\$10,000	\$7,000
Rooms and Meals Tax	\$2,175,006	\$2,205,005	\$3,141,213	\$3,141,213	\$3,247,000
Highway Block Grant	\$859,309	\$859,530	\$851,599	\$851,600	\$851,600
Railroad Tax	\$1,964	\$1,000	\$2,298	\$2,240	\$0
Other Gov Agencies - Local	\$715,587	\$632,089	\$632,089	\$632,089	\$633,531
School District Payments	\$197,186	\$268,610	\$268,610	\$272,190	\$276,860
Subtotal	\$6,204,153	\$4,096,234	\$5,130,592	\$5,312,514	\$5,140,991
Rental Income					
Rental Income	\$219,361	\$278,502	\$278,502	\$244,177	\$276,481
Subtotal	\$219,361	\$278,502	\$278,502	\$244,177	\$276,481
Fines and Penalties					
Fines and Penalties	\$567,468	\$450,000	\$450,000	\$600,000	\$450,000
Parking Penalties	\$50,024	\$80,000	\$80,000	\$40,000	\$0
False Alarm Penalties	\$46,840	\$35,000	\$35,000	\$42,500	\$38,000
Fines for Overdue Items	\$1,012	\$15,000	\$15,000	\$10,000	\$20,000
Fines for Code Prosecution	\$6,086	\$5,000	\$5,000	\$2,230	\$5,000
Court Ordered Payments	\$2,457	\$1,000	\$1,000	\$3,190	\$1,000
Subtotal	\$673,887	\$586,000	\$586,000	\$697,920	\$514,000

General Fund Revenue

	2021 Actual	2022 Adopted	2022 Revised	2022 Projected	2023 Budget
Licenses and Permits					
Fire Prevention Permits	\$111,292	\$85,245	\$85,245	\$82,000	\$85,245
Construction Permits	\$690,690	\$818,910	\$818,910	\$929,279	\$860,752
Other Permits	\$24,457	\$17,700	\$17,700	\$20,450	\$139,300
Licenses	\$160,453	\$167,930	\$167,930	\$151,750	\$154,250
Street Damage Fees	\$119,674	\$75,000	\$75,000	\$67,964	\$75,000
Subtotal	\$1,106,566	\$1,164,785	\$1,164,785	\$1,251,443	\$1,314,547
Investment Income					
Investment Income	\$60,116	\$45,000	\$45,000	\$35,000	\$800,000
Subtotal	\$60,116	\$45,000	\$45,000	\$35,000	\$800,000
Donations					
Donations	\$35,000	\$48,200	\$48,200	\$36,990	\$52,000
Subtotal	\$35,000	\$48,200	\$48,200	\$36,990	\$52,000
Transfer In					
Transfer In - Trust	\$1,089,596	\$1,073,566	\$1,209,566	\$1,173,040	\$1,007,520
Transfer In - Inspection	\$2,771	\$3,790	\$3,790	\$3,790	\$0
Transfer In - Parking	\$108,498	\$109,795	\$109,795	\$109,795	\$167,558
Transfer In - Airport	\$74,152	\$75,560	\$75,560	\$75,560	\$77,326
Transfer In - Conserv Prop	\$25,000	\$34,000	\$34,000	\$34,000	\$26,000
Transfer In - Impact Fee	\$0	\$98,890	\$165,037	\$98,890	\$138,323
Transfer In - Grts & Donations	\$0	\$0	\$0	\$1,185,232	\$945,300
Transfer In - Golf	\$0	\$300	\$300	\$300	\$111,660
Transfer In - Arena	\$66,765	\$75,101	\$75,101	\$75,101	\$78,333
Transfer In - Solid Waste	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600
Transfer In - NEOCTIF	\$177,115	\$178,890	\$178,890	\$178,890	\$180,679
Transfer In - Sears Block TIF	\$454,060	\$446,635	\$446,635	\$446,635	\$437,273
Transfer In - Penacook TIF	\$8,135	\$11,220	\$11,220	\$11,220	\$14,515
Transfer In - Water	\$903,895	\$798,479	\$798,479	\$798,479	\$811,382
Transfer In - Wastewater	\$1,093,792	\$991,967	\$991,967	\$991,967	\$1,045,440
Subtotal	\$4,007,379	\$3,901,793	\$4,103,940	\$5,186,499	\$5,044,909
Use of Fund Bal/RE					
Use of Fund Balance	\$0	\$1,750,000	\$2,843,342	\$0	\$375,000
Subtotal	\$0	\$1,750,000	\$2,843,342	\$0	\$375,000
Motor Vehicle Reg					
Motor Vehicle Registrations	\$7,468,140	\$7,100,000	\$7,100,000	\$7,100,000	\$7,450,000
Subtotal	\$7,468,140	\$7,100,000	\$7,100,000	\$7,100,000	\$7,450,000

General Fund Revenue

	2021 Actual	2022 Adopted	2022 Revised	2022 Projected	2023 Budget
Dept Service Charges					
MV Transportation Surcharge	\$189,138	\$180,000	\$180,000	\$180,000	\$180,000
MV Transportation Admin	\$21,003	\$21,000	\$21,000	\$21,000	\$20,500
MV Waste Disposal	\$21,229	\$21,000	\$21,000	\$21,000	\$20,500
MV State Agent Admin	\$138,847	\$125,000	\$125,000	\$132,000	\$125,000
Reports, Prints, and Copies	\$2,783	\$2,150	\$2,150	\$2,190	\$2,100
Recording Fees	\$10,442	\$6,000	\$6,000	\$11,250	\$10,000
Application Fees	\$54,240	\$41,400	\$41,400	\$44,000	\$41,400
Review Fees	\$139,660	\$80,000	\$80,000	\$150,000	\$110,000
Inspection Fees	\$18,483	\$22,000	\$22,000	\$22,000	\$131,000
Camps	\$114,668	\$140,530	\$140,530	\$130,740	\$140,000
Aquatics Programs	\$19,109	\$24,930	\$24,930	\$28,380	\$30,400
Program Fees	\$104,937	\$148,715	\$148,715	\$156,100	\$164,650
Salt Sales	\$3,393	\$30,000	\$30,000	\$30,000	\$30,000
Tree Sales	\$1,700	\$9,000	\$9,000	\$9,000	\$9,000
Timber Sales	\$25,950	\$5,000	\$5,000	\$24,400	\$18,000
Mark-up	\$10,378	\$15,000	\$15,000	\$15,000	\$15,000
Non-Resident Library Fees	\$5,485	\$6,000	\$6,000	\$7,500	\$7,500
Sundry Services	\$56,492	\$46,120	\$46,120	\$52,000	\$48,300
Special Duty Services	\$163,101	\$232,500	\$232,500	\$345,000	\$272,500
Police Patrol Services	\$3,610	\$6,400	\$6,400	\$1,100	\$6,400
Cruiser Rental Fee	\$19,025	\$25,000	\$25,000	\$55,000	\$30,000
Police Witness Fees	\$90	\$0	\$0	\$0	\$0
Ambulance Charges	\$1,988,698	\$1,998,294	\$1,998,294	\$2,196,240	\$2,148,300
Alarm Boxes	\$216,718	\$223,135	\$223,135	\$223,135	\$226,480
Other Service Charges	\$178,009	\$123,220	\$123,220	\$134,950	\$118,170
Subtotal	\$3,507,187	\$3,532,394	\$3,532,394	\$3,991,985	\$3,905,200
Retiree Health Reimb					
Retiree Health Insurance	\$1,312,944	\$1,334,950	\$1,334,950	\$1,367,220	\$1,409,800
Subtotal	\$1,312,944	\$1,334,950	\$1,334,950	\$1,367,220	\$1,409,800

General Fund Revenue

	2021 Actual	2022 Adopted	2022 Revised	2022 Projected	2023 Budget
Other Revenue					
Sales of Lots and Niches	\$43,689	\$32,000	\$32,000	\$34,000	\$34,000
Sale of Assets	\$115,264	\$30,000	\$30,000	\$30,000	\$30,000
Advertising	\$5,500	\$8,000	\$8,000	\$7,000	\$7,000
Cable TV Franchise	\$828,198	\$845,750	\$845,750	\$829,890	\$829,600
Finance Charges	\$3,064	\$2,500	\$2,500	\$2,520	\$2,500
Insurance Dist and Credits	\$200,988	\$0	\$0	\$321,824	\$0
Forest Loss Reimbursement	\$496	\$460	\$496	\$496	\$490
Reimbursements	\$4,394	\$10,000	\$10,000	\$7,000	\$10,000
Other Revenue	\$196,908	\$34,740	\$34,740	\$74,660	\$69,700
Subtotal	\$1,398,502	\$963,450	\$963,486	\$1,307,390	\$983,290
Total Revenue	\$70,832,929	\$69,668,734	\$71,998,616	\$71,378,499	\$74,652,107

General Fund Revenue

Description of Revenue Detail

The following items represent 86.5% of all General Fund revenues:

Property Taxes	\$46,696,609	62.6%
Motor Vehicle Registrations	\$7,450,000	10.0%
Transfer-In	\$5,044,909	6.8%
Intergovernmental - Rooms and Meals Tax	\$3,247,000	4.3%
Department Service Charges - Ambulance Charges	\$2,148,300	2.9%
Total	\$64,586,818	86.6%

Property Taxes

FY 2023 property taxes account for approximately 62.6% of General Fund revenues. This represents a 4.8% tax rate increase over FY 2022. Budgeted property taxes are determined by subtracting all other budgeted General Fund revenues from total General Fund budgeted expenses. The City Council did not set a specific tax rate target for FY 2023 and, instead, instructed the City Manager to present a responsible budget and work toward the City Council priorities.

In addition to the taxes to be raised for appropriations, \$467,400 of tax revenue is estimated to be raised for tax abatements or overlay (\$200,000) and war service credits (\$267,400). Including overlay and war service credits, the FY 2023 total tax revenue is \$47,164,009 up from \$44,625,253 for FY 2022. The actual amount to raise in taxes is \$2,538,756 higher than the FY 2022 budget and partly due to the additional real growth value in property assessments. The proposed City portion of the tax rate increases to \$9.16. Please refer to the Resolution section for a comparison of FY 2022 versus FY 2023 budgetary tax rates.

Motor Vehicle Registrations

Revenue from motor vehicle registrations represents 10.0% of all General Fund revenue and is the second largest source of revenue for the Fund. This revenue is budgeted by using the current fiscal year's actual year-to-date receipts and estimating the remainder of the year, analyzing the local and national economy for automobile purchases, and considering forecasts of new car sales for the next 12-18 months. For FY 2023, it is anticipated that the current computer chip shortage that has plagued the auto industry will correct itself and more new vehicles will be available for purchase, which will help increase motor vehicle registrations and revenue.

Transfer-In

The Transfer In portion of revenue represents 6.8% of all General Fund revenue. It is comprised of Municipal Overhead charges to most of the City's Enterprise and Special Revenue funds, General Services Overhead Charges to the Water, Wastewater, and Arena Funds, as well as Information Technology (IT) computer charges to the Parking, Airport, Arena, Water, and Wastewater Funds. Municipal Overhead and General Services Overhead is determined using a formula to calculate the overhead expenses and prorating to the applicable funds based on their percentage of budgets. The amounts may also be adjusted based on the Fund's financial position or ability to absorb an increase in any given year. The IT charges, small in comparison to the overhead charges, are based on a cost-per-computer formula, as applicable to the individual Funds.

In addition to overhead transfers, the City also recognizes revenues as transfers in from trusts including cemetery, library, insurance and capital reserves, and transfers from Impact Fee and Tax Increment Finance (TIF) District funds as reimbursement for operating expenses and applicable debt service costs. For FY 2023, it also included \$945,000 of American Rescue Plan Act (ARPA) funds to support wages and other applicable costs for City operations.

General Fund Revenue

Intergovernmental

Rooms and Meals taxes represent 4.3% of all General Fund revenue. The Council adopted budget represents a \$1,041,995 increase over FY 2022. This is due to the increase that was announced by the State of New Hampshire after the City Council adopted the FY 2022 budget

Department Service Charges

Ambulance Service charges represent 2.9% of all General Fund revenue and is the fifth largest source of revenue for the Fund. Revenue is projected primarily based on historical trends and changes in emergency medical services demanded. Changes in payor mix (Medicare, Medicaid, private insurance, no insurance) can have a significant effect on revenues received.

Use of Fund Balance

If adopted, FY 2023 will be the third year that “Fund Balance” is used to balance the budget. For FY 2023, the amount of fund balance use has reduced from \$1,750,000 in FY 2022 to \$375,000 for FY 2023. After financial year-end activities are completed, the City Council considers using a portion of surplus remaining from the previous fiscal year, typically to fund one-time expenditures and transfers to capital reserve accounts. This process uses fund balance as the funding source, which has no real impact on the succeeding fiscal years’ budgeting since this use of funds is primarily for one-time activities and not ongoing operations.

<u>Fiscal Year</u>	<u>Total</u> <u>Fund Balance</u>	<u>Unassigned</u> <u>Fund Balance</u>
2012	\$14,153,990	\$8,168,250
2013	\$14,896,285	\$9,079,250
2014	\$14,199,114	\$9,879,330
2015	\$14,549,738	\$10,171,068
2016	\$15,939,783	\$10,735,579
2017	\$17,474,214	\$11,015,079
2018	\$17,514,013	\$11,371,395
2019	\$18,904,212	\$11,769,490
2020	\$19,721,024	\$12,525,950
2021	\$20,718,046	\$12,067,362

Source: 2012-2021 Comprehensive Annual Financial Reports