

## **SPECIAL CITY COUNCIL MEETING**

MUNICIPAL COMPLEX  
DATE: WEDNESDAY, APRIL 16, 2008

PORTSMOUTH, NH  
TIME: 7:00PM [or thereafter]

### **I. CALL TO ORDER**

Mayor Ferrini called the meeting to order at 7:00 p.m.

### **II. ROLL CALL**

Present: Mayor Ferrini, Assistant Mayor Blalock, Councilors Novelline Clayburgh (7:15 P.M.), Dwyer, Smith, Kennedy, Spear, Reynolds and Pantelakos

### **III. PUBLIC HEARING**

#### **A. PROPOSED FY JULY 1, 2008 THROUGH JUNE 30, 2009 BUDGET**

Mayor Ferrini read the legal notice, declared the public hearing open and called for speakers.

### **IV. PRESENTATIONS**

- **Budget Summary – City Manager Bohenko**

City Manager Bohenko announced that handouts are available outlining the budget. He said that this is a more comprehensive budget document and as a result we have received the prestigious Government Finance Officer Distinguished Budget Presentation Award for the last two years.

City Manager Bohenko reviewed the FY09 Budget Schedule as follows:

- April 17<sup>th</sup> Work Session – Police and Fire Departments
- April 22<sup>nd</sup> Work Session – Municipal Department
- April 24<sup>th</sup> Work Session – School Department
- May 12<sup>th</sup> Re-Open Public Hearing

City Manager Bohenko addressed the financial policies that have been created to assist us financially. These include the Fund Balance Ordinance, Leave at Termination Stabilization Fund, Health Insurance Stabilization Fund, Capital Improvement Plan and the Rolling Stock Replacement Program.

In addition, he spoke to the City's various accomplishments:

- The new Public Library became the first municipal building in New Hampshire to receive LEED (Leadership in Energy and Environmental Design) certification, part of the City's continuing sustainability efforts
- Initiation of the design and replacement of the severely outdated Fire Station 2 to be relocated to a new Lafayette Road site.

- Increased citizen participation through Study Circles to examine citywide issues, such as the renovation of the Middle School and sustainability efforts.
- The City selected a design engineer for an approximately \$24 million upgrade to the 50-year-old Madbury Water Treatment Plant.
- The City entered into an agreement that will lead to redevelopment of the Lafayette School into senior housing.

City Manager Bohenko reported that the FY 2009 Proposed Budget represents \$83,168,360.00 or a 4.14% increase over last year. He spoke to the non-operating costs which are \$15,851,365.00 and the operating costs which represent \$67,316,995.00. City Manager Bohenko informed the City Council of the major factors affecting the proposed budget to be as follows:

- Personnel costs
  - Salaries/Overtime – Represent 82% of the budget
  - Retirement
  - Health Insurance
  - Workers' Compensation
  - Leave at Termination
- Other Operating
  - Contracted Services
  - Utilities
  - Repairs and Maintenance
- Non-Operating
  - Capital Outlay
  - County Tax
  - Debt Service

City Manager Bohenko reported that for every 1% wage adjustment it cost \$82,000.00 for Municipal, \$65,000.00 for Police, \$44,000.00 for Fire and \$222,000.00 for School. He also reported on step increases in the various departments citing 30% on the Municipal side, 31% for Police, 34% for Fire and 42% for School. He recommended setting aside \$1,000,000.00 for projected COLA increases for collective bargaining contracts. City Manager Bohenko addressed the 2% increase in retirement costs which do not include retirement impact associated with salary adjustments which have not yet been negotiated. In the area of health insurance, over the last 10 years the average increase has been 10.2%. The employee estimated contributions to health insurance are \$1.9 million. He discussed the leave at termination fund which was created and has saved the City money over the years.

- **School Department – Superintendent of Schools Lister**

Dr. Shuldman, Chair of School Department reviewed the Mission Statement: *“The purpose of the Portsmouth Schools is to educate all students by challenging them to become thinking, responsible, contributing citizens who continue to learn throughout their lives.”*

Dr. Shuldman reviewed the Budget Principles as follows:

- Personalized Education
- Reasonable Class Sizes
- Support for Core Subjects
- Response to State & Federal Mandates
  - No Child Left Behind, Individuals with Disabilities Education Act, State Standards, Course Competencies, Grade Level Expectations, Follow the Child,
- 21<sup>st</sup> Century Technology Skills

He identified the Performance Measures as follows:

- ❖ State Assessments
  - Marked improvements in Grades 3-8
  - Established baselines in 11<sup>th</sup> Grade NECAP in Reading, Math, & Writing
- ❖ Dropout Rate – 1.7% (19 Students)
- ❖ Power Standards in Reading
- ❖ Benchmark Assessments
- ❖ Collaborative Work

He informed the City Council that the School Department must do all they can to help students make the right choices.

He identified the following challenges of the Department:

- Rising Class Sizes
  - PHS Math, English & Foreign Language,
  - PMS Grade 6, Little Harbour Elementary Grade 5
- SPED (Special ED) / ESL
  - 435 Coded Students (16% of Total Students)
  - 41 ESL Students Speaking 17 Languages
- Business Requirement
- Technology & Integration
- Student Mobility

Additional Resources needed for the Department:

- Technology - \$80,000.00 for Replacement Cycle
- Library Media/Technology Integrator
- Grade 5 Teacher – Little Harbour
- Business Position – High School
- Paraprofessional
- \$400,000.00 into General Fund Budget (SPED)

Dr. Lister reported that 82.8% of the budget request represents salaries and benefits. The total budget request is \$35,182,995.00 with an increase of 2.5%.

- **Police Department – Police Chief Magnant**

Police Chief Magnant reported the following status for 2007:

- 1,599 Arrests (up 5%)
- 38,248 Police Calls for Service
- Felonies (up 8%)
- Rapes
- Credit Card/ATM (up 51%)
- Impersonation (includes ID Theft) (up 26%)
- Theft from Motor Vehicle (up 17%)
- Theft of Motor Vehicle Parts (up 35%)
- Pornography/Obscene Material
- Burglaries
- Protective Custody Arrests (up 12%)

He discussed the traffic enforcement programs and the campaign against drunken driving is paying off. He reported on 2007 statistics for Traffic & Safety:

- 138 DWI Arrests
- 1,693 Traffic Enforcement Calls
- 1,339 Citations Issued
- 10,215 Motor Vehicle Stops
- 1,291 Park and Walk Calls
- 535 Noise Complaints
- 1,235 Property Damage Accidents
- 121 Personal Injury Accidents

Chief Magnant spoke to the challenges facing the department with managing growth, homeland security, the various events throughout the year and the Tradeport continues to be an active area. He reported on the 2007 statistics by the Bureau of Investigative Services to be as follows:

- 167 Felony Indictments involving 85 arrests
- 154 Juvenile cases
- 107 Crime Stopper Tips in 2007
- 57 Undercover Drug Purchases
- 28 Registered Sex Offenders
- 75 Sex Offender Compliance Registrations
- 14 Arrests of Sex Offenders for Non-Compliance
- 73 Computer Forensic Exams
- 59 Computer Search Warrants
- 105 Cyber Tips
- 58 Identity Theft Cases

Chief Magnant informed the City Council that the FY09 Proposed Police Department budget is \$8,686,218.00, which represents a 4% increase. In addition, salaries and benefits account for 87.3% of the Police Department budget. He said that the department is requesting to hire one additional dispatcher and asked for the continued support of the City Council and the residents.

- **Fire Department – Fire Chief LeClaire**

Fire Chief LeClaire reported on the Fire and EMS call volume for 2007 with 52% representing fire calls and 48% representing EMS calls. He advised the City Council that there were 2,523 fires that the department responded to in 2007 and 2,334 EMS that occurred. Further, of the 2,334 EMS calls 83% were transported to the hospital for further medical attention.

Chief LeClaire said the department received \$479,842.40 in ambulance revenues for 2007. He reported that there are 129 active places of assembly that require annual fire inspections. He reviewed other statistics relative to fire prevention and inspection to be as follows:

- 111 Plans reviewed for new construction or renovation
- 9 Environmental Hazard Assessments
- 75 Consultations
- 2,340 Customer Inquiries
- 22 Investigations
- 38 Public Education Classes
- 378 Inspections

Chief LeClaire reported on the FY 09 Goals of the department:

- ✓ Maintain minimum shift staffing of 13
- ✓ Construct new station in District 2
- ✓ Continue infrastructure improvements
- ✓ Maintain a lead role in regional responses to special hazards and maritime operations
- ✓ Maintain modern apparatus fleet
- ✓ Continue efforts toward International Accredited Agency status

In closing, the budget represents a 5.51% increase for a total of \$6,858,583.00. The budget includes minimum staffing of 13/13, contractual obligations with step increases, health insurance recalculation and increase retirement contribution.

- **Conclusion – City Manager Bohenko**

City Manager Bohenko reported if the budget is adopted as proposed it would result in an increase of \$.88 in the tax rate. He said every \$.1 reduction in the tax rate is equal to an approximate \$37,500.00 reduction in expenditures, an increase in revenues or a combination of both. In addition, the City Council has requested no increase higher than 3.5% and which means we need to reduce the budget by \$514,000.00.

## **V. PUBLIC COMMENT/INPUT**

Mayor Ferrini announced that there are budget work sessions, which will be held in the coming weeks and that this public hearing will be recessed and reconvened on May 12, 2008.

Harold Ecker, Portsmouth resident, expressed concern regarding the amount of salt that is used during the winter storms. He suggested that using less salt in the future could save money. He also suggested the use of personnel during construction projects rather than police officers. Mr. Ecker recommended that employees that take city vehicles home should be responsible for providing the gas and maintenance of the vehicles. He inquired if organizations that hold special events and presidential candidates that visit the city pay for police coverage and other city personnel that may be required during such events. He recommended that there be no increase in the budget this year.

Bill St. Laurent, Association of Portsmouth Taxpayers, said he is pleased to see that departments are trying to lower the budget but everyone is suffering right now. He said that there is a need to go to a 0% increase. Mr. St. Laurent advised the City Council that residents are controlling spending and the City needs to as well. He spoke to what he believes to be over government spending. He said that the City of Portsmouth does not need 3 police officers per 1,000 residents. He discussed the need for more creative budgeting.

Eric Anderson, Portsmouth resident, said the presentation provided this evening was very respectful and the major items affecting the budget are the increase in personnel costs. He said you do not have a great deal to work with when 82% of your budget represents salaries and benefits. Mr. Anderson spoke to the difficult economic times facing residents. He requested that the city provide a break down between residential and commercial property taxes.

Helen Steele, Portsmouth resident, said that she is disappointed that the City Council did not ask for a zero-based budget. She spoke to the need for more creative budgeting by departments.

Bill St. Laurent, Association of Portsmouth Taxpayers, asked if the 2.1% budget includes contract increases. City Manager Bohenko reported that there is a line item for contingency to represent collective bargaining.

**VI. RECESS PUBLIC HEARING UNTIL MAY 12, 2008 AT 7:00 PM**

Mayor Ferrini recessed the public hearing until May 12, 2008 at 7:00 p.m.

**VII. ADJOURNMENT**

At 8:15 p.m., Councilor Smith moved to adjourn. Seconded by Councilor Pantelakos and voted.



Kelli L. Barnaby, CMC/CNHMC  
City Clerk