

# MINUTES

## CITY COUNCIL WORK SESSION

**DATE:** TUESDAY, JANUARY 25, 2022  
**TIME:** 6:30PM  
**LOCATION:** EILEEN DONDERO FOLEY COUNCIL CHAMBERS  
**SUBJECT:** FY23 BUDGET

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### I. CALL TO ORDER – MAYOR McEACHERN

Mayor McEachern called the meeting to order at 6:30 p.m.

Councilors Present: Mayor McEachern, Assistant Mayor Kelley, Councilors Tabor, Denton, Moreau, Lombardi, Blalock and Cook.

Absent: Councilor Bagley

Staff Present: City Manager Karen Conard, Finance Director Judie Belanger

### II. INTRODUCTION – CITY MANAGER CONARD

City Manager Conard reviewed the upcoming FY23 budget adoption schedule with final adoption scheduled for June 6, 2022. She explained that there are goals and objectives which developed in partnership with the City Council which haven't been implemented since COVID began, but can go forward now.

### III. BUDGET FORECASTING – JUDIE BELANGER, FINANCE DIRECTOR

Finance Director Belanger stated she will be discussing the General Fund this evening. She reviewed the final FY22 budget and explained that there is always an issue with setting our budget in June as other figures are not set yet, i.e. County Government, State Revenues, etc. so it pushes back the setting of our tax rate. She further reviewed the power point presentation including long-term financial planning and policies; fund balance, committed versus unassigned; use of fund balance; leave at termination stabilization fund; health insurance stabilization policy; NH retirement rates and the effect of loss of State contribution; Cost of Living Adjustment (COLA); FY23 General Fund Estimated budget impacts; capital outlay; debt service; rolling stock replacement program; Rockingham County Tax obligation and Non-operating preliminary budget projections.

### IV. QUESTIONS AND ANSWERS

Councilor Cook asked about the \$2.2 million unexpected expenditure of unassigned fund balance recently set aside for the Skate Park and if will impact the tax rate.

Finance Director Belanger explained that it is offset by the revenue side so there is no impact on the tax rate.

Assistant Mayor Kelley asked why the City of Portsmouth pay so much more of the County tax.

Finance Director Belanger explained the State of New Hampshire equalizes property values so it is apples to apples and we have higher property values than other towns in the county.

Councilor Tabor stated that the staff is wonderful answer question but there is confusing in understanding the budget year versus the tax year and that taxes are paid 6 months in arrears.

#### V. PUBLIC COMMENT (*participation may be in person or via Zoom*)

Mayor McEachern opened the Public Comment asking if anyone wished to speak. Seeing no one, he closed the public comment.

#### VI. ADJOURNMENT

Mayor McEachern adjourned the work session at 7:30 p.m.