

FY24 Proposed Budget

June 5, 2023

City of *Portsmouth,*
New Hampshire



Portsmouth as an Eco-Municipality

Fiscal Year 2024
Proposed Annual Budget

July 1, 2023 – June 30, 2024

New Initiatives and Recovery from COVID-19

	Pre Pandemic FY 20	Pandemic Budget FY21	FY 22	FY 23	Proposed FY 24
Operating (New Initiatives)					
Economic Development	-	-	-	185,146	179,226
Information Technology	698,045	698,879	762,044	1,232,899	1,923,376
Community Campus	-	-	116,000	360,788	476,443
Total Operating	698,045	698,879	878,044	1,778,833	2,579,045
Non-Operating (Recovery from Pandemic)					
Capital Outlay	1,810,000	1,276,000	1,080,000	985,000	1,820,000
IT Upgrades/Replacements	1,013,428	774,608	1,194,208	1,109,158	1,172,336
Rolling Stock	883,260	427,500	584,500	601,000	877,000
Totals Non-Operating	3,706,688	2,478,108	2,858,708	2,695,158	3,869,336

FY23 - All employees received a 4% salary adjustment totaling \$2,389,309 due to inflation and retention efforts.

Five Year Budget History

	FY 20	FY 21	FY 22	FY 23	Proposed FY24	FY 20-24 Total	FY 20-24 Average Increase
Final/Proposed Budget	118,638,630	119,115,338	126,425,033	132,424,911	137,283,375		
\$ change	4,343,423	476,708	7,309,695	5,999,878	4,858,464	22,988,168	
% change	3.80%	0.40%	6.14%	4.75%	3.67%	18.75%	3.75%

Equalized Assessed Valuation

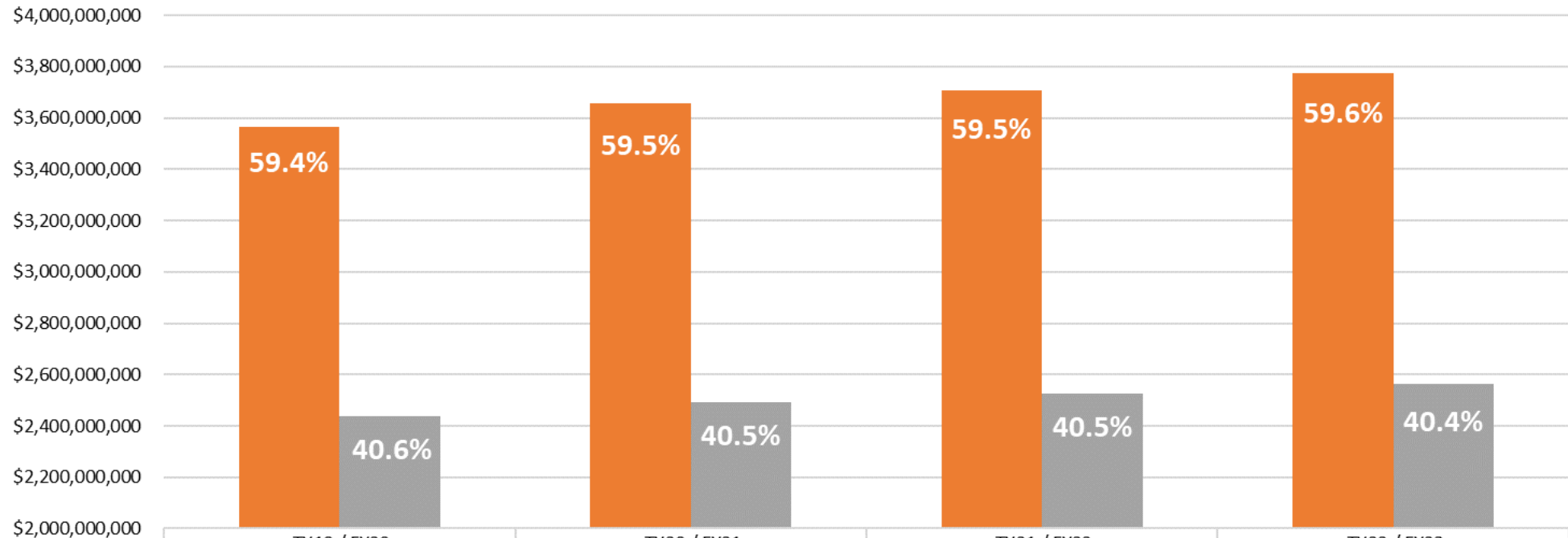
The Department of Revenue adjusts every community's Modified Assessed Valuation annually by the Weighted Mean Sales Ratio.

- The Modified Assessed Valuation is reported annually on each community's Inventory of Valuation (MS-1).
- The Weighted Mean Sales Ratio (equalization ratio) is determined annually by the DRA who conducts a sales ratio study of every community throughout the state using qualified market sales that occurred between October 1 and September 30.

	Portsmouth	Dover	Rochester
Modified Assessed Valuation	\$6,425,834,917	\$4,589,317,030	\$2,890,951,889
+ DRA Inventory Adjustment	\$1,656,968,613	\$453,820,277	\$1,042,005,610
= Equalized Assessed Valuation	\$8,082,803,530	\$5,043,137,307	\$3,932,957,499

NH State utilizes Equalized Assessed Valuation to determine County Tax Obligation and Statewide Property Tax for each community

Commercial vs. Residential Growth (Before Exemptions – No Utilities)



	TY19 / FY20	TY20 / FY21	TY21 / FY22	TY22 / FY23
Residential Valuation	\$3,563,876,900	\$3,656,301,000	\$3,708,945,500	\$3,772,620,400
Commercial Industrial Valuation	\$2,436,618,949	\$2,490,947,009	\$2,524,388,137	\$2,562,033,428

Residential Growth % Change	\$92,424,100 3%	\$52,644,500 1%	\$63,674,900 2%
Commercial Growth % Change	\$54,328,060 2%	\$33,441,128 1%	\$37,645,291 1%

How Growth Offsets Your Tax Rate

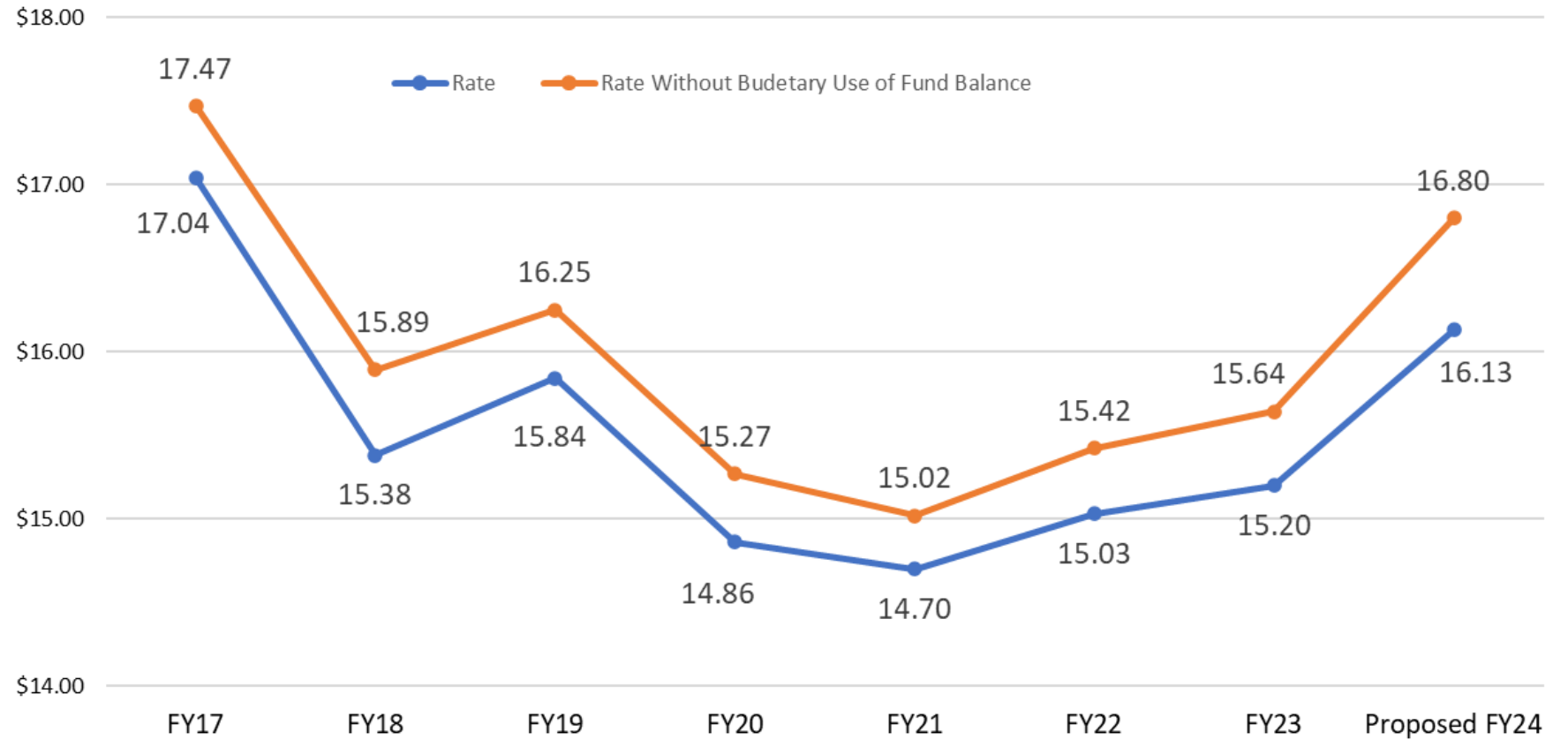


How the Use of Fund Balance Offsets Your Taxes

Budgetary
Use of Fund
Balance From
FY17 to
Proposed
FY24 is

\$21,335,879

*(At the time of
setting the tax rate)*

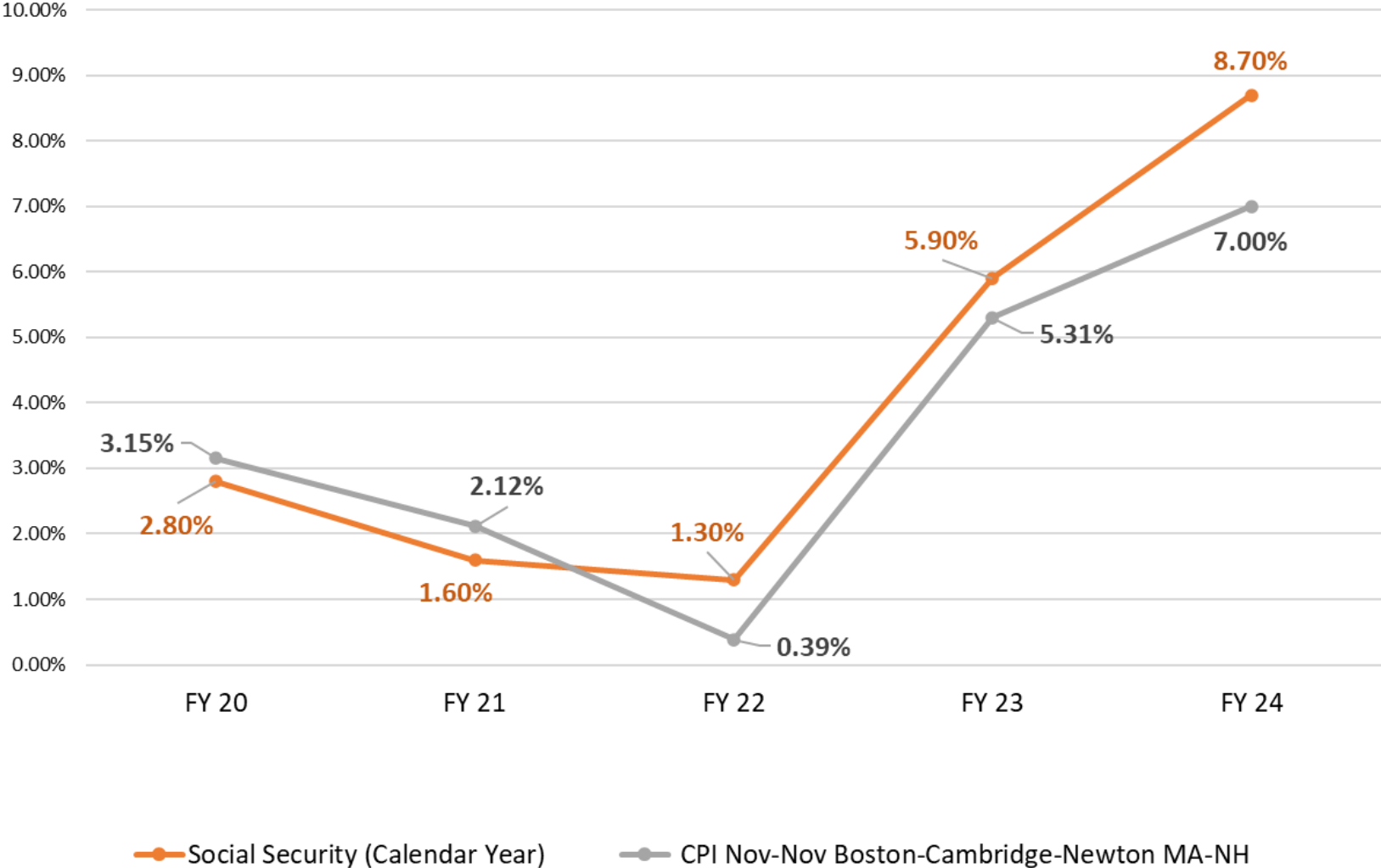


Differential	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Proposed FY24
	2.5%	3.3%	2.6%	2.8%	2.2%	2.6%	2.9%	4.2%

Social Security Increase vs. Nov-Nov Boston-Cambridge-Newton MA-NH CPI

Social Security
5-Year Average
4.06%

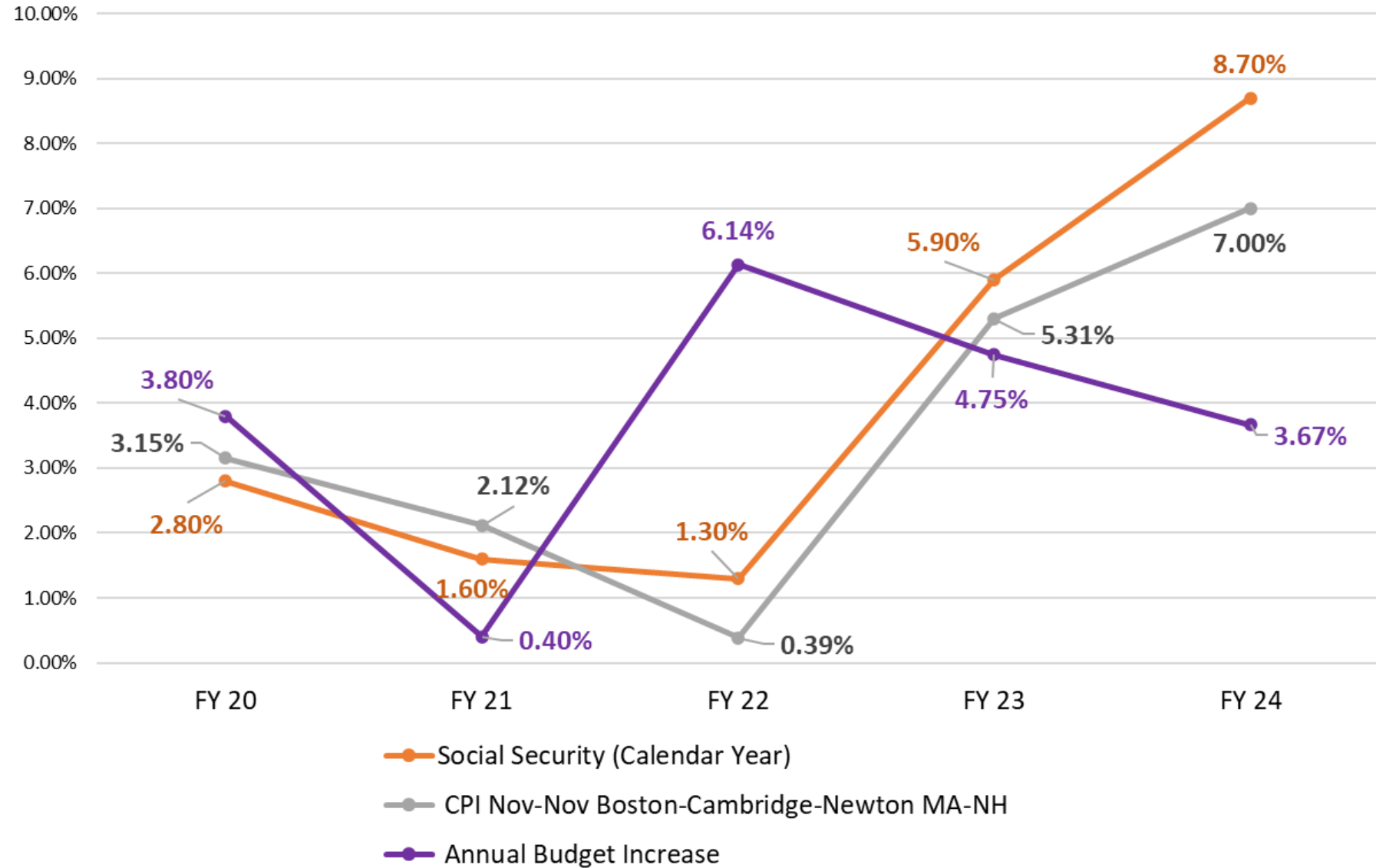
NOV-NOV CPI
5-Year Average
3.59%



**Social Security
5-Year Average
4.06%**

**NOV-NOV CPI
5-Year Average
3.59%**

**Annual Budget
Increase
3.75% per year**



City of *Portsmouth,*
New Hampshire



Portsmouth as an Eco-Municipality

Fiscal Year 2024
Proposed Annual Budget

July 1, 2023 – June 30, 2024

Discussion