

General Fund Revenue

| <u>Summary</u> | 2024 Actual | 2025 Adopted | 2025 Revised | 2025 Projected | 2026 Budget |
|----------------------|------------------------|-------------------------|-------------------------|---------------------------|------------------------|
| Revenue | | | | | |
| Property Taxes | \$49,136,264 | \$51,287,100 | \$51,523,780 | \$51,750,000 | \$53,497,167 |
| Other Taxes | \$818,867 | \$786,796 | \$786,796 | \$874,040 | \$855,110 |
| Intergov Revenue | \$6,880,730 | \$6,056,955 | \$6,264,171 | \$6,192,374 | \$6,157,842 |
| Rental Income | \$256,742 | \$277,773 | \$277,773 | \$248,689 | \$315,856 |
| Fines and Penalties | \$417,926 | \$406,050 | \$406,050 | \$412,999 | \$423,100 |
| Licenses and Permits | \$2,158,295 | \$1,754,865 | \$1,754,865 | \$1,906,555 | \$1,734,544 |
| Investment Income | \$2,704,198 | \$2,355,975 | \$2,355,975 | \$2,448,564 | \$2,294,980 |
| Donations | \$50,230 | \$38,700 | \$38,700 | \$37,572 | \$40,200 |
| Transfer In | \$5,128,536 | \$4,413,342 | \$4,577,342 | \$4,477,710 | \$4,998,212 |
| Use of Fund Bal/RE | \$0 | \$560,760 | \$4,214,000 | \$0 | \$550,000 |
| Motor Vehicle Reg | \$7,840,577 | \$7,889,000 | \$7,889,000 | \$8,297,361 | \$8,525,000 |
| Dept Service Charges | \$4,926,629 | \$4,925,885 | \$4,925,885 | \$4,875,985 | \$5,227,192 |
| Retiree Health Reimb | \$1,441,986 | \$1,504,560 | \$1,504,560 | \$1,396,970 | \$1,395,450 |
| Other Revenue | \$1,403,591 | \$1,121,740 | \$2,363,964 | \$2,141,936 | \$961,460 |
| Total Revenue | \$83,164,571 | \$83,379,501 | \$88,882,860 | \$85,060,755 | \$86,976,113 |

General Fund Revenue

| <u>Detail</u> | 2024 Actual | 2025 Adopted | 2025 Revised | 2025 Projected | 2026 Budget |
|--------------------------------|------------------------|-------------------------|-------------------------|---------------------------|------------------------|
| Property Taxes | | | | | |
| Property Taxes | \$49,136,264 | \$51,287,100 | \$51,523,780 | \$51,750,000 | \$53,497,167 |
| Subtotal | \$49,136,264 | \$51,287,100 | \$51,523,780 | \$51,750,000 | \$53,497,167 |
| Other Taxes | | | | | |
| Timber Tax | \$12,082 | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| Payment-In-Lieu-of-Tax (PILOT) | \$806,785 | \$771,696 | \$771,696 | \$854,230 | \$840,010 |
| Excavation Activity Tax | \$0 | \$100 | \$100 | \$4,810 | \$100 |
| Subtotal | \$818,867 | \$786,796 | \$786,796 | \$874,040 | \$855,110 |
| Intergov Revenue | | | | | |
| Other Gov Agencies - Federal | \$21,702 | \$0 | \$43,063 | \$43,063 | \$0 |
| Other Gov Agencies - State | \$679,665 | \$128,000 | \$128,000 | \$129,046 | \$128,000 |
| Drug Forfeiture or Restitution | \$5,171 | \$5,000 | \$5,000 | \$3,000 | \$5,000 |
| Rooms and Meals Tax | \$4,138,799 | \$4,138,797 | \$4,280,552 | \$4,297,057 | \$4,297,057 |
| Highway Block Grant | \$1,125,096 | \$876,890 | \$901,139 | \$901,139 | \$901,140 |
| Railroad Tax | \$1,957 | \$2,000 | \$149 | \$0 | \$0 |
| Other Gov Agencies - Local | \$624,129 | \$610,893 | \$610,893 | \$615,995 | \$618,345 |
| School District Payments | \$284,210 | \$295,375 | \$295,375 | \$203,075 | \$208,300 |
| Subtotal | \$6,880,730 | \$6,056,955 | \$6,264,171 | \$6,192,374 | \$6,157,842 |
| Rental Income | | | | | |
| Rental Income | \$256,742 | \$277,773 | \$277,773 | \$248,689 | \$315,856 |
| Subtotal | \$256,742 | \$277,773 | \$277,773 | \$248,689 | \$315,856 |
| Fines and Penalties | | | | | |
| Fines and Penalties | \$365,176 | \$350,000 | \$350,000 | \$351,714 | \$370,000 |
| False Alarm Penalties | \$32,876 | \$37,800 | \$37,800 | \$41,400 | \$36,000 |
| Fines for Overdue Items | \$16,554 | \$18,000 | \$18,000 | \$18,000 | \$17,000 |
| Fines for Code Prosecution | \$1,914 | \$0 | \$0 | \$325 | \$0 |
| Court Ordered Payments | \$1,406 | \$250 | \$250 | \$1,560 | \$100 |
| Subtotal | \$417,926 | \$406,050 | \$406,050 | \$412,999 | \$423,100 |

General Fund Revenue

| | 2024 Actual | 2025 Adopted | 2025 Revised | 2025 Projected | 2026 Budget |
|--------------------------------|------------------------|-------------------------|-------------------------|---------------------------|------------------------|
| Licenses and Permits | | | | | |
| Fire Prevention Permits | \$80,866 | \$89,365 | \$89,365 | \$89,365 | \$52,094 |
| Construction Permits | \$1,371,367 | \$1,141,000 | \$1,141,000 | \$1,217,000 | \$1,167,000 |
| Other Permits | \$421,552 | \$252,900 | \$252,900 | \$352,000 | \$251,650 |
| Licenses | \$185,271 | \$191,600 | \$191,600 | \$188,190 | \$188,800 |
| Street Damage Fees | \$99,239 | \$80,000 | \$80,000 | \$60,000 | \$75,000 |
| Subtotal | \$2,158,295 | \$1,754,865 | \$1,754,865 | \$1,906,555 | \$1,734,544 |
| Investment Income | | | | | |
| Investment Income | \$2,704,198 | \$2,355,975 | \$2,355,975 | \$2,448,564 | \$2,294,980 |
| Subtotal | \$2,704,198 | \$2,355,975 | \$2,355,975 | \$2,448,564 | \$2,294,980 |
| Donations | | | | | |
| Donations | \$50,230 | \$38,700 | \$38,700 | \$37,572 | \$40,200 |
| Subtotal | \$50,230 | \$38,700 | \$38,700 | \$37,572 | \$40,200 |
| Transfer In | | | | | |
| Transfer In - Trust | \$1,114,470 | \$1,129,497 | \$1,293,497 | \$1,193,865 | \$1,535,122 |
| Transfer In - Parking | \$169,928 | \$170,855 | \$170,855 | \$170,855 | \$170,408 |
| Transfer In - Airport | \$75,641 | \$81,423 | \$81,423 | \$81,423 | \$80,692 |
| Transfer In - Conserv Prop | \$63,650 | \$71,940 | \$71,940 | \$71,940 | \$65,600 |
| Transfer In - Impact Fee | \$0 | \$0 | \$0 | \$0 | \$20,000 |
| Transfer In - Grts & Donations | \$899,989 | \$0 | \$0 | \$0 | \$0 |
| Transfer In - Golf | \$120,762 | \$132,634 | \$132,634 | \$132,634 | \$134,085 |
| Transfer In - Arena | \$85,518 | \$89,920 | \$89,920 | \$89,920 | \$88,406 |
| Transfer In - Solid Waste | \$3,600 | \$3,600 | \$3,600 | \$3,600 | \$3,600 |
| Transfer In - NEOCTIF | \$182,490 | \$184,320 | \$184,320 | \$184,320 | \$184,781 |
| Transfer In - Sears Block TIF | \$428,960 | \$415,721 | \$415,721 | \$415,721 | \$408,810 |
| Transfer In - Penacook TIF | \$14,660 | \$14,810 | \$14,810 | \$14,810 | \$15,104 |
| Transfer In - Water | \$840,208 | \$864,218 | \$864,218 | \$864,218 | \$847,988 |
| Transfer In - Wastewater | \$1,128,660 | \$1,254,404 | \$1,254,404 | \$1,254,404 | \$1,443,616 |
| Subtotal | \$5,128,536 | \$4,413,342 | \$4,577,342 | \$4,477,710 | \$4,998,212 |
| Use of Fund Bal/RE | | | | | |
| Use of Fund Balance | \$0 | \$560,760 | \$4,214,000 | \$0 | \$550,000 |
| Subtotal | \$0 | \$560,760 | \$4,214,000 | \$0 | \$550,000 |

General Fund Revenue

| | 2024 Actual | 2025 Adopted | 2025 Revised | 2025 Projected | 2026 Budget |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Motor Vehicle Reg | | | | | |
| Motor Vehicle Registrations | \$7,840,577 | \$7,889,000 | \$7,889,000 | \$8,297,361 | \$8,525,000 |
| Subtotal | \$7,840,577 | \$7,889,000 | \$7,889,000 | \$8,297,361 | \$8,525,000 |
| Dept Service Charges | | | | | |
| MV Transportation Surcharge | \$186,277 | \$185,000 | \$185,000 | \$187,511 | \$193,000 |
| MV Transportation Admin | \$20,608 | \$20,500 | \$20,500 | \$21,085 | \$21,500 |
| MV Waste Disposal | \$20,911 | \$20,600 | \$20,600 | \$21,212 | \$21,500 |
| MV State Agent Admin | \$136,364 | \$131,000 | \$131,000 | \$134,516 | \$137,000 |
| Reports, Prints, and Copies | \$2,166 | \$1,350 | \$1,350 | \$650 | \$850 |
| Recording Fees | \$10,225 | \$10,000 | \$10,000 | \$10,000 | \$10,000 |
| Application Fees | \$74,437 | \$62,732 | \$62,732 | \$51,605 | \$54,057 |
| Review Fees | \$92,875 | \$150,000 | \$150,000 | \$114,800 | \$94,800 |
| Inspection Fees | \$17,113 | \$0 | \$0 | \$0 | \$0 |
| Camps | \$196,164 | \$196,073 | \$196,073 | \$196,400 | \$201,990 |
| Aquatics Programs | \$50,799 | \$41,090 | \$41,090 | \$50,000 | \$54,010 |
| Program Fees | \$258,848 | \$227,810 | \$227,810 | \$265,130 | \$244,930 |
| Salt Sales | \$9,626 | \$30,000 | \$30,000 | \$30,000 | \$30,000 |
| Tree Sales | \$6,488 | \$9,000 | \$9,000 | \$9,000 | \$9,000 |
| Timber Sales | \$14,904 | \$5,000 | \$5,000 | \$44,920 | \$5,000 |
| Mark-up | \$3,443 | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| Non-Resident Library Fees | \$6,610 | \$8,000 | \$8,000 | \$8,000 | \$8,000 |
| Sundry Services | \$58,835 | \$51,450 | \$51,450 | \$55,000 | \$53,550 |
| Special Duty Services | \$185,610 | \$265,000 | \$265,000 | \$169,021 | \$207,127 |
| Police Patrol Services | \$1,425 | \$3,600 | \$3,600 | \$1,200 | \$3,600 |
| Cruiser Rental Fee | \$17,461 | \$26,500 | \$26,500 | \$20,000 | \$26,500 |
| Ambulance Charges | \$3,192,244 | \$3,100,000 | \$3,100,000 | \$3,100,000 | \$3,485,000 |
| Alarm Boxes | \$232,560 | \$245,780 | \$245,780 | \$251,935 | \$227,378 |
| Other Service Charges | \$130,638 | \$120,400 | \$120,400 | \$119,000 | \$123,400 |
| Subtotal | \$4,926,629 | \$4,925,885 | \$4,925,885 | \$4,875,985 | \$5,227,192 |
| Retiree Health Reimb | | | | | |
| Retiree Health Insurance | \$1,441,986 | \$1,504,560 | \$1,504,560 | \$1,396,970 | \$1,395,450 |
| Subtotal | \$1,441,986 | \$1,504,560 | \$1,504,560 | \$1,396,970 | \$1,395,450 |

General Fund Revenue

| | 2024 Actual | 2025 Adopted | 2025 Revised | 2025 Projected | 2026 Budget |
|---------------------------|------------------------|-------------------------|-------------------------|---------------------------|------------------------|
| Other Revenue | | | | | |
| Sales of Lots and Niches | \$25,484 | \$29,000 | \$29,000 | \$28,000 | \$30,000 |
| Sale of Assets | \$106,899 | \$30,000 | \$30,000 | \$44,000 | \$30,000 |
| Advertising | \$1,200 | \$8,000 | \$8,000 | \$8,000 | \$7,900 |
| Cable TV Franchise | \$873,841 | \$738,160 | \$738,160 | \$698,900 | \$715,900 |
| Finance Charges | \$5,088 | \$3,000 | \$3,000 | \$3,000 | \$3,000 |
| Forest Loss Reimbursement | \$417 | \$490 | \$417 | \$420 | \$420 |
| Reimbursements | \$9,340 | \$10,000 | \$10,000 | \$6,000 | \$10,000 |
| Other Revenue | \$381,324 | \$303,090 | \$1,545,387 | \$1,353,616 | \$164,240 |
| Subtotal | \$1,403,591 | \$1,121,740 | \$2,363,964 | \$2,141,936 | \$961,460 |
| Total Revenue | \$83,164,571 | \$83,379,501 | \$88,882,860 | \$85,060,755 | \$86,976,113 |

General Fund Revenue

Description of Revenue Detail

The following items represent 85.9% of all General Fund revenues:

| | | |
|--|---------------------|--------------|
| Property Taxes | \$53,497,167 | 61.5% |
| Motor Vehicle Reg | \$8,525,000 | 9.8% |
| Transfer In | \$4,998,212 | 5.7% |
| Intergov Revenue - Rooms and Meals Tax | \$4,297,057 | 4.9% |
| Dept Service Charges - Ambulance Charges | \$3,485,000 | 4.0% |
| Total | \$74,802,436 | 85.9% |

Property Taxes

Fiscal Year 2026 property taxes account for approximately 61.5% of General Fund revenues. This represents a 2.95% tax rate increase over Fiscal Year 2025. 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 Fiscal Year 2026, but instead instructed the City Manager to present a responsible budget and work towards the City Council priorities.

In addition to the taxes to be raised for appropriations, \$631,250 of tax revenue is estimated to be raised for tax abatements or overlay (\$200,000) and war service credits (\$431,250). Including overlay and war service credits, the Fiscal Year 2026 total tax revenue is \$54,128,417 up from \$51,754,500 for Fiscal Year 2025. The actual amount to raise in taxes is \$2,373,917 higher than the Fiscal Year 2025 budget and is due, in part, to the additional real growth value in property assessments. The City portion of the tax rate increases to \$10.13. Please refer to the Resolution section for a comparison of Fiscal Year 2025 versus Fiscal Year 2026 budgetary tax rates.

Motor Vehicle Registrations

Revenue from motor vehicle registrations represents 9.8% 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 Fiscal Year 2026 it is anticipated that new and more expensive vehicles will continue to be available for purchase, which will help increase motor vehicle registrations and revenue.

Transfer-In

The Transfer-In portion of revenue represents 5.7% 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; and Information Technology (IT) 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.

In addition to overhead transfers, the City also recognizes revenues as transfers in from trusts, including cemetery, library, capital reserves, and transfers from Impact Fee and Tax Increment Finance (TIF) District funds as reimbursement for operating expenses and applicable debt service costs.

General Fund Revenue

Intergovernmental Revenue—Rooms and Meals Tax

Rooms and Meals taxes represent 4.9% of all General Fund revenue. The Council adopted budget represents a level budget to the amount provided by the State (revised) when the tax rate setting occurred in November 2024.

Department Service Charges—Ambulance Charges

Ambulance Service charges represent 4.0% 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

The Fiscal Year 2026 budget includes \$550,000 of fund balance.

| <u>Fiscal Year</u> | <u>Total Fund Balance</u> | <u>Unassigned Fund Balance</u> |
|--------------------|-------------------------------|------------------------------------|
| 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 |
| 2022 | \$20,324,190 | \$13,219,990 |
| 2023 | \$25,984,004 | \$15,570,778 |
| 2024 | \$27,810,712 | \$15,645,535 |

Source: 2015-2024 Annual Comprehensive Financial Reports