

STRATHAM COST OF COMMUNITY SERVICES STUDY

Stratham recently completed a Cost of Community Service Study (COCS) to help in its 1996 Master Plan revision. The COCS process was developed by the American Farmland Trust, an organization working to protect agricultural lands throughout the country. This method has been used in a number of other states in the northeast. In New Hampshire, COCS have been completed in Dover, Fremont and Deerfield. The method is an analysis of a community's budget for a given fiscal year. The 1994 fiscal year was used for the Stratham study. All revenues and expenses were reviewed and assigned proportionately to the town's commercial/industrial, residential and current use land use components. Proportionate cost assignments were made by reviewing town records, discussions with public officials and town employees and/or by assigning costs based on the total assessed value of each land use component. After all of the expenditures and revenues are totaled by land use, a ratio of revenues to expenses is calculated.

This ratio provides a quick and easy to understand analysis of how tax dollars are being used in a community for a given year. Refer to the chart on this page for the results of the Stratham COCS. The total revenues and expense are in the first two columns by land use component. The ratio in the third column is expressed in this way. The left side of the ratio is each dollar of revenue generated by taxes and other sources of income, the given land use component. The right side of the ratio is the expense (service cost) side of the ratio. Here's how the ratios for the Stratham COCS should be read as follows:

- For every dollar of revenue generated by commercial and industrial properties in Stratham during the 1994 fiscal year, 19 cents was expended in service costs.
- For every dollar of revenue generated by residential properties in Stratham during the 1994 fiscal year, \$1.15 was expended in service costs.
- For every dollar of revenue generated by current use lands in Stratham during the 1994 fiscal year, 40 cents was expended in service costs.

COMPONENT	REVENUES	EXPENSES	RATIO
Commercial/Industrial	\$1,339,275	\$256,696	1.00:19
Residential	\$6,939,002	\$7,957,296	1.00:1.15
Current Use Lands	\$20,498	\$8,132	1.00:.40

The Stratham COCS was completed by Paul Deschaine, Jim Stuart, Gerry Batchelder and Phil Auger, an Extension Educator with UNH Cooperative Extension. It is hoped that this analysis will lead residents to a constructive dialogue and, ultimately, the best possible Master Plan for Stratham. Complete spread sheets for the study are available at the town office.

**COST OF COMMUNITY SERVICES STUDY
REVENUES WORK SHEET
STRATHAM, FY 1994**

BUDGET ITEM	ACTUAL REVENUES	INDUSTRIAL/ COMMERCIAL	RESIDENTIAL	CURRENT USE LANDS
Property Taxes on Land	\$2,056,941	\$339,702	\$1,711,702	\$5,537
Property Taxes on Buildings	5,029,530	774,667	4,254,863	—
Gas Utilities	Not Considered	—	—	—
Electric Utilities	Not Considered	—	—	—
Land Use Change Tax	12,511	—	—	(1.00) 12,511
Interest & Penalties	228,652	(.47) 107,772	(.53) 120,782	(.0004) 98
Yield Tax	1,267	—	—	(1.00) 1,267
Motor Vehicle Permits	598,315	(.05) 29,916	(.95) 568,399	—
Business Licenses & Permits	8,855	(1.00) 8,855	—	—
Municipal Agent Fees	11,628	(.05) 581	(.95) 11,047	—
Dog Licenses	4,760	—	(1.00) 4,760	—
Shared Revenue	112,194	(.49) 55,827	(.50) 56,322	(.001) 45
Highway Block Grant	71,886	(.01) 719	(.98) 70,448	(.01) 719
Reimbursements	20,044	(.09) 1,804	(.90) 18,040	(.01) 200
Income from Departments	78,966	(.16) 12,556	(.84) 66,331	(.001) 79
Rent of Town Buildings	7,516	(.16) 1,196	(.84) 6,313	(.001) 7
Sale of Town Property	7,276	(.16) 1,157	(.84) 6112	(.001) 7
Interest on Investments	28,443	(.16) 4,523	(.84) 23,892	(.001) 28
Cable TV Franchise	13,213	—	(1.00) 13,213	—
Trust & Agency Funds	6,778	—	(1.00) 6,778	—
REVENUE TOTALS	\$8,298,775	\$1,339,275	\$6,939,002	\$20,498

**COST OF COMMUNITY SERVICES
EXPENSES WORK SHEET
STRATHAM, FY 1994**

BUDGET ITEM	ACTUAL EXPENSES	INDUSTRIAL/ COMMERCIAL	RESIDENTIAL	CURRENT USE LANDS
School District	\$6,434,319	—	(1.00) \$6,434,319	—
Executive	124,349	(.09) \$11,192	(.90) 111,914	(.01) \$1,243
Election & Registration	1,504	—	(1.00) 1,504	—
Legal Fees	11,203	(.16) 1,792	(.84) 9,400	(.001) 11
Employee Benefits	45,287	(.09) 4,076	(.90) 40,758	(.01) 453
Planning & Zoning	49,582	(.16) 7,933	(.84) 41,599	(.001) 50
General Government Buildings	56,128	(.16) 8,980	(.84) 47,092	(.001) 56
Cemeteries	19,095	—	(1.00) 19,095	—
Insurance	159,701	(.16) 25,552	(.84) 133,989	(.001) 160
Unemployment Compensation	1,051	(.09) 94	(.90) 946	(.01) 11
Police	278,182	(.20) 55,636	(.80) 222,268	(.001) 278
Fire	49,782	(.20) 9,957	(.77) 38,332	(.03) 1,493
Emergency Management	696	(.20) 139	(.80) 557	—
Highways & Streets	336,291	(.01) 3,363	(.98) 329,565	(.01) 3,363
Street Lighting	5,260	(.10) 526	(.90) 4,734	—
Solid Waste Management	415,965	(.28) 116,470	(.72) 299,079	(.001) 416
Pest Control	22,000	(.09) 1,980	(.90) 19,800	(.01) 220
Health Agencies	22,965	—	(1.00) 22,965	—
Animal Control	814	—	(.95) 773	(.05) 41

Cost of Community Services Expenses Work Sheet - continued				
Direct Assistance	2,121	—	(1.00) 2,121	—
Inter-Government Welfare Payments	—	—	—	—
Parks	21,420	(.05) 1,071	(.95) 20,349	—
Library	81,886	—	(1.00) 81,886	—
Patriotic Purposes	541	—	(1.00) 541	—
Recreation Commission	19,054	—	(1.00) 19,054	—
Interest on Tans's	32,450	(.16) 5,192	(.84) 27,226	(.001) 32
Financial Administration	30,478	(.09) 2,743	(.90) 27,430	(.01) 305
TOTALS	\$8,222,124	\$256,696	\$7,957,296	\$8,132

BASELINE DATA USED			
A. Total Assessed Value	\$363,408,768		
B. Commercial/Industrial			
Land	\$17,420,600		
Buildings	39,726,500		
TOTAL	57,147,100		(.16 of total assessed value)
C. Residential			
Land	\$87,779,600		
Buildings	218,978,100		
TOTAL	306,757,700		
Exemptions	780,000		
NET	305,977,700		(.84 of total assessed value)
D. Current Use Lands	\$283,968		(.001 of total assessed value)
1994 Tax Rate used \$19.50 (\$20.70 total rate minus \$1.20 County portion)			