

**ROCHESTER CITY COUNCIL BUDGET WORKSHOP**  
**May 27, 2014**  
**CITY COUNCIL CHAMBERS**  
**8:27 PM**

**MEMBERS PRESENT**

Councilor Collins  
Councilor Gates  
Councilor Gray  
Councilor Hamann  
Councilor Keans  
Councilor Kittredge  
Councilor Larochelle  
Councilor Lauterborn  
Councilor Torr  
Councilor Varney  
Councilor Walker  
Mayor Jean

**OTHERS PRESENT**

City Manager Fitzpatrick  
Deputy City Manager Cox  
Gregg DeNobile, Resident

**MEMBERS ABSENT**

Councilor Lachapelle

**MINUTES**

**1. Call to Order**

Mayor Jean called the Budget Workshop to order at 8:27 PM. Marcia Roddy, Deputy City Clerk, took a silent roll call. All Councilors were present, except for Councilor Lachapelle, who had been excused.

**2. Public Input**

Gregg DeNobile, resident, questioned the revenue from the Granite Ridge TIF. He asked if the revenue goes into the "regular" revenue stream, or does it go toward the TIF payback.

Public input was closed at 8:28 PM.

**3. Communications from the City Manager**

The City Manager had no communications.

#### **4. Communications from the Mayor**

##### **4.1 Supervisors of the Checklist Session**

Mayor Jean reported that the Supervisors of the Checklist would be meeting on Tuesday, June 3, 2014, at 7:00 PM to 7:30 PM. He reminded people that if they wished to change their party affiliation prior to the State Primary Election in September that this would be the last opportunity to do so.

##### **4.2 Filing Period for the State Primary**

Mayor Jean announced that the filing period for those who wish to seek the office of State Representative or Delegate to the Republican Convention may file between June 4, 2014, at 8:00 AM through June 13, 2014, at 5:00 PM. This will be done in the City Clerk's office in City Hall.

#### **5. Communications from the Deputy City Manager**

Blaine Cox, Deputy City Manager, referred to his weekly budget memo. He said that the Committee of the Whole adjustments made by the City Council places the FY 2015 draft budget at \$113,000 under the Tax Cap.

Mr. Cox pointed out the permit issuing and inspection tracking software. He said that during Mr. Grant's [BZLS] presentation the Council did not examine the information contained in the Issues and Options booklet. He said that there are potentially three funding scenarios: (1) bonding the entire expenditure for a 5-year term at roughly \$38,000 annual debt service; (2) cash fund the \$170,000 expenditure from FY 2015 General Fund; or (3) using anticipated revenue from projects such as the Granite Ridge Project.

Councilor Varney asked if by using option #3 would it be necessary to fund the up-front money from the fund balance for FY15. Mr. Cox said yes.

Mr. Cox cited the copier/printer item. He said it is a follow-up from the first budget workshop. He said all the departments reviewed their FY15 budget proposals. They have come back indicating in numerous areas that the Council could reduce their requested appropriations to account for those copying and printing costs.

Mr. Cox reviewed the library request for an increase in the heating budget due to the fact that there was a new meter installed at the library and Mr. Sylvester did not have the updated cost incurred when preparing his budget for the library. Mr. Cox said the request is to increase the heating line for the library by \$16,400.

Councilor Walker **MOVED** to increase the library heating fuel line by \$16,400. Councilor Lauterborn seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor Varney **MOVED** to reduce the various office supply lines for a total of \$10,143.93. Councilor Keans seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Mr. Cox reviewed the library's request to either hire another part-time staff member or increase the hours of part-time staff. He said that either option is about the same cost and it would be up to the library trustees to decide what they would prefer to do.

Mr. Cox discussed the budgeted amounts for a legal department. Mr. Fitzpatrick referred to the issues in the past that the Council has had with the Police Commission.

Councilor Varney asked for clarification of the amount of money needed by the Police Department for legal services, in particular the \$25,000 retainer.

Councilor Varney **MOVED** to cut the legal line (53309) with the exception of \$25,405 for the police attorney retainer. Councilor Walker seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Mr. Cox said that due to a Munis coding error earlier in the budget process, the Police retirement line was underfunded by \$7,201 and it is being asked that the Council increase the Personnel Benefits line of the Police Department by \$7,201.

Councilor Varney **MOVED** to increase the Police Retirement budget line (Personnel Benefits and Retirement) by \$7,201. Councilor Walker seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Mr. Cox discussed the Crime Analyst position in the Police Department. The Police Department has been using outside contracting services and needs to hire a full time crime analyst which will increase the Police Department budget by \$68,000.

\*Councilor Walker **MOVED** to move a total of \$68,000 from the Police Department lines as follows: \$43,181 Salaries (511011); \$17,998 Equipment Maintenance (543002); and \$1,450 Travel (558000) totaling \$68,000 to the Police Department contracted service line (532200). Councilor Hamann seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Mr. Cox added an item from the Department of Public Works by which funds could be moved to reduce its budget by \$8,000.

Councilor Varney **MOVED** to reduce the Department of Public Works budget by \$8,000. Councilor Walker seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

## **6. Budget Deliberations**

Superintendent of Schools Michael Hopkins went over a number of items that can be adjusted in the School Department budget proposal. He provided the councilors with a handout.

The City Councilors asked questions regarding the mowers. Mr. Hopkins also answered a question from a prior meeting regarding the dump truck. He said it is a 2008 truck.

Councilor Torr asked what department owns the newer white dump truck with the black body. Public Works Commission Peter Nourse said it belongs to the Buildings and Grounds Department that was purchased in FY14.

Councilor Walker **MOVED** to cut item #58 (the zero turn mower) in the amount of \$13,500. Councilor Varney seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor Walker **MOVED** to cut \$80,000 from item #59 (alarm panel upgrades). Councilor Lauterborn seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor Lauterborn **MOVED** to transfer funds for the bleacher upgrades in the amount of \$13,000 from bond to cash CIP. Councilor Gates seconded the motion. Councilor Varney asked why. Councilor Walker said because it is a "big" item that it can be bonded. Upon further discussion, Councilor Lauterborn **WITHDREW** her motion.

Councilor Walker **MOVED** to cut \$7,000 for door hardware (item #61). Councilor Lauterborn seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor Walker **MOVED** to reduce item #62 to \$75,000. Councilor Torr seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor Walker asked Mr. Hopkins what the electrical upgrades are. He explained that it is mostly for a variety of repairs rather than upgrades. Councilor Walker said that it should be put into the contracted services line. Councilor Varney added that the funds are budgeted as contracted services, but money is carried over. Councilor Gates asked for clarification of what the electrical services are.

Councilor Varney asked what elevator needs to be replaced. Mr. Hopkins explained its location at Spaulding High School.

Councilor Walker **MOVED** to change the funding source for project #65 (floor machines) from cash to bonding. Councilor Varney seconded the motion. Councilor Gray disagreed with the idea of moving funding for a floor machine to bond and Mr. Cox did not think the amount would qualify for bonding.

Councilor Walker **WITHDREW** his motion and instead **MOVED** to cut project #65. Councilor Varney seconded the motion. Councilor Larochelle asked if the machine breaks would the Council then be approached for supplemental appropriation. Councilor Lauterborn said that the money has already been included in the School Department's operating budget. She said it makes no sense to cut it from the budget. The **MOTION FAILED** by majority voice vote.

Councilor Lauterborn **MOVED** to transfer funding for project #67 (McClelland School gym curtain) from bond to cash CIP. Councilor Torr seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor Walker **MOVED** to reduce project #68 (HVAC upgrades) to \$228,000. Councilor Larochelle seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor Walker **MOVED** to cut project #70 (paving - \$100,000). Councilor Varney seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor Walker **MOVED** to cut project #71 (HVAC) by \$20,000 cash. Councilor Torr seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor Gates asked Mr. Hopkins what roof repairs were needed at the Tech Center and the Middle School and why. Mr. Hopkins said it is to replace the flat roof on the Tech Center and the roof of the main building at the Middle School.

Councilor Varney **MOVED** to reduce the amount for project #73 (track improvements at Spaulding High School) to \$20,000 bond. Councilor Walker seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor Varney **MOVED** to return project #180 of the CIP budget back to FY15 and change the funding source CDBG (the water loop). Councilor Varney said that the City Manager informed him that he will be seeking a grant for the funding). Councilor Walker seconded the motion. Mr. Fitzpatrick said that by having a project in the budget with the funding source being noted helps in obtaining the grant. The **MOTION CARRIED** by unanimous voice vote.

Councilor Varney **MOVED** to add \$1,800 to the Library budgeted under "Other Equipment" to purchase ergonomic equipment. Councilor Walker seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Councilor **MOVED** to cut projects #75 and #95 regarding the Chamberlain Street water/sewer/paving projects. Councilor Torr seconded the motion.

Councilor Walker spoke against cutting the projects from the budget. He said that it is a quality of life issue for the residents of Chamberlain Street. Councilor

Larochelle commented that Commissioner Nourse had sent a survey out to the residents of the street. Seven residents were in favor of the project; seven were not in favor; and eight did not respond. He said that it is a lot of money to be spent when the majority residents were not in favor.

Councilor Keans said there should be a policy in place for projects such as this. She supports this project.

Councilor Walker said that Chamberlain Street is in deplorable condition and if paving is to be done then the water and sewer projects should be done as well.

Councilor Varney said that there have been no formal complaints from the residents of the street regarding water quality and sewer issues.

Councilor Walker said he understands Commission Nourse's hesitancy in going forward with the projects as it is a matter of "getting enough bang for the buck."

Councilor Torr said he does not believe anyone in the neighborhood has made a complaint to DES and if they had it would have been investigated right away.

The City Council discussed the matter further regarding the pros and cons of the issue. City Manager Fitzpatrick said that the City already has a policy in place and there has been work done recently on it to revise the policy, with plans to present it to the City Council in July.

The **MOTION CARRIED** to cut the Chamberlain Street projects by a roll call vote of 8 - 4. Councilors Gates, Lauterborn, Gray, Larochelle, Torr, Hamann, Varney, and Mayor Jean voted yes. Councilors Keans, Walker, Kittredge, and Collins voted no.

Councilor Varney said that by cutting the Chamberlain Street paving project then other projects need to be added to the summer of 2014 schedule. Councilor Lauterborn recommended deferring the decision on paving projects to another date when there is a better perspective on the money that has been moved in the paving budget.

Councilor Gray suggested having the Public Works Department take a look at the ditch on Chamberlain Street. Councilor Torr agreed and said that it is a hazard and very dangerous and should be dealt with soon.

Councilor Varney asked if the requested maintenance budget for the Granite State Business Park will be forthcoming. He added that most of the revenue from the Park will be from only one business and perhaps that revenue can be used by Public Works for maintaining the road.

Councilor Varney asked for clarification of the contingency fund in the City Manager's budget for general overhead. He said it has increased and would like to know how that is justified. Mr. Cox said that there is about \$200,000 in the budget for

collective bargaining. The Mayor and Council discussed the salary and bargaining contingencies.

Councilor Lauterborn recommended keeping the collective bargaining money in the budget and if it is not used then it can be transferred to another line. Councilor Varney said that ties up money that could be used for something else. City Manager Fitzpatrick said that collective bargaining will be resolved and money will be spent; however, it is difficult to determine how much will be spent for that.

Councilor Varney questioned the vehicle being used by the Animal Control Officer, noting that it was loaned to the Police Department from Public Works. Chief Allen said that it is not a vehicle designed for Animal Control purposes. It could be repurposed by putting a cap on the truck bed.

Councilor Varney asked why the Police Department has four Ford Focus vehicles that do not seem to have high mileage on them. Chief Allen said that the HUD vehicle has been dead lined and one of the Ford Focus vehicles would be used to replace that. He said that the mileage is high on all of the vehicles and reassigning any of them would require a lot of maintenance.

Councilor Walker **MOVED** to cut two backline vehicles from the Police Department budget in the amount of \$20,000 each. Councilor Varney seconded the motion. Councilor Torr questioned the use of a pickup truck by the Animal Control Officer as being unsafe. He also said that the truck is a 3/4 ton pickup that is an unnecessary vehicle size for this purpose. The councilors discussed the vehicle's use.

Mayor Jean **MOVED TO AMEND** the motion to cut only one vehicle from the Police Department's budget. Councilor Gray seconded the amendment. The **MOTION TO AMEND CARRIED** by majority voice vote. The original **MOTION CARRIED** by majority voice vote.

Councilor Varney said he did not believe any action had been taken regarding the vehicle proposed for use by the Building, Zoning, and Licensing Service Department. Councilor Torr **MOVED** to put off that vehicle replacement to FY 16. Councilor Varney seconded the motion. The **MOTION CARRIED** by majority voice vote.

Jim Grant, Director of Building, Zoning, and Licensing Services spoke about the *EnerGov* software proposed for purchase and use by the City. A handout had been provided to the City Council for reference. The City Council discussed the costs involved in implementing the program.

Councilor Lauterborn asked if this program is currently in the budget. Mayor Jean said no. Councilor Lauterborn said she would prefer to see this program put off for now to see if the increased revenue necessary to offset the cost actually materializes.

Councilor Walker said it would be a good idea to implement this program right away as the projected efficiencies of the program would be important for the City going forward. Other councilors agreed.

Mayor Jean clarified with Mr. Cox that the program is already in the budget as a bond project.

Councilor Torr asked who would primarily service the program once it is in place. MIS Director Dennis Schafer said that Tyler Technologies would initially service it, but typically the people who use a program the most are the ones who maintain it. Mr. Grant agreed and said he would most likely be the one in charge of the system.

The Councilors discussed the needs and benefits of the system and whether the cost would be well spent. Councilor Gates asked Mr. Grant how long it would take for all departments to be using the software. Mr. Grant said that, assuming it is approved to go forward as of July 1, 2014, that all departments should be working with it by March of 2015.

Questions were raised regarding staff time needed for training of the new system. Mr. Fitzpatrick said that, for example, a new City website will be going online in a few weeks and several departments spent time working on it. He said that at no time did it appear that any department's ability to serve the community suffered by lack of staffing during these website work sessions. He said he has noticed that staff seems to work on projects very efficiently.

Councilor Varney asked Mr. Schafer why he has changed his request for a Data Base Administrator to an Information Systems Technician [IST]. He said that at this time it is more critical to have the IST due to the nature of work needed at the Police Department.

Councilor Varney asked Mr. Cox where the city stands at this point with regard to the tax cap. Mr. Cox said it is approximately \$160,000 under the tax cap.

Councilor Varney asked Mr. Schafer what he could cut from his hardware and software budget requests in order to add \$29,000 for new personnel. Mr. Schafer said he could not do without either hardware or software upgrades.

Mayor Jean said that at this point he would like the bulk of the changes made by the Finance Department and hopefully adopt the budget at the next City Council meeting on June 3, 2014.

Councilor Torr asked Councilor Varney if the issue with Chapter 43 of the Ordinances has been resolved regarding additions to manufactured homes. Mr. Grant explained how it has been worked out.



Councilor Gates asked if there is a list of other items that had not been addressed regarding the ordinances since so much time had been devoted to Chapter 42. Mayor Jean said yes, but they will be dealt with in the coming months.

## **8. Adjournment**

Councilor Torr **MOVED** to **ADJOURN** the Budget Workshop at 10:43 PM. Councilor Walker seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Respectfully submitted,

*Marcia H. Roddy*

Marcia H. Roddy  
Deputy City Clerk