

**CITY COUNCIL BUDGET WORKSHOP**  
**May 10, 2016**  
**COUNCIL CHAMBERS**  
**7:00 PM**

**COUNCILORS PRESENT**

Councilor Abbott  
Councilor Barnett  
Councilor Bogan  
Councilor Gates  
Councilor Gray  
Councilor Hamann  
Councilor Keans \*  
Councilor Lachapelle  
Councilor Lauterborn  
Councilor Torr  
Councilor Willis  
Councilor Varney  
Mayor McCarley

\* *Councilor Keans arrived at 8:23 PM*

**OTHERS PRESENT**

City Manager Daniel Fitzpatrick  
Deputy City Manager Blaine Cox  
Roland Connors, Deputy Finance Director  
Mark Sullivan, Senior Staff Accountant  
Terence O'Rourke, City Attorney  
Brian Sylvester, Library Director  
Laura Schmazl, East Rochester Library  
Karen Pollard, Economic Dev. Manager  
James Grant, BZLS Director  
James Campbell, Planning Director  
Chris Bowlen, RAYS Director  
Kelly Walters, City Clerk  
Rick Vincent, Assessor  
Dennis Schafer, Systems Supervisor  
Todd Marsh, Welfare Director

**MINUTES**

**1. Call to Order**

Mayor McCarley called the City Council Budget Workshop to order at 7:00 PM. Deputy City Clerk Marcia Roddy took a silent roll call. All members were present, with the exception of Councilor Keans, who arrived at 8:23 PM.

**2. Public Input**

Mayor McCarley opened Public Input and invited anyone from the public to come forward and address the City Council.

Susan DeRoy, Chair of the REDC (Rochester Economic Development Commission) voiced her concerns regarding possibly doing away with the Host Fund from Waste Management and how that could affect economic development.

Lisa Stanley, also spoke about the Host Fund and asked if the Ordinance had been changed concerning the fund.

Mayor McCarley closed Public Input at 7:03 PM.

**3. Communications from the Mayor**

Mayor McCarley said that the low and moderate income property tax relief forms are now in and available for those who wish to file. They are available at the Tax Office.

#### **4. Communications from the City Manager**

City Manager Fitzpatrick said he had asked the City Attorney to request the State Attorney to issue an opinion on the issue of whether the tax ceiling is raised permanently or temporarily when the budget goes over the tax cap. He said the State is not going to issue an opinion on that and is leaving the decision up to the municipality. He added that City Attorney's opinion is that if the City overrides the tax cap that the ceiling is raised permanently.

#### **5. Budget Presentations**

##### **5.1 Main Library**

Brian Sylvester, Library Director, presented the budget for the Library. He said there were no major changes in the budget compared with FY 2015.

Councilor Lauterborn asked why the line for donations is listed as revenue but is also listed as an expense. Roland Connors, Deputy Finance Director, said this is basically an "in and out" fund so that if the Library receives a donation then it is easily transferable from the expense fund.

Mr. Sylvester said that an additional "Issues and Options" item came in after the budget had been prepared. It concerns the Visionware maintenance bill in the amount of \$6,660. He suggested putting off a renovation project for the book drop be put off for at least another year in order to pay this bill.

Councilor Varney asked if this is an ongoing yearly expense. Mr. Sylvester said yes.

Mr. Sylvester said that the hosted server project would mean that there would be a savings to use a hosted server rather than a physical server that would require maintenance by the MIS Department.

Mr. Sylvester said that he is proposing upgrading some positions in the Library. Councilor Lauterborn asked if it would be possible to upgrade only one position, or to divide the cost for upgrading between two positions. Mr. Sylvester said that was a possibility except that one of the positions was a longer term employee and the cost would be greater. He offered to get figures on how that could work and provide them to the Council.

Mr. Sylvester discussed a vendor called Unique Management Systems that goes after delinquent library customers who owe money for not returning library materials. He has proposed the use of the service in the past and once again would like to go

forward with hiring the company. He said that the process of going after delinquent accounts is timely and not cost effective for the Library staff.

Councilor Lauterborn asked if the library staff makes the initial contact with the customer to collect on the delinquency before sending the matter to collection. Mr. Sylvester said yes, but this service is more persistent and will continue with contact for 120 days, whereas the library staff does not have the time to do that.

Mr. Sylvester said that the drive-up book drop does need to be upgraded, but the Buildings and Grounds department recently did some repairs on it and it should be in good shape for awhile. Councilor Willis questioned the useful life of the book drop and Mr. Sylvester said it should be fully functional for at least another 25 years if the repairs are done in FY 2018.

## **5.2 East Rochester Public Library**

Laura Schmalzl, President of the Volunteer Board of Trustees, asked for additional funding for the next fiscal year in the amount of \$1,000 bringing the funded amount to \$6,000 per year. She said that the additional funds are not for capital improvement, but rather to have enough money to pay the bills to keep the library open.

## **5.3 Economic Development**

Karen Pollard, Economic Development Manager, gave a PowerPoint presentation of the Economic Development Department.

A major point in Ms. Pollard's presentation concerned the possible elimination of the Economic Development Fund.

Ms. Pollard spoke on the Wayfinding System and ERZ (Economic Revitalization Zone) signs as beneficial to the City in its growth.

The elimination of the Deputy City Manager position was detrimental to the City, according to Ms. Pollard, and consideration should be given to reinstating that position.

Ms. Pollard discussed a project for the summer that is an Arts and Economic Impact Study that will need a dedicated temporary employee for 25-30 hours per week specifically for this project. Councilor Varney asked if this study has funding. Ms. Pollard said yes, it had a \$2,000 fee.

Councilor Varney asked if there are any other large consulting and marketing items. Ms. Pollard said there are none other than those that are already planned.

Councilor Varney said that regarding the ERZ signs the signs for the business park should be part of the TIFs. Ms. Pollard agreed.

Mayor McCarley asked if the Wayfinding project would be part of the branding project. Ms. Pollard agreed, but that getting started on the Wayfinding project could lead into work on branding.

Councilor Varney asked what is involved with the Wayfinding project other than putting up signs. Ms. Pollard said it involves not only where the signs are, what the signs say, research on how the signs direct people through the city, etc.. She mention that it would be an excellent use of the Economic Development Fund.

#### **5.4 Building, Zoning, and Licensing Services**

James Grant, Director, gave a brief overview of what the Building, Zoning, and Licensing Services Department does. He gave numbers on how construction is escalating in the City and how many permits have been issued. He mentioned several building projects that are under construction or have been completed. Additionally, other permits have been issued for pawnbrokers and secondhand dealers, taxi services, amusement services, and many others.

Mr. Grant pointed out the increased work load in the department and is proposing the increased hours of the Secretary 1 position from 34 hours to 40 hours to assist with the workload.

Mr. Grant also discussed other issues, including staff development, travel, software maintenance, and communications.

Mr. Grant pointed out that the Prius vehicles will need battery replacements at some time in the future. This is for consideration in a future budget.

#### **5.5 Planning**

James Campbell, Planning Director, said his operating budget is decreasing, excluding increases in salaries and benefits.

Mr. Campbell said he has budgeted for three laptops: one for himself, one for the Chief Planner, and one for the Planner 1 position. He said that when going to Planning Board meetings and Committee meetings it would be helpful to have laptops rather than bringing piles of papers to the meetings. They would also be helpful in doing site visits, as well.

Mr. Campbell said work on the Transportation Master Plan will need to be outsourced and budgeting for that is a high priority.

#### **5.6 Recreation and Arena**

Chris Bowlen, Recreation and Arena Director, announced that the Greater Rochester Chamber of Commerce will be hosting an expo at the Arena on Thursday from 5:00 to 7:00 PM and invited all to attend.

Mr. Bowlen presented the Recreation budget first. He pointed out some adjustments to full-time salaries. Due to the growth in the programs there are also adjustments needed to part-time salaries.

Mr. Bowlen is proposing more formal and comprehensive training for the lifeguards. It would allow training in the City's swimming pools and get people on track for long-term commitments.

Mr. Bowlen asked for a **Sense of Council** to move forward with the summer programs staff and confirm job offers. The Council agreed to allow the offers to go forward.

City Manager Fitzpatrick asked Mr. Bowlen to comment on increased enrollment in programs. Mr. Bowlen said there has been growth in the programs, as well as an increase in ice use and fees at the Arena.

Councilor Varney asked about the benches that were purchased for the Common. Mr. Bowlen said that there were six tables with benches that were replaced on the Common and to his knowledge they are still in good shape.

Councilor Willis questioned the money being asked for improvements at the Arena that are adding up to about \$2 million. He asked what would be the replacement cost for a new Arena. Mr. Bowlen said this has been looked at, but he has a comparison amount from another community of approximately \$6 million. He said that the current Arena is a 45 year old building, but a firm was hired to do a complete facility analysis and confirmed that the building could potentially function for many more years. He pointed out that there has been a list of improvements that need to be done to the building and they have been gradually checking them off.

## 5.7 Legal Department

City Attorney Terence O'Rourke offered a PowerPoint presentation of the Legal Department's activity and budget. He pointed out that there are basically two parts of the Legal Department: Civil and Criminal.

Attorney O'Rourke said that the Legal Department is saving the City significant money by conducting the tax deed process. The department is assisting the code enforcement process and serving as staff liaison to the Codes and Ordinances Committee.

The department is working with the University of New Hampshire on an internship program. This will give the department interns to work at no cost to the City to help with research and case work.

Attorney Andrea Mitrusi (Prosecutor) and Jenn Matolo (Paralegal) worked on a more efficient filing system that has streamlined the department considerably.

Attorney O'Rourke is proposing a part-time City Prosecutor that will transfer duties from a police officer to an experienced, licensed attorney. This is a budget neutral transfer from one department to another.

## **5.8 City Clerk and Elections**

City Clerk Kelly Walters said that the increase in the part-time salary budget is due to the codification process that will be beginning soon. Additional hours will be needed for this work.

Ms. Walters said the contract for the codification came in under budget. She proposed setting up a new revenue account to handle the project.

Councilor Varney asked why the part-time salary amount has increased. Ms. Walters explained that in 2008 the part-time position in the Clerk's office was cut and the office is still feeling the effects of that cut to this day. She added that due to the heavy election work this year, as well as the codification project, the increase is needed to fund the extra work, as well as losing a valuable employee who is leaving the department. She said that this extra expense will not be needed in coming years, but this year is an exception.

Regarding elections, Ms. Walters explained that the City does not pay to print the ballots for Federal and State elections; however, that amount goes up again for a municipal election.

The coding of the memory cards is quite expensive and that amount has remained in the budget.

Ms. Walters explained that the voting machines (that stopped being produced in 2007) will require an increased maintenance fee of \$25 per ward as it is more difficult to get replacement parts for the machines.

Ms. Walters said that the polling books, should they be approved by legislation, have not as yet been put into the budget. She explained the breakdown of the time needed to input new voters and record election history and how many man hours are required.

Councilor Willis questioned the \$7,000 item in the CIP. Ms. Walters explained that each year another voting machine replacement is put into the system so that when the time comes to replace all of the machines the money will be in place.

## **5.9 Assessing**

Rick Vincent, Assessor, presented the budget for the Assessing Department. He said that the Assessing Department does not have revenue.

Mr. Vincent said the major increases in the budget are for salaries. In addition, there is staff development as the staff is required to keep up on educational opportunities for continued certification.

New computers and monitors for two staff members have been budgeted. Additionally, a software program is being requested to offer the citizens a tool to look up property assessments and greatly reduce the number of tax appeals that the department currently has.

Mr. Vincent is recommending promotion of a staff member to Assistant Assessor. The department is very busy and that staff member is actually performing the duties of Assistant Assessor. He is asking that this staff member be paid for performing those duties.

Councilor Varney asked if this is a new position. Deputy City Manager Cox said this is a position that the department had several years ago and it is a recommendation to put it back. It would not be a new hire, but a reclassification of a current staff member.

Mr. Vincent is also requesting Varidesk equipment for 4 desks. This is a unit that will raise the computer equipment on a desk so the worker can stand to work when desired.

#### **5.10 MIS & Government Channel**

Dennis Schafer, Systems Supervisor, said the MIS budget is actually down this year. He said a large part of this decrease comes from the transferring of the Government Channel employee to the City Manager's department.

Mr. Schafer said that for several years he has been proposing a full time database administrator. This would be a position that would assume a "second in command" for the MIS department. Currently there is the Systems Supervisor and three technicians with no other management level in MIS.

Mr. Schafer discussed the "on call" service for all of the departments in the City. Mr. Fitzpatrick added that Mr. Schafer is in the City departments at all times of the day or week as the "on call" person. He commended Mr. Schafer for his hard work and dedication.

Mr. Fitzpatrick said the City is in the middle of a management resources study of the entire MIS function. For that reason he does not recommend putting the GIS administrator in the budget at this time, as well as the database administrator.

Mr. Schafer spoke on a Chief Information Officer (CIO). Mr. Cox added that the MIS assessment will be provided in his report, but that CIO-level services are not being provided. The MIS department works in a reactive mode with no proactive planning in

place. There needs to be a strategic plan in order to budget for requested resources, both money and staffing.

Mr. Schafer described upgrades that are or will be needed. With the addition of the new Annex project much of the upgrades will need to be addressed. The networking between the City buildings will have to be worked on, as well. At some point, adding on and adding on will have to be replacement instead.

Mr. Schafer said that an upgrade to the telephone system will be needed. The current system was installed when the new Police Station was built and should be functional for many years to come. However, it will still need certain maintenance and upgrades.

### **5.11 Welfare Department**

Todd Marsh, Welfare Department, said that due to the fact that Rochester is growing several issues increase with the growth. People with life issues utilized the Welfare Department on a regular basis.

Mr. Marsh said the Welfare Department's budget has not increased except for the changes in salaries and benefits.

## **6. Other**

Councilor Varney said he received an e-mail from Seth Creighton in the Planning Department in regards to the Conservation Commission concerning wetlands mitigation. He said that there is no direct mitigation in place when a project involving wetlands comes in. The City Manager said he is aware of the situation. Mayor McCarley said it will be looked into.

## **7. Adjournment**

Councilor Torr **MOVED** to **ADJOURN** the Workshop meeting at 9:00 PM. Councilor Lachapelle seconded the motion. The **MOTION CARRIED** by unanimous voice vote.

Respectfully submitted,

Marcia H. Roddy, NHCDCC  
Deputy City Clerk