

**City Council Budget Workshop Meeting
April 26, 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 Varney
Councilor Willis
Mayor McCarley

OTHERS PRESENT

City Manager Daniel Fitzpatrick
Deputy City Manager Blaine Cox
City Attorney Terence O'Rourke
Roland Connors, Deputy Finance Director
Mark Sullivan, Sr. Staff Accountant
Police Chief Michael Allen
Deputy Police Chief Toussaint
Police Commissioner Derek Peters
Fire Chief Norman Sanborn
Deputy Fire Chief Mark Dupuis
School Superintendent Michael Hopkins
Linda Casey, Business Administrator
Sam Oliver, Resident
Gregg DeNobile, Resident

MINUTES

1. Call to Order

Mayor McCarley called the City Council Budget Workshop meeting to order at 7:00 PM. Nancy Carignan, Assistant City Clerk, took a silent roll call. All Councilors were present

2. Public Input

Sam Oliver, resident, addressed the City Council about conflicting comments on over-spending by the School Board. Mr. Oliver reviewed some financial data with the City Council. He explained that the City has some hard decisions to make and he briefly discussed cutting positions. Mr. Oliver thanked the City Council for their time.

Gregg DeNobile, resident, expressed his concerns with spending twenty-seven million dollars and did the School Department really need that amount. He felt that they really need to look into this spending and he referenced that student scores are below standard.

Mayor McCarley closed public input at 7:15 PM.

3. Communications from the Mayor

Mayor McCarley wanted to inform residents who were present and for the public viewing the meeting at home that Marshall's would be having its grand opening on April 28, 2016, at 8:00 in the morning.

4. Communications from the City Manager

Dan Fitzpatrick, City Manager, had nothing to communicate at that time.

5. Budget Presentations:

5.1. School Department

Paul Lynch, School Board Chairman, wanted to address the City Council to thank everyone for working together. He explained that the School Board had been looking at this budget collectively and they want to handle the issues as best they could, being proactive to come to the best possible solutions.

Michael Hopkins, Superintendent of School, handed out an overview of the school budget and he wanted to hit on some of the highlights of the budget, which he reviewed with the City Council.

Mr. Hopkins stated that the original budget was over the tax cap and the new proposed amount \$58,663,463 would reflect a reduction in staff. He reviewed the reductions.

Councilor Lauterborn questioned the supplemental appropriations to the School Department. Mr. Hopkins stated this came out of the fund balance. Councilor Lauterborn asked about this further. Linda Casey, Business Administrator explained that \$700,000 was offset by monies received through Health Trust.

Mr. Hopkins reviewed the CIP budget as it pertained to cash and bonding. He explained that it came in higher than expected and the School Board worked on making reductions.

Mr. Hopkins said that renovations to the Creteau Technology Center are \$24,187,127; however, state funding comes in at around \$17,000,000.

Councilor Lachapelle asked about the one ton pickup that the

department is looking to get. He thought they purchased one last budget season. Ms. Casey said yes, the department did, but they need another one. Councilor Lachapelle wanted to know about the roof repairs to the Gonic School. Mr. Hopkins said that the roof repairs were for the addition to the school, but the addition dates back to 1987. Councilor Lachapelle felt that the roof should have lasted longer.

Councilor Gates mentioned that there was a forty-five percent increase in workers compensation. Mr. Hopkins and Ms. Casey stated that they have had more claims. Councilor Gates commented on the increase in legal fees. Ms. Casey explained that this was an increase of \$5,000 due to negotiations and legal issues. She said that money is there in the event that they need extra funds, but it has been revised as a zero balance.

Councilor Varney asked about the purchase of a loader. Ms. Casey discussed this with Councilor Varney further. She went on to explain some more of the bonding for FY17. Councilor Varney stated that the budget shows \$2,000,000, which is being floated over three years.

The City Council discussed with Mr. Hopkins the anticipated bonding for the Creteau Technology Center. Councilor Varney felt that this was a lot of bonding at one time. He questioned whether the Honeywell project could be done in phases instead of all at once. Mr. Hopkins said the project should only take eighteen months to complete.

Councilor Lauterborn asked about the \$100,000 for new stair treads and risers for the High School. Mr. Hopkins felt that the figure was solid.

Councilor Torr asked if there was a blueprint of the athletic building that was in the CIP budget. Mr. Hopkins said that it was not in the architectural phase yet and the cost is estimated. Councilor Willis asked Mr. Hopkins what the type of building it would be. Mr. Hopkins explained that it would be a music/athletic building to store and protect equipment and that it would consist of a metal exterior.

Councilor Gray discussed the reduction on building aide with Mr. Hopkins and he asked if there were estimates. Ms. Casey added that as projects drop off the revenue is lost.

Councilor Lauterborn wanted to review the special education revenue, where it shows a reduction. Ms. Casey explained the tuition process and said that tuition is actually going up. Mr. Hopkins said that the school is stable for the upcoming year as it pertains to special education.

Councilor Lauterborn asked about \$45,000 in the Superintendents budget under professional services. Mr. Hopkins stated that that was to have an architectural study for School Street School and the William Allen School. He discussed renovations and other large projects that are being looked at.

Councilor Lachapelle asked if they had looked at building a larger school to combine some of the smaller schools. Mr. Hopkins stated it would be very expensive with no State aide. Councilor Lachapelle discussed this further with Mr. Hopkins.

Councilor Varney asked if they were checking into healthcare and labor costs. Mr. Hopkins said that they were looking at those options with the healthcare plans. He went on to mention that they are trying not to cut positions to meet the tax cap. Councilor Varney felt that every year he is seeing an increase. He added that with the increase to the school budget and increase in the City's budget, there will be a large increase put on the taxpayers. Mr. Hopkins stated the School Department is trying to be efficient with the spending.

5.2. Police & Communications Department

Derek Peters, Police Commissioner, asked to address the City Council regarding an issue that will eliminate a sworn officer. He explained that the Charter states that the City cannot do this. Mr. Peters felt that a decision like that should have been addressed with the Police Commission. He said that the City is looking to replace a part-time lieutenant with an attorney. Mr. Peters felt that they should have worked together.

Mr. Peters agreed with the Police Department budget, but he wanted to see that position added back in the budget. He hoped to have better communication in the future.

Michael Allen, Chief of Police, presented his FY17 budget to the City Council with a PowerPoint overview. Chief Allen wanted the City Council to know that his department had been very successful in community policing.

Councilor Varney questioned Chief Allen about the request for replacement of front line vehicles. He was under the impression that the department received four last year. Chief Allen said that the department only received three and he explained that they were looking to replace three due to high mileage. Councilor Lauterborn asked if there was a possibility for the department to start with one and purchase the other two closer to the end of the fiscal year. Chief Allen said that could be possible, but they could incur delays in receiving them because they usually need to be ordered.

Councilor Keans asked if the cameras that are being asked for are in addition to the two that the department received last month. Chief Allen discussed this further. He explained that the budget shows that they are asking for \$60,000, but the quote is closer to \$58,000. They are looking to get the additional cameras in FY17.

Councilor Willis asked about the funds for more cameras and asked if the department was looking into body cameras as well, and would this be overdoing it. Chief Allen explained that body cameras would be integrated with the in-car camera system. Councilor Lauterborn questioned if the body camera would be an alternative to the in-car camera. Chief Allen said that was not the case; the two would complement each other. Councilor Lauterborn felt that \$60,000 was high. Chief Allen said he could check to see if that could be lessened by approximately \$2,000.

Councilor Varney discussed with Chief Allen replacing cruiser radios for the sum of \$20,000. The City Council discussed cutting this amount by half.

Councilor Lauterborn **MOVED** to cut \$2,000 from the \$60,000 projected for the in car cruiser cameras, making in the new dollar amount \$58,000. Councilor Lachapelle seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Councilor Lauterborn **MOVED** to cut \$10,000 from the \$20,000 projected for the replacement of the cruiser radios making the new dollar amount \$10,000. Councilor Lachapelle seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Councilor Varney asked Chief Allen about his target range where he has not asked for funds to upgrade. Chief Allen explained that it is a priority for the department, but he did not want to ask for too much and possibly hold off on some projects until next year.

Chief Allen presented the Operations Budget to the City Council. He explained some of the arrest trends and call situations his department have handled. Chief Allen also reviewed the different types of policing the department incorporates while being proactive in the community.

Councilor Keans asked Chief Allen what he meant by proactive policing. Chief Allen explained that this involves self-initiated policing such as traffic stops and foot beats in the community, as well as outreach programs. Councilor Keans questioned the terminology. Chief Allen explained why traffic stops are proactive. He said certain stops can prevent crime from occurring.

Councilor Keans discussed this further with Chief Allen and he gave her some examples to help clarify his terminology.

Councilor Varney asked if the non-union salaries are included under the salary line on page 105 of the proposed budget. Blaine Cox, Deputy City Manager said they were. Mr. Cox stated that Diane Hoyt, HR Manager, has the information. Councilor Varney wanted the City Council to get that information.

Chief Allen reviewed the Police Department's "Issues and Options" with the City Council.

Councilor Lauterborn asked about the comp time versus overtime and who decides the way it is taken. Chief Allen said the employee decides. He explained comp time is a way to save money where they are taking the time versus the payout. He stated by adding \$20,000 to the budget it would help them to be more accurate because at the end of the year if comp time is accrued and not taken they need to pay it out. The City Council discussed this further as to how they should approach this in the budget and how the department is handling it currently. Chief Allen felt that it is more of an accounting issue. Councilor Keans said that it should be reflected somewhere.

Councilor Gray asked Mr. Cox how the City handles this situation currently. Mr. Cox explained that the \$20,000, would get deducted out of the salary line and moved. He said it was working fine doing it this way. Councilor Gray agreed. Chief Allen cited it was his understanding that it was an accounting issue.

Councilor Keans said that by doing the overtime in this manner they are not getting an accurate measure on the actual overtime. Mayor McCarley stated that the discussion could be continued at another time.

Councilor Gray said that he agreed with Commissioner Peters about the decision regarding the part time Lieutenant as it pertains to the state RSA. Councilor Varney did not agree. He explained the difference in handling an sworn officer verses a civilian attorney.

City Manager Fitzpatrick tried to clarify the topic as it comes to the two political bodies and he has been put in an awkward position to make this decision. He explained that he works on writing a budget, which is confidential until it gets presented to the governing body. He referred to the City Council and stated that the information did get out before it was brought to them.

Councilor Gray stated that he would like the City Attorney's opinion on this subject.

Councilor Lauterborn was in agreement with the Police Department and she felt there should have been more discussions with the legal department. Councilor Lachapelle also agreed. Councilor Keans felt that there were more duties to that position other than attorney duties. She felt the current position has a lot of other responsibilities as it pertains to juvenile issues.

The City Council discussed the situation further. Chief Allen explained that he would send out his PowerPoint presentation to the council members so that they could take their time to review it further.

Councilor Keans said that the general budget for this year looked smaller than last year. Chief Allen cited that the department was turning in approximately \$100,000, and explained that there had been hiring delays.

Councilor Lauterborn asked if they add the Lieutenant position back into the budget would they hold off on the new hires such as the detective he was looking to add to the department. Chief Allen said he would at this time. The City Council discussed this further with Chief Allen.

Councilor Gray asked if the Police Commission would support this decision. Mr. Peters said that the Commission does support that decision.

Chief Allen discussed the budget for Dispatch along with the Issues & Options. He said that the department was looking to get money added to the overtime.

Chief Allen explained that Dispatch is currently fully staffed, but that is not always the case. He said that it takes approximately four months to train a dispatcher and he gave the councilors other examples for the overtime expense.

Councilor Lauterborn asked Mr. Fitzpatrick why he did not approve the overtime in the budget for Dispatch. Mr. Fitzpatrick felt comfortable that the money could be found in other line items.

5.3. Fire Department

Norman Sanborn, Fire Chief, gave a PowerPoint presentation for the FY17 budget. He explained that the department's operating budget is \$27,000 less than last year's budget.

Chief Sanborn went right into his "Issues and Options." Chief Sanborn said that call volume is up and with limited employees the department is making it work, but in some situations they can have three simultaneous calls come in during the same time frame. He gave the City Council some of the statistics. Chief Sanborn and Mark Dupuis, Deputy Fire Chief, explained that Rochester's Fire Department has the lowest per capita in the State and they are the most effective.

Mr. Dupuis explained that a study had been done on a proposed third fire station. Councilor Lachapelle asked if they could get a copy of the study. Mr. Dupuis said that they would need to start looking at hiring new firefighters soon to be able to man another station. He discussed the response times that the department is looking to achieve and that is why the City should start looking into purchasing land in the North Rochester area.

Chief Sanborn gave the City Council four options for adding additional personnel and a possible third station. Chief Sanborn explained that the department was looking to plan ahead for future growth.

Councilor Lauterborn questioned the overtime expenditures, which the department usually exceeds. She asked if by adding another firefighter would this cut down the overtime. Mr. Dupuis explained that the department would still require overtime. Mr. Sanborn gave the council members examples.

Chief Sanborn gave a PowerPoint presentation of the CIP portion of the Fire Department budget.

Chief Sanborn said that the priority for FY17 was to acquire forty-one new portable radios at a cost of \$150,000. The current radios that are being used are ten years old and they are going to run into problems getting replacement parts.

Councilor Lauterborn wanted to clarify the number of radios needed. Mr. Sanborn explained why the department needed that amount. She felt the amount was a lot for one year. There was further discussion on splitting the amount between two fiscal years. It was explained that there could be compatibility issues and it was reiterated getting parts to fix the older radios is difficult.

Chief Sanborn addressed the various fiscal years for buying apparatus and Fire Department vehicles. He mentioned that it currently takes a year to have a fire truck built to specifications. The department will be receiving a new truck in early July, which was ordered last July.

Councilor Keans asked how the end of year was looking for this year. Mr. Sanborn stated not as good as it should and that this was due to overtime and repairs that needed to be made to the rescue truck.

6. Other

There were no other topics to discuss at that time.

7. Adjournment

Councilor Torr **MOVED** to **ADJOURN** the City Council Workshop Meeting at 9:48 PM. Councilor Bogan seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Respectfully submitted,

Nancy Carignan
Assistant City Clerk