



City of Rochester, New Hampshire

Annual Report

Fiscal Year

July 1, 2019 through June 30, 2020

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Introduction

City Council:

Our City Council consists of the Mayor and 12 Councilors. Rochester is divided into 6 wards as equal as practicable population, each having 2 council representatives.

Mission:

Our mission is to provide services which contribute to a sense of community and overall quality of life.

Principles:

As a City Council we will demonstrate our commitment for our city by seeking to adhere to the principles of the City Charter and the General Ordinances of the City of Rochester.

Community:

Our community, including residents, visitors and ratepayers, consists of the following:

- Business and investors
- Local service providers
- Community groups
- State and federal government agencies and other local governments
- Professional organizations including industry

Vision:

The city's commitment to economic development has spurred major growth of manufacturing and high-tech companies, retail, and the ongoing revitalization of the historic downtown district. Rochester continues to diversify, strengthen, and grow as business and industrial expansions attract new residents to the area.

Excellent educational advantages are available to residents. The Richard W. Creteau Regional Technology Center at Spaulding High School trains students for well-paid positions and assures companies in the area of a skilled workforce.

Location:

Rochester, known as the Lilac City, is located in southeastern New Hampshire. It is the largest city in the seacoast region and fourth-largest city in the state. Rochester is conveniently located, serving as a gateway to the Lakes Region, the White Mountains, and the Seacoast.

Environment:

Rochester enjoys many of the conveniences of a prospering city combined with the delights of small-town New England traditions. Family values, strong work ethic, and lasting community spirit sustain the pride among residents and businesses in Rochester.

A wide variety of cultural and recreational activities are offered at the Rochester Public Library, Rochester Historical Society & Museum, Recreation Department & Arena, Rochester Opera House, and Rochester Museum of Fine Arts. There are also multiple public parks and playgrounds, ball fields, tennis and basketball courts, disc golf, hiking and walking trails, public pools, and a kayak and canoe launch on the Cocheco River. Exciting shopping advantages and fine dining are also found throughout the city.

Mayor and City Council

Mayor

Caroline McCarley

Ward 1

Jeremy Hutchinson

Doug Lachance

Ward 2

Elaine Lauterborn (Deputy Mayor)

Palana Belken

Ward 3

Peter Lachapelle

Thomas Abbott

Ward 4

David Walker

Laura Hainey

Ward 5

Christopher Rice

Donald Hamann

Ward 6

Donna Bogan

James P. Gray

City Council Committees

Appointments Review

Donna Bogan, Chair
James Gray, Vice Chair
Jeremy Hutchinson
Thomas Abbott
Laura Hainey

Public Safety Committee:

Donald Hamann, Chair
Peter Lachapelle, Vice Chair
Christopher Rice
Palana Belken
Jeremy Hutchinson

Codes and Ordinances Committee

Peter Lachapelle, Chair
Elaine Lauterborn, Vice Chair
Thomas Abbott
Christopher Rice
Laura Hainey

Public Works and Building Committee

David Walker, Chair
James Gray, Vice Chair
Donald Hamann
Christopher Rice
Doug Lachance

Community Development

Elaine Lauterborn, Chair
Donna Bogan, Vice Chair
Doug Lachance
Palana Belken
Laura Hainey

Finance Committee

Mayor Caroline McCarley, Chair
Elaine Lauterborn, Vice Chair
Donald Hamann
Doug Lachance
Donna Bogan
David Walker
James Gray

Other Elected Boards and Commissions

Police Commission

Derek Peters

David Stevens

Lisa Stanley

School Board

Paul Lynch, Chair

Matthew Beaulieu, Vice Chair

Sarah Harrington

Audrey Stevens

Brian Nicholson

David Camire

Matt Munn

Matthew Pappas

Nathaniel Byrne

Anne Grassie

Karen Stokes

Thom O'Connor

Robert Watson

Appointed Boards and Commissions

Arts & Culture Commission

Matt Wyatt (chair)
Bianca Nicole Mireles
Palana Belken
Kristen Ebbeson
Amy Marie Regan
Katie O'Connor
Jamie Kinsley
Sarah Elizabeth Duclos

Conservation Commission

Michael Dionne (chair)
Kevin Sullivan
Mark Jennings
Barbara Soley
Daniel Nickerson
Meredith Lineweber
Sheila Lulek

Historic District Commission

Molly Meulenbroek
(chair) Marilyn Jones
Peter Bruckner
Nancy Dibble
Martha Wingate
Caroline McCarley
Matthew Winders

Library Trustees

Nicholas Bellows
Steven Maimes
Candy Bailey
Lori-Jean Chick
Pamela Hubbard
Bruce Jolin
Nathaniel Goodspeed

Planning Board

Lionel Sylvain (chair)
A. Terese Dwyer
Robert May
Tim Fontneau
Peter Bruckner
Mark Collopy
Daniel Rines
Mark Sullivan
David Walker
Donald Hamann
Lance Whitehill
Paul Giuliano

Recreation Commission

Joan Cadorette-Strogen
Paul Roberts
Nancy Carignan
Kevin Barry
Trevon Scott
Dale Bickford
Robert W. Brown
Richard Clough
David Colson
Sheila Colson
Doug Lachance

Rochester Economic Development Commission

Jonathan Shapleigh
(chair) Janet Davis
Kristen Ebbeson
Kristen Bournival
Paul Giuliano
Troy Dillow
Mark Hourihane

Whitney Belton
Marsha Miller
Michael Scala (ex-officio)
Caroline McCarley (ex-officio)

Trustees of the Trust Fund

Robert Pallas (chair)
Brett Johnson
A. Raymond Varney

Utility Advisory Board

Shawn Libby (chair)
Ralph Sanders
Joe Boudreau
Eli McCrady Barnes
Brett Johnson

Zoning Board of Adjustment

Lawrence Spector (chair)
Robert Gates
Leo Brodeur
James Hayden
Paul Giuliano
Taylor Poro
Susan Delemus
Terry Garland

Chapter 3
Department Reports

(as submitted)



City of Rochester, New Hampshire

ASSESSING DEPARTMENT

19 Wakefield Street, Rochester, NH 03867
 (603) 332-5109 Assessor@rochesternh.net
www.rochesternh.net

Assessing Department Annual Report

Fiscal Year 2020

Total Taxable Valuation

(Effective date of value, April 1, 2020)

Land Value

Residential	\$435,789,765
Commercial/Industrial	\$194,469,135
Current Use	\$1,097,615
Discretionary Preservation Easements RSA 79-D	\$21,500

Building Value

Residential	\$1,371,472,000
Commercial/Industrial	\$564,221,600
Manufactured Housing	\$171,072,400
Discretionary Preservation Easements RSA 79-D	\$86,500

Public Utilities (Land & Building Value)	\$114,283,400
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Total Taxable Valuation **\$2,852,513,915**

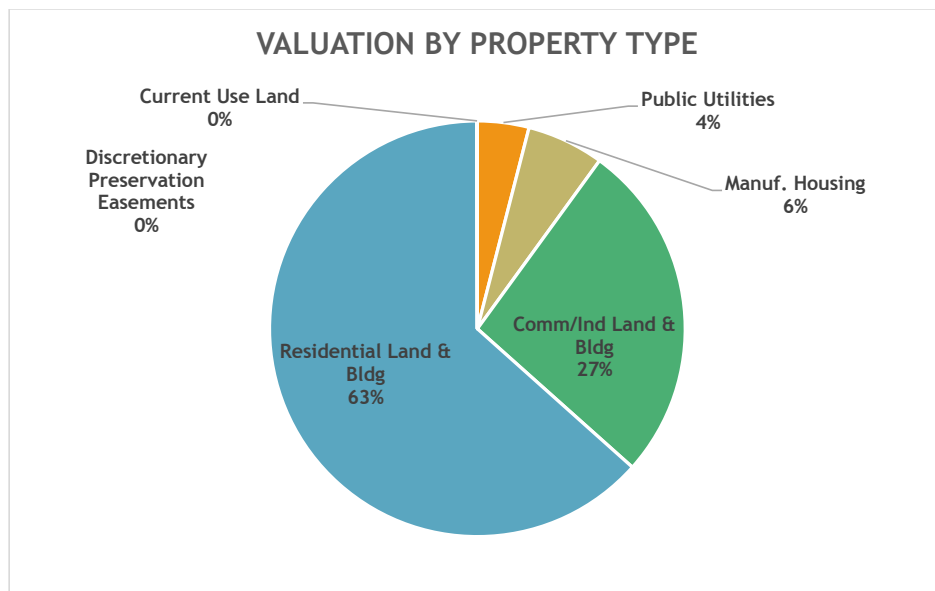
Exemptions

Type	Total Granted	Exempt Valuation
Blind	20	\$1,334,800
Elderly	367	\$27,184,342
Disabled	95	\$5,424,800
Total	482	\$33,943,942



City of Rochester, New Hampshire
ASSESSING DEPARTMENT

Net Taxable Valuation (used to calculate Municipal, County & Local Education tax rate)	\$2,777,583,937
Less Public Utilities Valuation	<u>-\$114,283,400</u>
Net Taxable Valuation (used to calculate State Education Tax Rate)	\$2,663,300,537



Respectfully Submitted by:
Jonathan Rice, Chief Assessor



City of Rochester, New Hampshire

Department of Building, Zoning & Licensing Services

FISCAL YEAR 2020 ANNUAL REPORT

The Department of Building, Zoning and Licensing Services is dedicated to safeguard the public safety, health, and general welfare through affordability, structural integrity, means of egress facilities, sanitation, light and ventilation, energy conservation and safety to fire fighters and emergency responders during emergency situations.

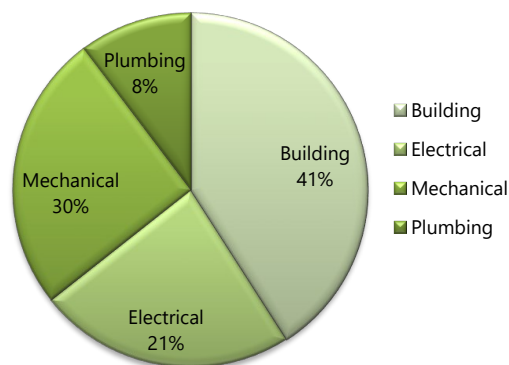
It is our vision, that we will be a leader in public safety, health and general welfare to enhance the quality of life in our jurisdiction.

The duties of the department include the administration of National Codes, the review and issuance of building permits and licenses; additionally enforcing compliance of the Zoning Ordinance and Planning Board approvals.

Building:

Over the course of Fiscal Year 2020 the Building Department has taken in 2,080 permit applications, 2,053 of those applications were issued, and the other 27 were either denied or are still pending. There was a declared construction value of \$77,903,139.07

Permits Issued



New Residential Structures:		New Commercial Structures:
Mobile Homes:	17	New Public Works Facility - 209 Chestnut Hill Rd
Single Family Homes:	41	Warehouse – 53 Allen St
Two Family Homes:	4	Car Dealership – 0 No Main St
Multifamily Homes:	4	Storage Unit Building – 201 Highland St
Total Dwelling Units:	137	

Zoning:

Our Zoning Administrator and Zoning Clerk take in all Zoning applications, including Variances, Special Exceptions, Administrative Appeals and Equitable Waivers. They also attend a public hearing on a monthly basis to provide the Zoning Board of Adjustment the City's interpretation and recommended action on cases being heard as well as take the meeting's minutes.

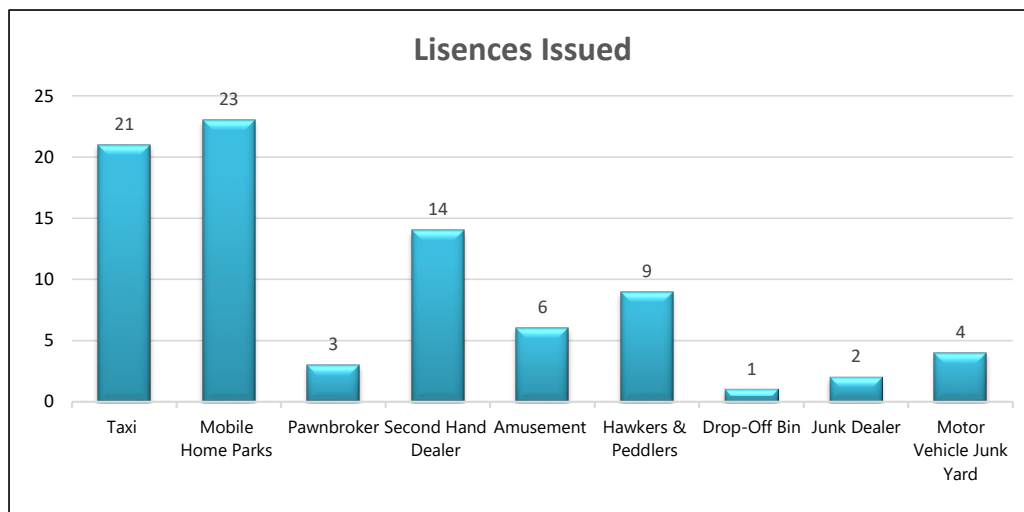
The Zoning Board of Adjustment (ZBA) makes decisions on Variance requests from the Zoning Ordinance. This fiscal year the board heard 20 Zoning cases (some cases were heard multiple times), 7 Motions to Rehear, 14 new cases, 11 Rehearings. Of the 20 cases there were 11 Variances (4 *approved*, 7 *denied*), 8 Special Exceptions (all *approved*), 1 Equitable Waiver (*approved*)

The board is comprised of the following members:

Mr. Larry Spector, Chair
 Mr. Robert Gates, Vice Chair
 Mr. Leo Brodeur, Member
 Mr. James Hayden, Member
 Mr. Paul Giuliano, Alternate
 Mr. Taylor Poro, Alternate
 Mr. Terry Garland, Alternate

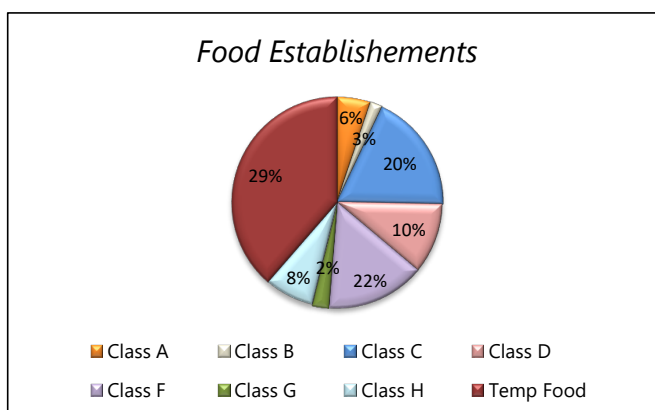
Licensing:

Building, Zoning, and Licensing is also responsible for licensing the City's Mobile Home Parks, Amusement Devices, Taxi Businesses, Taxi Vehicles, Taxi Drivers, Drop-Off Bins, Motor Vehicle Junk Yards, Junk Dealers, Second Hand Dealers, Pawnbrokers, and Hawkers & Peddlers. In total 83 licenses were issued, excluding food establishment licenses. Our Compliance Officer conducts yearly inspections of these licenses. Some are also inspected by the Fire Department.



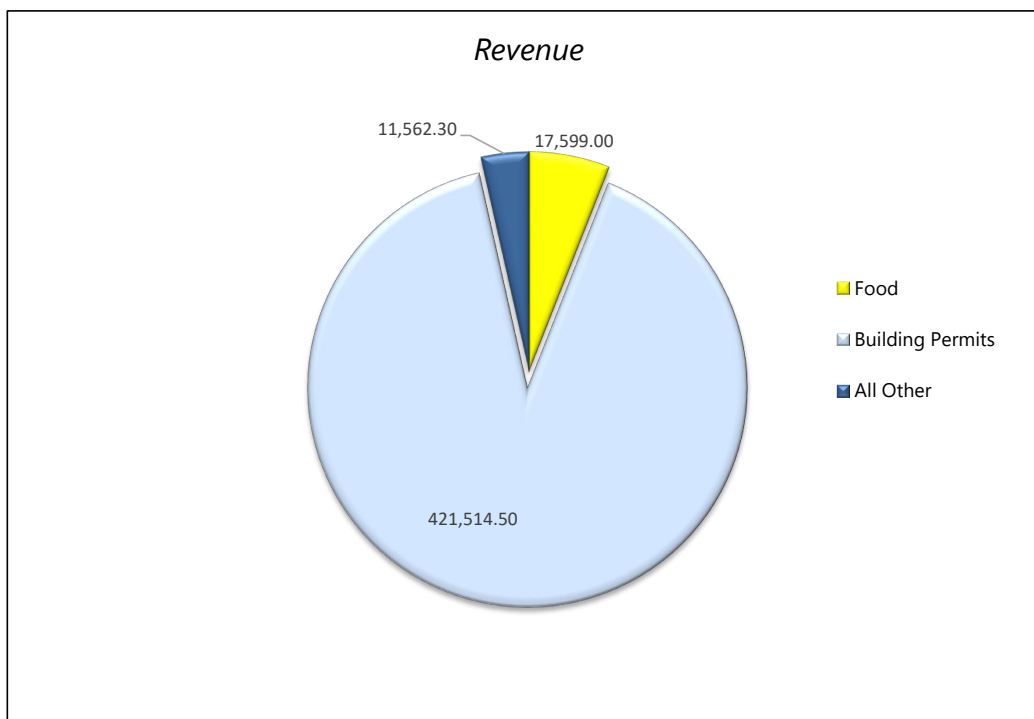
Health:

Our department is responsible for inspecting Food Establishments, Schools, Foster Care Homes, and Day Care Centers. During this Fiscal Year we issued 158 Food licenses including permanent food establishments, temporary food licenses, Rochester Fair and the Rochester Farmers Market. It's our goal to work closely with owners and operators to ensure compliance with state health requirements for the sanitary production and distribution of food.



The Board of Health is comprised of the following members

Dr. Thomas Moon, Regular Member
 Jackie Fitzpatrick, Regular Member
 Toni Mclellan, Regular Member
 Dr. Jocelyn Caple, City Physician/ Regular Member
 Mr. James Grant, Health Officer & Director Building, Zoning and Licensing Svcs

Revenue:

<i>Type of Permit or License</i>	<i>Revenue Collected</i>
Food Licenses	\$17,599.00
Second Hand & Pawn Licenses	\$1,150.00
Hawkers & Peddlers	\$325.00
Amusement Licenses	\$1,880.00
Misc. Fees & Compliance Fines	\$2,005.00
Zoning Applications & Abutters Fees	\$5,322.30
Junk Dealer & Motor Vehicle Junk Yards	\$220.00
Taxi	\$660.00
Building Permits	\$421,514.50
Total:	\$450,675.80

Respectfully Submitted,

James Grant



City of Rochester, New Hampshire
Economic Development Department
33 Wakefield Street, Rochester, NH 03867
(603) 335-7522, www.RochesterEDC.com

ECONOMIC DEVELOPMENT ANNUAL REPORT: July 1, 2019 – June 30, 2020 (FY 20)

The Fiscal Year 2020 continued a deepening engagement in the quality-of-life initiatives and business and retention strategies, along with advancement of major development projects. The COVID 19 pandemic really started to affect the United States in mid-March and continued throughout the Fiscal Year. The pandemic resulted in layoffs, shutdowns, supply chain issues, deaths and other widespread economic disruption.

Revitalization & Downtown Development:

- ❖ The City entered into a development agreement with Chinburg Properties on the redevelopment of the Scenic and Salinger buildings.
- ❖ City Council approved 22 South Main Street's RSA 79E for 11 years. The developer plans on commercial space on the first floor and seven residential units on the second floor.
- ❖ City Council approved 10 South Main Street's RSA 79E for 7 years. The developer plans on commercial on the first floor and 2 residential units on each of the second and third floors.
- ❖ City Council approved 28 North Main Street's RSA 79E for 7 years. The developer plans to add three residential units to the rear of the first floor and the addition of a sprinkler system.



Key Economic Development Initiatives, Programs, Events & Marketing:

- ❖ The City hosted Taylor Caswell, Commissioner of the Department of Business and Economic Affairs for a tour of Rochester. During the tour, the group visited Rokon International, Inc., Albany Engineered Composites, Inc., and Safran Aerospace, took a tour of the downtown and then enjoyed lunch at Revolution. Commissioner Caswell's mission is to revamp, refocus, and reinvigorate NH's commitment to Economic Development.
- ❖ The first Wayfinding signs were installed. Phase 1 encompassed downtown parking lot signs and parking directionals.

Phase 2 planning began and will include a downtown marquee and Welcome to Rochester signs.

- ❖ Rochester Main Street received a \$5000 Waste Management grant. The funds allowed for the arches in Factory Court and the Wyandotte Alley to be repainted.
- ❖ JOB Loan – White Birch Armory paid their balance in full due to a relocation to Dover. The relocation allowed them space to build an indoor shooting range.
- ❖ JOB Loan – Back Hill Brewery closed on a \$30,000 loan that will be used for GAP financing to open a new brewery in the Gonic Mill.



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Economic Development and COVID 19 initiatives:

- ❖ The Fifth season of the Rochester Farmers Market was located in the parking lot of the Community Center due to COVID 19 and safety guidelines and being able to spread out the vendors and reduce touch points of transporting the goods by volunteers.
- ❖ The Department reached out to all of the businesses that currently held a JOB Loan and offered a 6-month forbearance due to the economic impacts of COVID. Four of the seven businesses took advantage of the forbearance and three decided to continue payments as normal.
- ❖ The Economic Development Department initiated a micro loan program for businesses impacted by COVID. The micro loan came out before any of the State of Federal funding programs became available and helped businesses during the initial shutdown and constant uncertainties that COVID created. A total of \$77,500 in micro loans was awarded to sixteen businesses. The loans were later converted to grants with City Council's support and approval.
 - ❖ Economic Development led the initiative to begin temporary outdoor dining. The Governor shut down indoor dining and the TRG worked tirelessly to create and approve applications to allow restaurants to continue serving customers onsite. The group approved 16 outdoor dining application for restaurants on private property and six restaurants on city property within weeks.
- ❖ Staff worked closely with Lydall and the State of NH Business and Economic Affairs on the expansion of Lydall Performance Materials. The business was awarded a \$13.5 million contract with Department of Defense to help increase production of N95 masks. Lydall will be using the contract award to install two new production lines in the Rochester facility.



Staff Development:

- ❖ Mike completed his course requirements that allow him to sit for the Certified Economic Developers Exam.
- ❖ Both Jenn and Mike plan to take the CECD exam within the next year.



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New Businesses & Expansions

❖ Lydall expansion	❖ Transformations Dog	❖ Alpaca and Things
❖ Peppers Landing	❖ Spa	❖ The Laughing Duck
❖ The Makers Bazaar	❖ Smitten Yarn Co.	❖ Metal Heads
❖ CDB American Shaman	❖ Porters Pub	❖ Towne Fair Tire
❖ My Cielo Taqueria	❖ Forged Self Defense	❖ Potters House
❖ Body and Soul Wellness	❖ Back Hill Brewery	❖ Mitchell Hill
	❖ Hair Studio 71	❖ Abi's Place

COMMUNITY DEVELOPMENT DIVISION – FY 2020

The mission of the Community Development Division, housed within the Office of Economic & Community Development, is to work with the community, public service agencies, and private sector partners to improve neighborhoods and assist low to moderate income Rochester residents to improve the quality of these residents' lives and neighborhoods. The responsibilities of the Community Development Division include management of the City's Community Development Block Grant (CDBG) program, which is funded through the U.S. Department of Housing and Urban Development; grant writing and grant reporting for a variety of different City departments; and other duties as assigned.

During the FY 2020 period (July 1, 2019 – June 30, 2020), the Community Development Division drafted and submitted the FY 2021 CDBG Annual Action Plan and FY CDBG 2020 Consolidated Annual Performance and Evaluation Report, as well as other required reports on Section 3 compliance, Davis-Bacon Act compliance, etc. The Community Development Division also successfully submitted the FY 2020-2025 Consolidated Plan, which was approved by HUD. In addition, the City received two tranches of additional CDBG funding through the CARES Act to help respond to the COVID-19 pandemic. The majority of this funding was allocated to regional homeless shelter providers to help provide isolation and quarantine rooms for homeless residents.

CDBG projects during this period included funding for regional homeless shelters, funding for educational and vocational services for lower-income residents, funding for legal services for abused and neglected children, weatherization renovations for lower-income homeowners, river walk canoe and kayak launch, and building improvements for the Rochester Child Care Center, Rochester Opera House, and East Rochester Library.



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Key Accomplishments:

- Continued CDBG support for homeless shelters (Homeless Center for Strafford County, My Friend's Place, and Cross Roads House)
- Quick allocation of CARES Act CDBG funds to benefit vulnerable populations
- Award of Certified Local Government grant for historic district updates project, Victims of Crime Act grant for the victim-witness advocacy program, and BJA Coronavirus Emergency Supplemental Funding Program for Police Department backup dispatch center



REPORT OF THE FIRE DEPARTMENT FISCAL YEAR 2020

ISO Class 3 Community

MISSION STATEMENT

The primary mission of the Rochester Fire Department is to provide a wide range of programs designed to protect and maintain the quality of life within the City of Rochester through Fire Prevention, Fire Suppression and Rescue activities.

MOTTO

Serving the Lilac City with Pride.

ORGANIZATION

The City of Rochester Fire Department is a 47-member organization providing fire, rescue, and public assistance to the Rochester, East Rochester and Gonic sections of this community. The department serves a community with an estimated population of 31,000 residents in a 49.2 square mile area from two fire stations which are covered 24/7.

Our department continues to accept the challenges presented by the complex demands for service although calls for service were down this year because of COVID, COVID presented its own challenges to the fire service. Rochester Firefighters responded to over 2400 incidents in this fiscal year. Our firefighters continue to provide professional and efficient response needed to mitigate emergencies, in a compassionate and supportive manner victims and families involved in these emergencies.

OPERATIONS

Each year offers new challenges for the fire department Fiscal year 2020 was no different. This year the department had two employees leave the department. Captain Mark Avery retired after 27 years of exemplary service and Firefighter Curt Fitton who decided to take his skills to another department. With the departure of these members and the increase in staffing levels the department welcomed five new members; Firefighters Colin Hickman, Ryan Marden, Lilah Cherim, John Powers and James Coon and celebrated promotions; Lieutenant Steve Plante from to Captain and Firefighter Sam Morrill to Lieutenant.

While Rochester Fire responded to a total 2,462 calls, 58 of those calls were to assist mutual aid communities. When providing mutual aid, apparatus will respond to either the scene or the community's station for station coverage and are one of many departments responding. Rochester Fire calls for mutual aid during building fires that

exceed a first alarm. The Rochester Fire Department supplied the following communities with mutual aid; Alton, Somersworth, Strafford, Dover, Barrington, Milton, Farmington, Ossipee, Middleton, Lebanon, Acton, Berwick, North Berwick, and Sanford.

Rochester Fire responded to 119 fire calls with 24 of these being reported building fires:

- July 2, 2019: 206 South Main Street
- July 19, 2019: 15 Cleo Circle
- August 23, 2019: 415 North Main Street
- September 14, 2019: 18 Flat Rock Bridge Road
- October 9, 2019: 101 Washington Street
- October 10, 2019: 631 Portland Street
- November 23, 2019: 8 Laura Drive
- January 18, 2020: 25 Goldrush Lane
- January 27, 2020: 72 Lafayette Street
- February 1, 2020: 169 Milton Road
- February 7, 2020: 5 Fortier Street
- March 9, 2020: 71 Portland Street
- March 11, 2020: 28 Jackson Street
- March 19, 2020: 361 Salmon Falls Road
- March 21, 2020: 184 Washington Street
- April 8, 2020: 8 May Street
- May 14, 2020: 65 Whitehouse Road
- May 15, 2020: 18 South Dewberry Lane
- May 18, 2020: 14 Common Street
- May 21, 2020: 287 Rochester Hill Road
- May 24, 2020: 19 Dewey Street
- June 8, 2020: Gagne Street
- June 14, 2020: 129 North Main Street
- June 19, 2020: 25 Silver Street

The following table shows a breakdown of each call category over the last three fiscal years.

	FY2018	FY2019	FY2020
Fire/Explosion	99	114	119
Overpressure Rupture	4	2	2
Rescue Call	1375	1212	1096
Hazardous Condition	240	217	188
Service Call	458	472	415
Good Intent Call	406	369	298
False Call	326	361	330
Severe Weather/Natural Disaster	19	5	11
Special Type/Complaint	3	5	3
Undetermined	0	0	0
TOTAL RUNS	2930	2757	2462

TRAINING

The mission of the training division is to ensure that RFD provides the highest level of service to its customers, while minimizing risk to its members. We do this by maintaining proficiency in our skills and equipment, constantly learning new and more effective ways to do our job, while maintaining the traditional tactics that we have used effectively for so long. We must perform on a dynamic fire ground, where we are constantly battling time and changing conditions.

The Fire Department is in a constant state of change and improvement. In order to meet the ever-changing needs of the citizen and remain effective, the department purchases new equipment and updates equipment on a regular basis. We work hard to be fiscally responsible which requires in-depth discussion and research to ensure each dollar spent is spent wisely.

FIRE PREVENTION

The Fire Prevention Office is responsible for helping promote fire safety within the City of Rochester. We strive to remain current on all codes, including continual training and researching more efficient ways to keep citizens safe.

EMERGENCY MANAGEMENT

The Rochester Fire Department is charged with running the City's Office of Emergency Management. The Emergency Management Division is the City of Rochester's lead agency for coordination of emergency and disaster response activities. The Division manages the Emergency Operations Center (EOC) with support from local, state and federal partners. The EOC is the central point where the disaster recovery efforts are coordinated. The EOC opened on March 23, 2020 to combat COVID-19 here in the City of Rochester.

COMMUNITY ENGAGEMENT

The Rochester Fire Department continues to remain engaged with the rest of the community by participating in numerous events that either promote safety, awareness or require the department's assistance to ensure a safe event. Due to COVID some of the regularly scheduled events of the year were cancelled.

Rochester Fire Department members also participate in the annual CHaD Battle of the Badges hockey and baseball games.

Respectfully submitted,

Mark E. Klose

Mark E. Klose
Chief of Department

**REPORT OF THE LEGAL DEPARTMENT
2019-2020**

The following is a report of the activities of the City of Rochester Legal Department for the fiscal year beginning July 1, 2019 and ending on June 30, 2020:

As of June 30, 2020, the following actions involving the City of Rochester were/are being litigated in various New Hampshire and Federal Courts:

1. Allan Lewis v. Kyle Danie, Jacob Benjamin, Dwayne Hatch, et al
Strafford County Superior Court Case No. 219-2019-CV-00491
2. Elizabeth Taylor v. City of Rochester
Strafford County Superior Case No. 219-2019-CV-440
7th Circuit – District Division – Rochester Case No 471-2019-LT-191
3. City of Rochester v. Designer Kitchen & Bath
7th Circuit – District Division – Rochester Case No. 471-2018-CV-97 through 104
4. City of Rochester v. Daniel Royer
7th Circuit – District Division – Rochester Case No. 471-2019-CV-116
5. City of Rochester v. Thomas Demchak
7th Circuit – District Division – Rochester Case No. 471-2017-CV-397 through 404
6. City of Rochester v. MJC Seacoast Ventures 24 LLC
7th Circuit – District Division – Rochester Case No. 471-2018-CV-00116
7. Paul Martin v. City of Rochester
NH Supreme Court Case No. 2019-0150
8. Donald Toy & Bonnie Toy v. City of Rochester, et al
Strafford County Superior Case No. 219-2015-CV-00458
9. Weeden d/b/a Amazon Park v. City of Rochester New Hampshire, et al
Strafford County Superior Court Case No. 219-2017-CV-00175
10. City of Rochester v. John & Debra Weeden
Strafford County Superior Court Case No. 219-2017-CV-251
11. Rochester Agricultural & Mechanical Association v. City of Rochester
Strafford County Superior Court Case No. 219-2018-CV-372
12. City of Rochester v. Leander Jolly
Strafford County Superior Case No. 219-2020-CV-00176

13. Greater Seacoast Community Health, et al v. City of Rochester
 Strafford County Superior Court Case No. 219-2019-CV-00070

14. City of Rochester v. Michael and Colleen French
 7th Circuit – District Division – Rochester Case No. 471-2018-CV-85

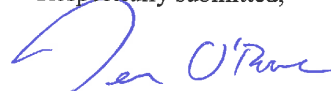
Additionally, the Legal Department was involved in numerous meetings regarding NPDES and the National Prescription Opiate Litigation and helped facilitate closings from Tax Deed auctions, a SELT closing, and mediation regarding Rochester Agricultural Mechanical Association

The Legal Department has continued to provide municipal prosecution services from the Rochester Police Department. The Legal Department prosecutes all non-domestic violence related misdemeanors and violations within the City of Rochester as well as providing case file management services for the Stafford County Attorney's Office in regards to felonies and domestic violence cases. The Legal Department has also continued its litigation services to the Department of Building, Zoning and Licensing Services in regards to its compliance enforcement activities. Additionally, the Legal Department responds to every Right to Know Request that the City receives.

The Legal Department also provided representation to the City in numerous matters before the New Hampshire courts with respect to cases in which the City was a party, as well as before various administrative agencies when necessary. In addition, the City Attorney attended Council meetings, as well as meetings of Council committees and other City boards and commissions upon request. Legal opinions and advice were provided to the City Manager, Mayor, Mayor and City Council, Department Heads, and City Department Divisions. Legal instruments, including deeds, leases, contracts, ordinances, and amendments to ordinances, resolutions and other similar type documents were drafted and reviewed, as required, during the year and representation of the City was provided with regard to the acquisition and disposition of real estate, as well as the negotiation of various disputes and the drafting and review of agreements concerning the City for numerous purposes.

It should be noted that the above listing of cases does not include various bankruptcy proceedings pending in various U.S. District Courts across the United States in which the City of Rochester has filed proofs of claims and/or other pleadings with regard to the City's various interests in such bankruptcy estates, workers compensation proceedings, and various litigation in which the City is, or was, represented by counsel provided through the City's various liability carriers, or counsel retained on an individual case basis.

Respectfully submitted,



Terence M. O'Rourke, City Attorney

REPORT OF THE ROCHESTER PUBLIC LIBRARY 2019-2020

The achievements and successes of FY 2020 are overshadowed by the Covid-19 Pandemic and subsequent nation-wide shutdown. In fact, the shutdown only impacted the last quarter of the fiscal year, and previous to that there were many positives to highlight.

The Library circulated 82,533 items from the physical collection in FY20, and an additional 30,782 digital items. Circulation of physical items increased from the previous year, while circulation of downloadable items increased: a direct result of the shutdown during the last quarter of the year. Adjusting for the weeks the Library was closed due to the shutdown, circulation still averaged a little over 600 items per day. 100,172 visitors came to the library during the fiscal year. Again, when adjusted for the shutdown, the number of visitors is consistent with the previous year's average of a little under 500 per day.

The Library's physical collection contains books, audio books, music CDs, television shows, DVDs, magazines, newspapers, large print books, graphic novels, and the children's library collection. The digital collection offers downloadable and streaming access to audio, video, and print resources, foreign language learning software through Mango Languages, online access to Chilton's Auto Repair manuals, a database of legal forms, and multiple resources for genealogists.

The digital eBook collection continues to grow due to investments in new databases and platforms. The Rochester Library partners with other libraries in the state to provide access to Overdrive, the primary platform for lending digital audio books and eBooks. In FY20 Rochester residents checked out 20,361 titles. Hoopla, another platform for streaming and downloading eBooks, audio books, graphic novels, music, and films, circulated 10,421 titles.

Between July 1, 2019 and March 16, 2020, the Library hosted 293 programs in addition to the summer reading events, with events for adults, children, and teens that brought in over 4,000 participants. The Children's Library ran regular Story Time and Make-It and Take-It craft day events, while programs for adults ranged in topic from a presentation on the "Poor Farms and Town Farms" of New Hampshire, to a Make-It and Take-it using herbs to create self-care products. The Library also offered weekly and monthly programs, such as book groups, knitting clubs, yoga classes, a meditation series, and a Wednesday night film series. AARP's popular tax preparation services at the Library began, but was cut short by the shutdown. The meeting rooms on the top floor hosted 602 groups, not counting the AARP's tax preparation meetings. The Library hosted monthly displays by local artists on the main floor and rotating displays from the Rochester Museum of Fine Arts on the top floor.

During July and August, the Library offered summer reading programs for children, teens, and adults. The theme in the Children's Room was Read on the Wild Side, and featured jungle themed decorations and events. This was also the first year that families were offered the option of an online component, allowing them to log their books from home. 359 children participated in the 7-week program that featured craft programs, performers and a custom-built escape room program designed by Library staff. At the main circulation desk, over 1,000 patrons competed for a chance to win a summer gift basket by reading books and checking out museum passes. In the Young Adult room, 42 teens completed reading logs and trivia sheets for weekly prizes.

From September through November a series of workshops were offered to update the children's art on display in the Children's Room. The completed art was hung just before the shutdown began in March.

In February the Friends of the Library purchased an AWE Learning Center for the Children's Room. These self-contained stations feature educational games that cover the seven main curriculum areas: Reading, Words and Phonics, Math and Problem-Solving, Science and Nature, Social Studies and Geography, Computer Skills, Research, and Music and Art, all of which are presented with one goal in mind – "edutainment".

"Drop-in Tech Help" sessions for anyone needing help using a phone, tablet or laptop began in March. These sessions were offered by the newly created "Emerging Technology Specialist position.

On March 16th the City of Rochester closed the Library due to concerns caused by the Covid-19 Pandemic, and all Library services and programs shifted to virtual offerings. The number of items each individual could download was doubled, due dates on checked out materials were extended indefinitely, fines were suspended, and Library cards updated and issued remotely. Staff created and posted activities and recommendations on social media, as well as offering personalized recommendations based on a short questionnaire available to patrons on the Library website.

In May, staff began working on plans to return to work in the Library; designing a curbside pick-up service as well as organizing safely distanced work stations and work procedures.

In June staff returned to work in the Library and began offering curbside service while maintaining all the virtual programs and services offered during the shutdown. Staff also began planning on-line Summer Reading programs for children, teens, and adults. Children's Room staff began preparing socially distanced outdoor programs for families to be offered in July and August.

Also in June, longtime Library Director Brian Sylvester announced that he would be relocating to an out of state Library. Marie Lejeune, the Children's Room supervisor with 30+ years at the Library was tapped to be Acting Director.

REPORT OF THE PLANNING AND DEVELOPMENT DEPARTMENT

2019 – 2020

OUR MISSION

The mission of the Planning & Development Department is coordinate the physical development and redevelopment of the City of Rochester in order to promote orderly growth, foster efficient use of infrastructure, protect property rights and investment, and maintain property values. In addition, we strive to protect and enhance the environmental/historic/cultural resources, enhance the business climate, and improve and protect the social capital, health, safety, and welfare of its citizens. We do this by facilitating the process of establishing Rochester's long-term and short-term development goals, the implementation of those goals, being proactive and reactive in updating regulations and ordinances, and through an efficient and thorough review process.

Some Highlights

- The COVID-19 pandemic hit on March 17, 2020, shutting down the City offices and requiring people to work from home. There was no interaction with the public until May 2020, when staff began coming back to the office.
- James B. Campbell left his position as the Director of Planning in May 2020 to pursue a Director of Planning position in Charles County, MD.
- Shanna B. Saunders was hired in late August 2020 as the new Director of Planning and Development. Ms. Saunders previously worked in the abutting City of Somersworth.

OUR APPROACH

The Planning Board, Zoning Board of Adjustments, Historic District Commission, Conservation Commission, Arts & Culture Commission, and staff review applications for a variety of projects each year. The staff and the City's Boards and Commissions work with the applicants to find an approach or design that serves the objectives of the particular applicant while also supporting the ordinances and regulations and meeting legitimate concerns of the citizens of Rochester. Most applicants are willing and able to work with city staff, abutters, and concerned citizens in order to get the best project for everyone.

We continue to look for ways to improve the process in order to keep it as efficient as possible, simple as possible, , thorough as possible, and as pleasant as possible for all those involved. We strive to be both proactive and reactive in developing and administering the regulatory processes that apply to development to honor our obligation to protect the interests of the City, its residents, and the applicants.

MAJOR RESPONSIBILITIES

The major responsibilities of the Planning and Development Department include:

- Developing ordinances that allow for commercial & residential growth while providing for the protection of natural, historic and cultural resources
- Overseeing the Zoning Ordinance and any amendments to the Zoning Ordinance
- Reviewing and processing applications for subdivisions and site plan review; including coordination with other City Departments such as Building, Zoning and Licensing Services, Economic Development, Department of Public Works, Police, Fire, and Assessing
- Holding proper surety on approved projects to ensure that projects are built in accordance with City standards, the Notice of Decision, and the approved plan.
- Completing a Master Plan document to serve as the City's roadmap to future development. This may include:
 - Transportation planning
 - Infrastructure planning
 - Economic Development planning
 - Natural Resource planning
 - Recreation planning
 - Historic Resources planning
 - Housing needs planning
- Coordinating the E911 addressing system
- Coordination of, and service to, various Boards and Commissions including, but not limited to, the City Council, Planning Board, Zoning Board of Adjustments, Conservation Commission, Historic District Commission, and Arts & Culture Commission

SITE PLAN AND SUBDIVISION REVIEW HIGHLIGHTS

Below are highlights of some of the projects approved by the Planning Board for Fiscal Year 2020 (July 1, 2019 to June 30, 2020):

TSB Properties, LLC, 124 Milton Road (by Berry Surveying & Engineering) Site plan and conditional use permit to construct six new self-storage units and one commercial unit. Case# 210 – 32 – HC – 19

SL Sweet Properties, LLC, Betts Road (by Berry Surveying & Engineering) Subdivision of one lot into three lots via the Porkchop subdivision standards. Case# 204 – 34 – A – 19

Community LP, 41 Tebbetts Road (by Norway Plains Assoc.) 3-Lot subdivision. Case# 253 – 83 – A – 19

201 Storage, LLC, 201 Highland Street (by Fuss & O'Neill, Inc.) Site plan to replace a 2,800 sf one-story storage structure with a 18,126 sf two-story storage

structure, and remove 600 sf of an existing one-story storage structure. Case# 106 – 3 – NMU – 19

Kenneth & Ingrid Pheonix, 8 Norway Plains Road (by Norway Plains Assoc.) 3-Lot subdivision and Conditional Use Permit. Case # 222 – 63 – R2 – 19

Waste Management of NH, 214 Rochester Neck Road (by Sanborn, Head & Assoc.) Site plan and Conditional Use Permit for expansion of a container storage area. Case# 268 – 2 – A – 19

Nantucket Beadboard, 109 Chestnut Hill Road (by Norway Plains Assoc.) Site plan to construct two 10,000 s.f. manufacturing & materials storage buildings in phases. Case# 222 – 16 – I – 19

400 North Main Street, LLC, 400 North Main Street (by TF Moran, Inc.) Site plan for vehicle sales, and service station. Case# 114 – 2 – HC – 19

Dianne Libby & Timothy Zielfeder, 278 Old Dover Road (by Norway Plains Assoc.) 2-Lot subdivision. Case# 256 – 38 – A – 19

Index Packaging, Inc., 91 Innovation Drive (by Berry Surveying & Engineering) 2-Lot subdivision. Case # 242 – 5 – I – 19

Glenn David's Integrity Auto, Inc., 415 North Main Street (by Berry Surveying & Engineering) Site plan to expand vehicle sales and service. Case# 114 – 4&5 – HC – 19

Donald & Bonnie Toy, 418 Old Dover Road (by Berry Surveying & Engineering) 14-unit expansion of mobile home park. Case# 256 – 54-1 – A – 19

Thomas & Diane Aubert, 828 Portland Street (by Berry Surveying & Engineering) 2-Lot subdivision. Case # 108 – 53 – R1 – 19

Index Packaging, Inc., 91 Innovation Drive (by Berry Surveying & Engineering) Site plan and Conditional Use Permit to construct a 130,933 s.f. light industrial building and an 85,750 s.f. warehouse. Case# 242 – 5 – I – 19

NB & C for Eco-Site/T-Mobile, 144 Meaderboro Road (by NB & C) Site plan and Conditional Use Permit to construct a telecommunication facility. Case # 232 – 16-3 – A – 19

Susan Delisle, 75 Jonathan Avenue (by Norway Plains Assoc.) 2-Lot subdivision. Case# 262 – 43 – A – 20

City of Rochester, 145 Airport Drive Site plan to construct a 24,000 s.f. manufacturing facility. Case# 243 – 34 – I – 20

Morgan & Kimberlyn Edgerly, 142 Tebbetts Road (by Norway Plains Assoc.)
6-Lot subdivision. Case# 244 – 5 – A – 20

Jeff & Ann Trueworthy, 110 Hansonville Road (by Norway Plains Assoc.) 2-
Lot subdivision. Case# 259 – 61 – A – 20

Jaeger USA, Inc. – Textile Tapes Corporation, 104 Pickering Road (by
Norway Plains Assoc.) Site plan to construct a 782 s.f. building addition for
storage. Case# 141 – 29 – I – 20

Robert & Denise Higgins, 28 Western Avenue (by Norway Plains Assoc.) 2-
Lot subdivision. Case# 120 – 185 – R1 – 20

John & Elizabeth Neer, 104 Chesley Hill Road (Berry Surveying &
Engineering) 3-Lot subdivision. Case# 246 – 25 – R1 – 20

Golden Oaks Development, LLC, Freedom Drive (by Norway Plains Assoc.)
17-Lot subdivision and Conditional Use Permit.
Case# 110 – 10, 10-2 thru 10-18 – R1 – 20

Cornerstone VNA, 178 Farmington Road (by Norway Plains Assoc.) Site plan
and Conditional Use Permit to construct a 4,394 s.f. building addition.
Case# 208 – 9 – GRD – 20

City of Rochester, 294 & 296 Rochester Hill Road (by Norway Plains Assoc.)
3-Lot subdivision. Case # 255 – 18,19&21 – I – 20

Intec Automotive, Inc., Ten Rod Road (by Attar Engineering) Site plan and
Conditional Use Permit to construct a 25,000 s.f. manufacturing building with an
additional 5,000 s.f. for office space. Case # 221 – 1 – I – 20

Chinburg Properties, 10 & 14 North Main Street (by Allen & Major Assoc.) Site
plan and Conditional Use Permit for 51 residential units with 2,300 s.f. of
commercial space. Case # 121 – 10 & 120 – 361 – DTC – 20

Lydall, Inc., 134 Chestnut Hill Road (by Norway Plains Assoc.) Site plan to
construct a 148,850 s.f. manufacturing building addition with associated parking,
loading area and driveway construction. Case# 216&221 – 32, 186, 187 – I – 20

Northern Utilities, Inc., 770 Columbus Avenue (by Process Pipeline Services)
Site plan to construct a new 35' x 80' natural gas regulator station. Case# 137 –
3 – NMU – 20

PLANNING BOARD ACTIVITY

The Department and Planning Board acted upon the following projects and applications.

Planning Board applications (FY19)

	Total	Approved	Denied	Total Lots	Withdrawn	Continued to next FY
Subdivisions	16	14	0	64	0	2
Lot Line Revisions	1	1	0	0	0	0
Site Plans	16	15	0	0	0	1
Extensions	12	12	0	0	0	0
Amendments	5	5	0	0	0	0
Modifications	6	6	0	0	0	0
Impact Fees Waiver Requests	3	3	0	0	0	0
TOTAL	59	56	0	64	0	3
	Total	Allowed without further review		Sent to PB	Withdrawn	Continued
Minor Site Plan	4	4		0	0	0
Special Downtown	1	1		0	0	0
Day Care	0	0		0	0	0
Home Occupation	6	6		0	0	0
TOTAL	11	11		0	0	0

OTHER PLANNING BOARD ACTIVITY

In addition to the applications listed above, the Planning Board also reviewed and approved several extension requests for previously approved projects and also reviewed the monthly surety and inspections reports. The Board also discussed amendments to the Zoning Ordinance that are listed below and forwarded their recommendations to the City Council. The Board also held their annual retreat in January and discussed the following: an overview of what the Fire Department and Police Department look for when reviewing applications, an update was given from the Economic Development Department, discussed the need for the Planning Board Secretary Officer position, a brief discussion and vote to not support House Bill 1629, and an adoption of Rules of Conduct. In addition, the Board held elections for officers, were given a recap of what they accomplished in the previous year and looked ahead to plans for the next year, including bringing Zoning back to the Planning Department, as it currently is being run by Building & Licensing. Lastly, the Board held discussions on the Downtown Chapter of the Master Plan, Land Use/Vision Chapter of the Master Plan, and the future waiver requests for Impact Fees.

CHAPTER 275 AMENDMENTS

As mentioned above, there were several amendments made to the Zoning Ordinance, Chapter 275 and they are as follows:

- Amended the Downtown Commercial first floor requirement to allow the first 30 feet of the first floor to be commercial and the remaining to be residential.

PLANNING DEPARTMENT ACTIVITIES

The Department reviewed and approved four (4) minor site plans, reviewed and approved three (3) special downtown reviews, reviewed and approved nine (9) home occupations.

MASTER PLAN

To date, the City has seven adopted master plan chapters:

- 1) Land Use, adopted 2001
- 2) Transportation, adopted 2001
- 3) Downtown, adopted 2003
- 4) Economic Development, adopted 2006
- 5) Natural Resources, adopted 2009
- 6) Cultural Resources, adopted 2010
- 7) Recreation, adopted 2011

The City may adopt additional chapters in the future that could include:

- Energy and sustainability
- Public facilities
- Natural Hazards
- Utilities and public services
- Regional concerns
- Housing and community development

The City is in the process of updating the Land Use/Vision Chapter of the Master Plan and the Downtown Master Plan. There is a lot of work that needs to be done and we are looking forward to working with the Citizens of Rochester in implementing the Master Plan Chapters.

Arts & Culture Commission

The Arts and Culture Commission members include: Matt Wyatt (Chair), Liz Tonkins-Agea (Vice Chair), Elaine Lauterborn, Amy Regan, Katie O'Connor (Poet Laureate), Bianca Mireles, and Tim Murray.

WEBSITE

The Arts and Culture Commission also continued to update the website <http://rochesternharts.weebly.com/>. The website includes: homepage, events, Rochester Arts Awards, and Poet Laureate application. Arts and Culture Inventory – The Commission finished a database inventorying all of the wonderful things Rochester has. The website is very helpful for citizens to find out information and for the Commission to use as well. The City of Rochester also updated the website page of the Commission.

Rochester Arts Awards

Community members packed the Governor's Inn August 12, 2019 to celebrate the Rochester Arts Awards hosted by Rochester Arts and Culture Commission, Poet Laureate Katie O'Connor read her poetry that was inspired by a building in Rochester once known as the shoe factories. Katie O'Connor also put together a wall of poems. The following businesses and individuals were honored for their efforts; Rochester Rotary for their contribution to the event and the City of Rochester's Economic Development department for helping put together the event, and Riverstone's Custom Framing & Art Gallery for framing the awards. The following Rochester businesses were given awards for their work done in the Arts & Culture; Rochester Opera House for the production of "Mama Mia", Rochester Main Street for the Sculpture Walk, for Excellence in the Arts Granite State Choral Society "Rochester: Your Town, Your Story, Your Song", for Excellence in Arts Rochester Performance of the Arts Center for Porch Fest, Spaulding High School for the Art Fest, for Excellence in the Arts the Rochester Recreational Department – Summer Concert Series, for Encouraging and Supporting the Arts & Culture Commission the Rochester Museum of Fine Arts, Troy Dillow from Bernier Insurance for Supporting the Arts, the productions of "Arabian Nights" by The Homeschool Theatre Guild, and to the Rochester Economic Development Department, Jenn Murphy-Aubin, for the Sculpture Walk.

"It's a great honor for the City of Rochester's Arts & Culture Commission to recognize the artists and cultural organizations that are bringing spectacular performances, artwork and services to the community. The annual Arts Awards is a great celebration of the wonderful honorees," Arts and Culture Commission Chair Matt Wyatt said. This year's awards were designed, constructed, and crafted by Riverstone Custom Framing & Art Gallery. Special thanks to Economic Development

Staff Jennifer Murphy-Aubin for arranging the catering for the event. Here is a link to the video of the event [2019 Arts Awards \(viebit.com\)](https://www.viebit.com)

Historic District Commission

The Historic District Commission reviewed 18 applications from July 2019 until June 2020. The amount of projects going to the Historic District Commission increased by 9 projects. The goal of the Rochester Historic District Commission is to foster the preservation of structures and places of historic, architectural, and community value. Through preservation efforts the Commission hopes to enhance the City's sense of pride in downtown Rochester; increase property values; and maintain the attractiveness of Rochester for homeowners, homebuyers, businesses, and tourists.

Historic District Commission members include: Molly Meulenbroek, (Chair) Martha Wingate, (V. Chair), Peter Bruckner, Nancy Dibble, Marilyn Jones, and Sandra Keans (Council Rep.), Joyce Bruckner (Planning Board Rep.).

Historic District Commission Application for Certificate of Approval July 2019-June 2020				
Applicant	Address	Proposed Activity	Status	Approval Date
Dawn & Ray McGill	86 Wakefield Street	Exterior Paint		7/10/19
Make Rochester Great	76 North Main Street	Mural Design		7/10/19
Pavan Reddy	74 South Main Street	Building addition to an existing structure		8/14/19
Troy Dillow	32 Wakefield Street	Mural Design		8/14/19
Granite State Investments	45 Hanson Street	Rehabilitation of an existing building		8/14/19
Statura	103 North Main Street	Exterior Renovation		9/11/19
Piazzzi	107 North Main Street	Exterior Renovation		9/11/19
73 North Main, LLC	73-77 North Main Street	Window Replacement		9/11/19

First Seacoast Bank	17 Wakefield Street	Exterior Paint		10/9/19
Fallen Leaf Bistro	42-44 North Main Street	Exterior Paint		10/9/19
Profile Bank Loan Center	45 Wakefield Street	Repair and Replace trim and roof	Complete	11/13/19
Profile Bank	57 Wakefield Street	Repair and replace trim and windows	Complete	11/13/19
Mitchell Hill BBQ Grill and Brew	50 North Main Street	Awning	Complete	11/13/19
Citizens Bank	90 North Main Street	Addition	Complete	11/13/19
	10 South Main Street			
	69 Wakefield Street	Demolition and Addition		2/12/20
	45 Hanson Street	Demolition		4/15/20
Chinburg	10-12 No Main Street	Demolition or rear and rehab of existing Scenic & Salinger facades. Four story addition to back of building	In progress	5/12/20

The HDC also reviewed applications for the Sign and Façade program. The HDC approved the following applications:

- Joanne Piazza-presented her projecting sign with a hoop with the business names Stitch's in the middle and the proposed paint color.
 - Jenni Olsen Freedom Beauty presented the projecting and wall sign done by Renaissance Sign Company. The HDC just is requiring that the wall sign fit the entire area on the wall even if that requires more funds. Mr. Long needs to review the lease agreement before proceeding.
 - Riverstone Custom Framing Kris Ebbeson presented the façade changes paint the façade trim and door, add solar lights for one sign, and three wall signs. Mrs. Ebbeson is proposing to paint the Historic New England color Indigo or Biloxi Blue for the door and Pale Organza for the trim.
- Community Development Block Grant funds will be used for these projects.

Conservation Commission

The Rochester Conservation Commission accomplished the following between July 2019 and June 2020:

- Volunteer River Assessment Program on the Cocheco River. A commission member established two monitoring locations and has been processing water quality samples.
- Commission members attended natural resource-based training workshops.
- Reviewed ten “Intent to Cut” applications.
- Reviewed one “Intent to Excavate” applications.
- Reviewed ten “NH Dept. of Environmental Services (DES) Wetlands Dredge and Fill” applications.
- Reviewed eight “Conservation Overlay District” applications, that were also Planning Board applications that included proposed wetland and/or wetland buffer impacts. Several of these proposed developments were walked by the Commission.
- Responded to complaints regarding potential wetland violations.
- Communicated with property owners and land trust organizations that were interested in conserving land in Rochester. The extensive review processes included meeting with the landowner(s), completing Land Acquisition Criteria Evaluations (LACE), investigating funding options, conducting due diligence, etc....
- Continued collaborating with the Technical Review Group and Planning Board on application reviews.
- Met with developers and landowners in nonbinding sessions to provide direction prior to formal submission.
- Participated in monitoring of conservation easements.
- Jointly partnered with NH Fish & Game and Spaulding High School.
- Reinitiated weekly water quality monitoring of the Cocheco River via the NH DES Volunteer River Assessment Program.
- Partnered with Hope Farm to till the community gardens on Franklin Street.

REPORT OF THE POLICE DEPARTMENT 2019-2020

Overview

Rochester consists of an approximate area of 46 square miles, with an estimated population of 30,000. Although separate in their job functions, all of the members of the Police Department work together to produce a high level of service to the citizens. Our staff consists of sworn officers and a civilian support staff.

Our Communications Center operates with enhanced 911 and is staffed 24 hours per day, by specially trained personnel. This combined center dispatches calls for service for police, fire and Frisbie Hospital ambulance.

A three-member Police Commission Board elected by the citizens serves the City. Representing the citizens were Commissioner Derek Peters, Commissioner David Stevens, and Commissioner Lisa Stanley.

MISSION STATEMENT

The prime mission of the Rochester Police Department is the protection of life and property. This is accomplished through fair and equal enforcement, always keeping in mind the rights and dignity of the public.

The basis of all police action is the law and the credibility of the agency. The measure of our service will be judged by the public in the way we deliver our service. We will hold all personnel to a high level of ethical practices.

This mission can be achieved through crime prevention, public relations, and community policing.

VISION STATEMENT

To reduce crime and improve the quality of life, through continuous community engagement.

VALUE STATEMENT

Dedication - To serving the public to the best of our abilities
Pride - In ourselves, department, and community
Integrity - Always doing the right thing, even when no one is looking

Major Service Responsibilities

- to protect life and property through an effective partnership with the public and to address the needs and concerns of citizen customers.

- The Operation of a uniformed patrol force responsible for routine investigations and the general maintenance of law and order.
- The Operation of an Investigations Bureau divided into specialty sections investigating crimes and disorder against persons and property, vice or street crimes, domestic violence, prosecution, motor vehicle offenses, problem oriented policing and maintenance of evidence.
- The prevention and control of juvenile delinquency through a juvenile officer, prosecutor, court diversion coordinator, School Resource Officers, affiliation with Bridging the Gaps Coalition and coordination of community agencies interested in crime prevention.
- The Operation of a centralized communications center within the PD staffed 24 hours per day specializing in dispatching calls for service for Police, Fire and EMS.

Personnel

The following personnel were hired to fill vacancies during this reporting period: Officer Carl Root, Officer Keven Miller, Officer Patrick Flathers, Officer Jonathan Marshall, Officer Brendan Colson, Officer Nicole Knox, Officer Matthew Kimball, Communications Supervisor Devine, Specialist Kochanowicz, Specialist Stevens, and Crime Analyst Stephen Kerlee

The following personnel left employment during this reporting period: Det. Geoffrey Moore, Officer Craig Forrest, Officer Michael Lambert, Officer Ian Watt, Crime Analyst Alexandra Freeman, Evidence Technician Stephen Kerlee, Specialist Richmond Gibbs, Specialist Jennifer Holman, Per Diem Specialists Kayla McVay and Candace White.

Service Recognition:

Commendation Medal for Bravery: Officer Thomas Seager

NH Congressional Law Enforcement Award; Above and Beyond the Call of Duty: Det. Geoffrey Moore and Officer Michael Lambert.

Chief Theodore Blair Memorial Award: Det. Jacob Garstin

Commendation Bar for Lifesaving: Officer Hattie Johnson, Sgt. Marc Cilley, Officer James Murphy, Officer Timothy Costin and civilian nurse Erin Lindsey

Distinguished Unit Action: Sgt. Marc Cilley, Off. Aaron Garneau, Off. Timothy Costin, Off. Cory Krochmal, Spec. Ellen Spicer

Employees of the Year 2019: Support: Crime Analyst Stephen Kerlee, Police Officer: Sgt. Cory Krochmal.

20 Years of Service: Sgt. Patrick Emerson

Employee of the Month: Lt. Jeremy Aucoin

Staff recognitions from general public or Department during the year: Off. Thomas Butcher, Off. Alex Turgeon, Off. Jason Plumb, Off. Brandon Kimbrough, Off. Jacob Garstin, Off. Jonathan Labosier, Off. William Robinson, Off. Joseph Oswalt, Off. Michael Brinkman, Off. Aaron Garneau, Off. Elizabeth Turner, Off. Jeremy Riddle, Off. Carl Root, Off. Douglas Crawford, Off. John Gantert, Det. Matthew Flathers, Det. Joseph Rousseau, Det. Justin Livingstone, Off. Cory Krochmal, Off. James Murphy, Off. Adam Govoni, Det. Geoff Moore, Off. Spencer Williams-Hurley, Off. Hattie Johnson, Off. Kyle Danie, Capt. Todd Pinkham, Lt. Anthony Bossi, Lt. Jeremy Aucoin, Lt. Andrew Swanberry, Sgt. Randy Smith, Sgt. Michael Miehle, Sgt. Thomas Powers, Sgt. Eric Babine, Sgt. Patrick Emerson. Specialists Sarah Bailey, Kate Drew, Tiffany Pearce, Louise Ferrari, Michelle Bowley, Jolene Colwell and Madeline Brinkman. In addition, the Communications Center celebrated National Tele-communicator Week and spotlighted each Specialist with a profile out on social media and within the Police and Fire Departments. There was a lot of positive feedback and was well received by the staff to know how much they are appreciated.

Commentary

Our community policing philosophy is accomplished by community engagement through the different programs implemented, which are designed to build partnerships that strengthen relationships and build trust within the community. Outreach programs include:

- Rochester United Neighborhoods
- Community Engagement Officer
- Problem Oriented Policing
- Crisis Intervention
- Citizens Police Academy
- L.E.A.D. Program
- Explorers
- School Resource Officers
- Housing Officers
- Project Good Morning
- Teen Night/Teen Travel Camp
- National Night Out
- Social Media
- Diversion

We are continuing in this year on rebuilding staffing, with funding authorized by the City Council for two new police positions. We are refining the Problem Oriented Policing Unit by gathering information from other agencies utilizing this approach.

The drug crisis has not abated and we continue to offer resources to those affected. We have seen a shift to methamphetamines over other opiates.

We continue to offer resources to individuals who have found themselves homeless for various reasons.

This has been an unprecedented year with issues affecting the nation and the world.

There has been a large focus on policing in America and a national call for social change. In any policing agency this starts with the hiring process. Applicants must be screened through a stringent background process that includes a review of employers, neighbors, social media, a psychological test and a polygraph. Each section of this background talks about bias based upon race, religion, orientation or any of the protected classes. Once hired personnel are indoctrinated into our culture, which deals heavily with community policing, and heavily with fair and equal enforcement. The oath of office requires one to swear to uphold the principles of the Constitution and the law of the State of New Hampshire. A lot of time is spent vetting candidates and watching them through a field-training program, indoctrinating them to all policies.

Every NH Police Officer gets the same training in the academy on ethics, constitutional law, fair and equal enforcement for all people. And we continue that process with their ongoing training on ethics and bias. We deal a lot with mental health and people with disabilities so we emphasize this over and over again.

One of the biggest areas you will see focused on currently in the country is the use of force. Rochester has extensive use of force policies and a very rigorous use of force program. In every policy is that the use of force has to be reasonable and necessary to accomplish a legally justified goal. All force has to cease as soon as the resistance stops. Every use of force is reviewed on multiple levels. This is tracked all year long with a year-end report compiled. It is difficult to see all of law enforcement painted with a broad brush for the actions of a few. People are justifiably angry with situations that are going on. We look to counter that by having strong community relations and a community-policing philosophy.

The COVID 19 pandemic affecting the world has caused us to review how we do business throughout city government operations. The police department pushed to have commanders working from home because when this [pandemic] first started the predictions for how this would affect agencies was dire. We approached this with a "next man up" philosophy in place so that operations could continue.

In collaborations with city leadership we opened the emergency operations center full time and began to limit the amount of exposure for officers and first responders. These responders obviously have direct contact with many people daily. We worked with the EOC to ensure adequate personal protective equipment, including eye protection, masks, gloves and ponchos to put over the uniform in the event of a CPR situation.

The sense of normalcy is going to be different than it was. We want to be seen in public, but not face to face if we do not have to. We had spoken in the past about the on line reporting software that was rolled out earlier than anticipated so that people do not have to wait for an officer. The report is submitted and reviewed. It is assigned if it needs further investigation. We will still maintain distancing measures in our lobby. Those that do not need to be seen face to face we are talking to on the phone. It is for their protection as well as ours.

The social distancing is going to be the new norm moving forward in how we do things.

We have learned a lot about social distancing and technology and holding meetings remotely to minimize exposure. While needing to get back to a normal state, activity is being limited because the courts are at a standstill. Every arrest creates a backlog with the court.

We have adapted in ways we never thought we would have to.

With all of this I am proud of the accomplishments of the men and women of our department. The Department continues to build stronger relationships to enhance the level of trust between the police and the community and improving the quality of life. The support of our citizens is paramount to our success.

Respectfully Submitted,

Chief Paul R. Toussaint

Rochester Recreation & Arena FY20 Annual Department Report

Year at a Glance

The 2020 fiscal year began as a traditional programming year for Rochester Recreation & Arena, but was quickly re-defined in March of 2020 as the COVID-19 pandemic spread across the world. Prior to a significant shift in operations due to the pandemic, the department hosted events and programs consistent with that of the previous fiscal year. Seasonal events included Halloween Harvest at the Common, Concert on the Common, Night Before the 4th Fireworks, Skate With Santa and the Rochester Chamber of Commerce Expo. Program numbers were on trend to mirror those of FY19, but the interruption of COVID-19 resulted in a temporary pause and limitation to in person programming, resulting in a 10,000 in



person participation decrease for FY20. Despite these unanticipated challenges, with creativity, strategy and research the department was able to maintain its mission of providing programs, services and facilities that promote a healthy lifestyle and foster meaningful community connections.



Programs & Events

The annual Halloween celebration took place at the Rochester Common. Over 150 people attended, many in costume! Buildings and Grounds loaned their tractor for the day so there were many hay filled rides around the park. Traditional activities ranged from donut eating contests, costume parade and a magician. The recreation department collaborated with Community Center neighbors at the Bud Carlson Academy to coordinate a weekly program called "Collaborative Art". During this hour-long session, BCA students organized crafts and activities for the adult clients at Community Partners and their functional support staff members.

The Dave Ancil Cup was introduced in 2020 at the Spaulding- Dover High School hockey game on February 29 to honor long time Rec & Arena Commission member Dave Ancil. Dave volunteered as a rink advocate and commission member for 30 years. This annual game which will be a tradition at the Spaulding versus Dover hockey games played at the Rochester Arena for future generations to come.

Prior to the pandemic spreading in March of 2020, a new category of programs was created called "Pop Up! Programs" where we train customers to check our website and social media accounts for open gyms and public skates during non-regular times. Using the power of social media to inform customers quickly of these Pop Up! Programs allows us to fill empty facility user slots that may arise and helps us cater to the unique needs of our community like teacher workshop days and early releases.



Facilities

Recreation staff continued to enhance the environment at the Rochester Community Center. Additional seating was placed in the main entry area and facility rules were created and posted throughout the building. Community Coffee, the monthly meeting of Community Center tenants, continued to be well attended, including frequent Representatives from Bud Carlson Academy, RPD, SOS, Rec, Family Justice Center, Senior Center, Share Fund, Community Development and Strafford Regional Planning Commission were some of the frequent attendees of these networking and resource sharing meetings. The Rochester Museum of Fine Arts completed installation of an eight-foot metal art structure, *Katydid*, by artist Nathan Walker, in front of the Community Center. This public art greets customers from the moment they pull into the parking lot!



The Rochester Arena parking lot project was completed in November 2019. Not only were the renovations aesthetically pleasing, but the final product has greatly increased staff and patron safety. The parking lot no longer has the large divots that collect water and ice, and the space is clearly labeled with directional arrows and parking space lines.

The Start of the COVID-19 Pandemic

Department operations abruptly paused starting on March 16 of 2020 due to the COVID-19 pandemic. The department quickly pivoted day to day operations, with a mix of team members working completely remote and others stepping outside their normal responsibilities to assist the City's Emergency Operations Center. City playgrounds were closed at the start of the pandemic and re-opened to the public in late June. Recreation & Arena remained active in the NHRPA (New Hampshire Recreation & Parks Association) to mirror the best practices of neighboring communities. Recreation staff created and posted signage at these facilities with the guidance of Primex. Updated signage encouraged patrons to practice social distancing, avoid large crowds and notifies them that equipment is not sanitized and to use at their own risk. Recreation team members visited outdoor facilities daily to share information with patrons and replace signage as necessary. With traditional recreation programming focusing on in-person events, the team quickly shifted normal program operations to offer a variety of online engagement opportunities during the spring and early summer months. Online initiatives included weekly videos of staff participating in various activities, crafts, exercises and visits to local green spaces. "Bathroom Karaoke" was an especially popular weekly segment, as well as weekly fitness videos from our yoga and senior fitness instructors.



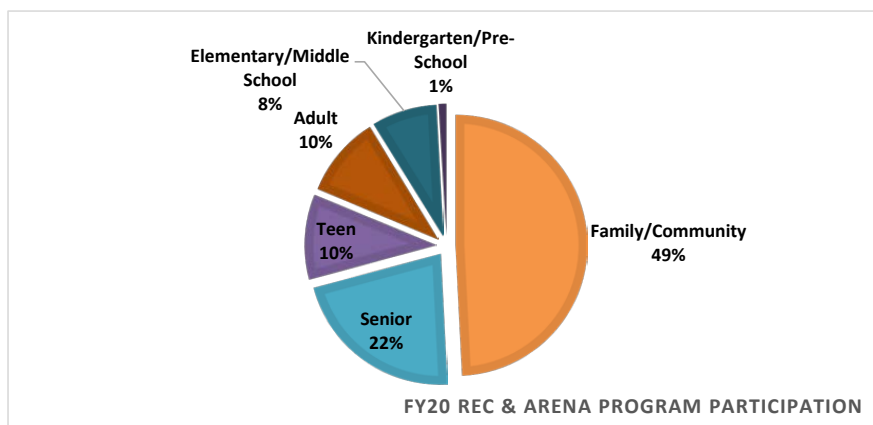
The last month of FY20, June, focused on planning and preparing for the gradual re-opening of department operations for the summer season. The management team stayed informed of updates related to COVID19 through ongoing communications with city leadership, the Emergency Operations Center and state/local health agencies.

Conclusion

While starting off relatively traditional, fiscal year 2020 forever changed the way Recreation & Arena operated, challenging staff to think creatively, engage customers in unique and new ways and enhance their understanding of emergency management and health/safety protocols for events and programs.



Rochester Recreation & Arena Program FY20 Program Participation



FY20 Program Demographic	FY20 Participation Count
Family/Community	10,386
Senior	4,557
Teen	2,210
Adult	2,108
Elementary/Middle School	1,674
Kindergarten/Pre-School	177
Total Year Participation	21,190

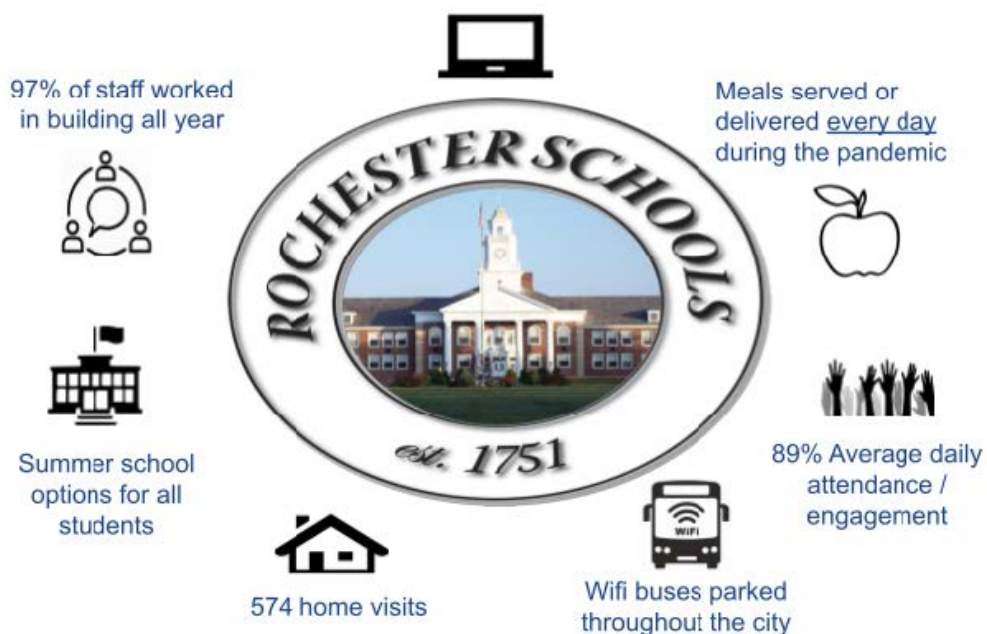
REPORT OF THE SUPERINTENDENT OF SCHOOLS 2019-2020 (period 7/1/2019 to 6/30/20)

To the School Board and Citizens of Rochester:

The 2019 - 2020 school year was particularly trying for all members of our community. During the pandemic, the greater Rochester community in conjunction with our school staff valiantly performed tasks that they had never attempted in the past. We are extremely grateful for all of the support.

Response to COVID-19

Over 4,000 Chromebooks distributed



Rochester Special Education Revenues and Expenditures
As required by RSA 32:11-a

Table 1: Special Education Revenue

	2018-2019	2019-2020	2020-2021
Tuition from other districts	\$0.00	\$814.32	\$0.00
Tuition for foster children	0.00	0.00	0.00
State Education Aid (State)	676,669.70	904,449.94	772,998.85
Medicaid Reimbursement (Federal)	1,251,957.27	594,164.99	403,687.01
Special Education Grants (Federal)	1,199,730.60	1,062,425.89	1,152,915.08

Table 2: Special Education Expenditures

	2018-2019	2019-2020	2020-2021
Salaries and Benefits	\$12,067,195.59	\$11,845,515.10	11,463,690.42
Tuition and Contracted Services	3, 386,332.50	6,081,706.65	6,116,366.71
Supplies and Equipment	39,020.13	33,555.12	37,461.32
Other expenses	144,224.12	101,272.83	33,363.70
Special Area Administrative Services	2,108,151.01	80,264.95	70,978.52
Transportation	1,006,715.64	964,970.95	747,618.11

Table 3: Revenue to Expenditure Analysis

	2018-2019	2019-2020	2020-2021
Total Revenues	\$2,998,357.57	\$2,561,855.14	2,329,600.94
Total Expenditures	18,751,638.99	19,107,285.44	18,469,478.78
Net Local Cost	15,753,281.42	16,545,430.30	16,139,877.84

Table 4: Sources of Revenue as Percent of Total

	2018-2019	2019-2020	2020-2021
Federal Sources	12.38%	8.67 %	8.43 %
State Sources	3.61%	4.73 %	4.19 %
Other Sources	0.00%	0.00 %	0.00 %
Local Property Tax	84.01%	86.59 %	87.39 %

**SCHOOL BOARD MEMBERSHIP AND STAFFING
ROCHESTER SCHOOL DEPARTMENT**

July 1, 2019 – June 30, 2020

Seat	Member
Ward 1	Sarah Harrington Audrey Stevens
Ward 2	Amy Malone Raymond Turner
Ward 3	Julie Brown Matthew Pappas
Ward 4	Nathaniel Byrne Anne Grassie
Ward 5	Karen Stokes Paul Lynch
Ward 6	Joseph Devine Robert Watson
At-Large	Matthew Beaulieu

STANDING COMMITTEES
July 1, 2019 – June 30, 2020

<u>Building</u>	Audrey Stevens, Chair Paul Lynch, Vice-Chair Matthew Beaulieu Joseph Devine Matthew Pappas
<u>Discipline</u>	Julie Brown, Chair Nathaniel Byrne, Vice-Chair Rotating Member
<u>Finance</u>	Paul Lynch, Chair Matthew Pappas, Vice-Chair Matthew Beaulieu Julie Brown Sarah Harrington Amy Malone Audrey Stevens Karen Stokes Robert Watson
<u>Instruction</u>	Robert Watson, Chair Amy Malone, Vice-Chair Nathaniel Byrne Sarah Harrington Karen Stokes Raymond Turner
<u>Personnel</u>	Julie Brown, Chair Audrey Stevens, Vice-Chair Matthew Beaulieu Joseph Devine Sarah Harrington
<u>Policy</u>	Amy Malone, Chair Anne Grassie, Vice-Chair Nathaniel Byrne Raymond Turner Robert Watson
<u>Special Services</u>	Karen Stokes, Chair Amy Malone, Vice-Chair Nathaniel Byrne Anne Grassie Robert Watson

CENTRAL OFFICE ADMINISTRATORS

Kyle Repucci, Superintendent of Schools
 Sandie MacDonald, Assistant Superintendent of Schools
 Linda Casey, Business Administrator
 Christiane Allison, Director of Student Services
 Heidi Zollman, Curriculum, Instruction, and Assessment Coordinator
 Kathleen Cotton, Curriculum, Instruction, and Assessment Coordinator
 Stephen LeClair, Title I Director
 David Yasenchock, Chief Technology Coordinator
 David Totty, Facilities Manager

PRINCIPALS

Justin Roy, Spaulding High School
 Pamela Martin -Deputy Principal, Spaulding High School
 Adam Houghton, Rochester Middle School
 Bryan Kelliher, Bud Carlson Academy (Director)
 Mark Campbell, Chamberlain Street School
 Christine Hebert, East Rochester School
 Maureen Oakman, Gonic School
 Donna Gilbert, Maple Street School
 Michelle McAlister, McClelland School
 Erin Mahoney, Nancy Loud School
 Jennifer Hersom, School Street School
 Lynn Allen, William Allen School

ASSISTANT PRINCIPALS

Michele Halligan-Foley, RW Creteau Technology Director
 Jenna Kotsonis, Spaulding High School
 Jason Bushway, Spaulding High School
 Joanne Houston – Dean of Students, Spaulding High School
 Kristen White, Rochester Middle School
 Paul Lewis, Rochester Middle School
 Sarah Howard, Chamberlain Street School
 Barbara Kelly, McClelland School
 Maegan Jerr, William Allen School

SCHOOL NURSES

Stephanie McSharry, RN (Co-Department Head)
 Corrine Brown, RN (Co-Department Head)
 Christine Ballentine, RN
 Christine Comeau, RN
 Shaune Shields, RN
 Robin Hutchins, RN
 Jennifer Saucier, RN
 Tracey Tibbetts, RN
 Bethann Welch, RN
 Karla Deinstadt, RN
 Dawn Alie, RN

REPORT OF THE TAX COLLECTORS DEPARTMENT
2019-2020

The responsibilities of the Tax Collector's office consist of the collections of property taxes, water & sewer utility bills, current use taxes, timber, gravel & yield taxes, and other department collections. The Tax Collector's office executes property tax liens on delinquent taxes, files tax lien redemptions and notifies all property owners & mortgagees for all properties that will be going to tax lien & tax deed. In 2020 we placed liens on approximately 538 properties totaling \$1,167,903.99.

The Tax Collector's office also processes auto registrations. In FY20 we processed approximately 37,897 registrations totaling \$5,5713,676.30.

In our office we also offer Citizen Self Service which allows taxpayers to pay their water/sewer and property tax bills online. In FY20 we processed 6563 payments totaling \$4,447,695.00.

We collected on approximately 33,500 water & sewer bills.

Revenues collected by the Tax Collector's Office:

Total Warrant	66,169,796.00
Timber & Gravel Tax	2,861.99
Int Delinquent Taxes	431,359.33
Chg Tax for CU Removal	51,000.00
Motor Vehicle Permits	5,713,676.30
Water	4,265.173.26
Sewer	4,871,117.45

The Tax Collector's Office consisted of three full time employees and three part time employees. Our main goal in the office is to provide courteous and efficient service to all.

I would like to thank my staff for all their hard work throughout the year.

Respectfully Submitted,

Doreen Jones, CTC
Tax Collector

REPORT OF THE WELFARE DEPARTMENT 2019-2020

In compliance with RSA 165, the welfare department for the City of Rochester administers local emergency assistance for poor individuals unable to support themselves and require assistance in a financial crisis. It is our mission to meet our legal obligations, free of bias, in the most professional, thoughtful and cost effective manner possible.

The City of Rochester budgeted \$173,000.00 for direct assistance for fiscal year 2019-2020. An additional \$20,000.00 was budgeted for emergency homeless services, including for warming center facilities. A total of \$153,973.59 was expended for emergency assistance. City Welfare assisted 287 families and 198 single households with emergency assistance vouchers.

During this start of a Covid- 19 Pandemic, Rochester City Welfare staff continues to take pride in our pro-active case management approach that has resulted in increased self-sufficiency and minimized recidivism to the welfare office for clients, at a lower cost to city taxpayers.

The City of Rochester continued to be a desirable place to live, work and raise a family for many socioeconomic statuses, including the lower income status, who are more likely to seek financial assistance programs. Increasing, yet lower average market rental rates compared to more southern seacoast area communities, access to public transportation and closer proximity to employment and services compared to communities north of Rochester continued to retain current Rochester residents and are desirable to others, including people challenged by their financial situations, including people experiencing homelessness.

As has been true for the last several years, the waiting lists for subsidized housing remained at 2-5 years or longer. Disability decisions at the state and federal level continued to average about one year.

City Welfare works closely with local homeless shelters, including *My Friend's Place* in Dover, *Crossroads House* in Portsmouth and recent efforts of seasonal warming centers to navigate appropriate emergency housing for residents in need. Homeless shelters provide shelter to residents from the outside elements and needed support and case management to ensure a more long term solution to their current crisis.

City Welfare continued collaborations with many government, non-profit agencies and local businesses, including, but not limited to, the New Hampshire Department of Health and Human Services, Strafford County Community Action and Rochester Share Fund.

City Welfare continued an annual Toy Bank collaboration with the Rochester Fire Department, assisting many children during the holiday season. City Welfare also continued a Back-to-School collaboration with Grace Community Church, which provided children with new backpacks and needed school supplies.

A special thanks to the many Rochester residents who have assisted their community neighbors experiencing life difficulties. Their belief in neighbor helping neighbor is testament to the spirit and goodwill of Rochester residents.

Issuance of General Assistance Vouchers for Families:

Burial.....	\$4,550.00
Electricity.....	\$5,382.63
Fuel Heating.....	\$323.89
Prescriptions.....	\$326.01
Rent.....	\$57,492.31
Temporary Shelter (motel).....	\$22,393.28
Transportation.....	\$539.00
TOTAL	\$91,007.12

Issuance of General Assistance for Individuals

Burial.....	\$13,525.00
Electricity.....	\$1,213.01
Fuel Heating.....	\$304.48
Prescriptions.....	\$0.00
Rent.....	\$38,190.00
Temporary Shelter (motel).....	\$7,680.00
Transportation.....	\$653.98
TOTAL	\$61,566.47

Average cost per case/Family: **\$317.10**Single: **\$310.94**Total vouchers issued: **\$153,973.59**Reimbursements: **\$5,074.89**

I would like to thank all welfare department team members for their dedicated service to this office and the people of Rochester. Their dedication through this challenging year, including a worldwide pandemic and commitment to our mission has been greatly appreciated.

Respectfully submitted,

Todd M. Marsh
Welfare Director

REPORT OF THE PUBLIC WORKS DEPARTMENT
July 1, 2019 through June 30, 2020



The Public Works Department is committed to providing quality of life to approximately 31,000 City residents. The goal of maintaining and improving the safety, health and welfare of residents is accomplished by providing clean water, treating sewage, maintaining roads, sidewalks, public buildings, pools and parks. This department's employees are dedicated to meeting the day-to-day challenges and finding solutions to complex problems arising as the City grows.

The Department of Public Works supports numerous civic organizations in their efforts for the betterment of our community and to raise charitable funds. The Main Street Organization, Rotary and the Chamber of Commerce require assistance for their many projects, committees and festivals and the DPW plays an important role in their success.

The Public Works Department maintains the roads, water system and maintains the City's buildings, parks and pools to make Rochester a safe beautiful, inviting place to be.

DPW Staff managed the regional household hazardous waste collection effort. This annual event hosts ten communities and is funded in part by a grant from NHDES. The actual household hazardous waste collection took place on Saturday May 16, 2020, at a site provided by Waste Management of New Hampshire and was staffed by a collaboration of Rochester DPW personnel and WM field representatives. There were 355 vehicles that participated in the Household Hazardous Waste Day event.

The 2019-2020 winter season included many icing events for treatment, but a less than average amount of snow fall. The first measurable snow fall was on 12/3/2019 with 10" of snow over a 3 day period. The last snow event occurred on March 23, 2020 with 6" of heavy wet snow. The season had more than 27 treatable events resulting in a total season accumulation of 51.5" of snow.

HIGHWAY/FLEET DIVISION

The Highway/Fleet Division is dedicated to ensuring the City's streets are maintained in the best possible condition within funding constraints. This division consists of eleven equipment operators/truck drivers and three mechanics. All employees in this division are licensed CDL Drivers. Their responsibilities include maintaining all paved and gravel roads, sidewalks, pavement markings, traffic signals, streets, trees, drainage facilities, as well as ensuring that the public works fleet of highway, water, sewer vehicles and equipment are in good functioning order. The total DPW Department's fleet consists of fifty-six vehicles, seventeen pieces of construction type equipment and forty-one miscellaneous trailers, message boards and other support apparatus and equipment. In addition to the DPW vehicles our mechanics perform all maintenance and repair for the three Assessing Department vehicles along with four Building & Licensing Department vehicles.

The Highway Maintenance Division supported the Pavement Rehabilitation Program by shim paving roadways, redefining ditch lines, trimming back brush, installing drainage structures and graveling shoulders on numerous streets.



DPW Trimming Downtown Trees



Snow Storm Plowing

UTILITIES DIVISION

There are a total of eight employees within the Utilities Division. This includes six equipment operators/truck drivers and two Meter Technicians. The growth within the City necessitated numerous utility dig safe mark outs on both private services and for City water and sewer main extensions. City staff maintain the maintenance and repairs of the water lines, perform hydrant flushing throughout the city, maintain the fire hydrants, some of the fire hydrants this year were in need of fresh paint this year.. Staff continues the monthly maintenance on problematic sewer runs and the City's sewer siphons.



Hydrant Flushing



Sludge Line Repair Howard Brook Drive

BUILDINGS & GROUNDS DIVISION & COMMUNITY CENTER

There are a total of eleven full time and six part time employees in this division. Of these sixteen employees, we have six full-time and four part-time Custodians, three Maintenance Technicians, two full- time and two part-time grounds personnel. The Buildings and Grounds division has the responsibility for maintenance at eleven City buildings, several City parks, and four pools. In addition to building maintenance this staff maintains the downtown and completes all City mowing of parks and recreation facilities, roadside islands, roadways, City maintained cemeteries and grass areas surrounding the City parking lots. The Downtown maintenance includes the beautification projects such as flower barrels, hanging plants, tree planting and putting up banners for each holiday or function. During 2019-2020 the Buildings and Grounds Department worked on various renovation projects including the interior and exterior lighting at the library. The Congress Street Lighting Installation project, the Gonic Recreational Area Improvement work at the Gonic Pool Facility, the hallway at the Community Center was painted, carpet was installed near the Rochester Museum of Fine Arts at the Community Center and the playgrounds were redone with new equipment.

New Commons Playground



New Hanson Pines Playground





New Exterior Lighting at the Library



Hanging Baskets Downtown

ENGINEERING DIVISION

In the role of overseeing private development the City Engineers reviewed and issued many driveway, excavation, stormwater and water/sewer connection permits along with sidewalk or roadway obstruction permits.

The General Fund Capital Improvement Plan Projects completed for the both the Highway and Buildings and Grounds divisions during this fiscal year included.

- The City continues to work with the selected vendor for the new Asset Management software for implementation. DPW will be going “live” soon with the Service Request portion of the software and then other portions will go “live” with in the coming months.
- **Strafford Square Roundabout:** Bidding of the roundabout construction contract is now anticipated for late 2020. Prior to that contract, and in preparation for that construction, a utility infrastructure contract is anticipated to be bid and constructed in 2020. Right-of-way and easement negotiations are being completed in preparation for the construction contracts.
- **Colonial Pines Sewer Extension:** Phase II includes extension of the sewer from Birch Drive across Old Dover Road to Juniper Street, Towle Street, Vinewood Lane, Susan Lane, Hickory Lane, and a portion of Hillside Drive. The scope of the Phase II construction has now been modified to include sewer on Wildwood Lane and a portion of Tingley Street, as well as drainage improvements within the project area. A majority of the sewer installation work has been completed and about 3/4 of the homes have been connected to the new public sewer mains. Most of the drainpipe installation has been completed as well. Most of the roadway in the project area was base paved in June. Given the additional work, construction of Phase II will continue through the 2020 construction season. Funding for Phase III of this multi-phased sewer extension program has been approved in the FY20 & FY21 CIP budgets. Additional funding for a final phase of sewer extension and drainage improvements will be requested in the FY22 CIP budget.
- **Pavement Maintenance & Rehabilitation:** The FY20 Paving list includes: Chapman, Huckins, Jonathan and portions of Columbus, Cross and Salmon Falls. Paving work is anticipated to begin on Salmon Falls Road in late summer/early fall of 2020; the remainder of the work will be completed in spring/early summer of 2021.
- **Sidewalk Rehabilitation:** The FY20 Sidewalk Rehabilitation work is on-going and includes completing sidewalk rehabilitation in East Rochester in the Cocheco Avenue area

and rehabilitating sidewalk along Oak Street in Gonic. Accessibility improvements to curb ramps to facilitate the FY21 pavement rehabilitation work will also be included in the FY21 sidewalk rehabilitation scope.

- **Granite State Business Park Water Main Interconnection:** Construction of the water main in Shaw Drive began in January 2020. Installation of the water main was completed in April; and testing, acceptance and water service installation work were completed in May. A substantial completion walk-through was completed in early June. Final paving for the project is being coordinated with Albany Engineered Composites' parking lot paving and is anticipated to occur in July.
- **Water Treatment Plant Residuals Disposal:** An evaluation of alternatives has determined that the most cost effective method of disposal of residuals generated at the Surface Water Treatment Plant is an upgrade of the existing pipeline and addition of an attenuation tank. Design of the attenuation tank has begun. Funds for the implementation of this upgrade have either been approved in CIP budgets previously or will be requested in upcoming CIP budgets over the next few years.
- **WWTF Biosolids Dewatering Facility & Carbon Storage and Feed Building:** Construction of this project commenced in October 2019. Installation of steel piles to support the foundations of the two buildings was completed in January 2020. Pouring of concrete foundation walls is expected to continue into early July. Construction will continue through 2020 into 2021, with Final Completion anticipated in March 2021.
- **River Street Sewer Pump Station Upgrade:** Construction has begun and is expected to be completed by the end of the calendar year.
- **Route 11 Sewer Pump Station Upgrade:** A contractor pre-qualification process was completed in April 2021. Bids were received from pre-qualified contractors in June 2021. Additional funding is needed to award the construction contract and the engineer's construction administration contract. If additional funding is approved, construction is projected to commence in early fall 2021 and have a duration of one year.
- **WWTF Upgrades (various projects):** There are several projects on-going at the WWTF: Soda Ash System Replacement, Aeration System Automation, Aeration Basin Sidewall Blower Tie-in (Iris Valve) and Mechanical Mixers, and Programmable Logic Controllers (PLC) Replacement. Construction of these projects is expected to be completed in the next few months.
- **Wastewater Interceptor Upgrades:** A Basis of Design Report has been received from the design consultant, Brown & Caldwell. This report summarizes alternatives and recommends a sewer collection system master plan before proceeding with final design. Funding for a Sewer System Master Plan was approved with the FY19 CIP Budget. This evaluation and planning effort commenced in April 2021 and is expected to have a duration of 2-3 years.
- **NPDES Permits - Wastewater Treatment Facility & MS4 Permit (Stormwater):**
In January 2020, USEPA Region 1 published in the Federal Register a draft General Permit for total nitrogen (TN) loading in the Great Bay Estuary watershed. This draft permit would add a TN load limit to the WWTF effluent, require a Nitrogen Optimization Plan, and require contribution to the cost of a monitoring program in the estuary, as well as an optional non-point source/stormwater point source reduction pathway. Comments on the draft general permit were submitted to EPA in early May 2020. A new draft individual National Pollutant Discharge Elimination System (NPDES) Permit for the Wastewater Treatment Facility (WWTF) has not yet been issued by USEPA Region 1. As far as the Municipal Separate Storm Sewer System (MS4) NPDES General Permit for stormwater, the 2017 NH Small MS4 General Permit issued by USEPA Region 1, became effective on July 1, 2018; on September 28, 2018, the City submitted a Notice of Intent

(NOI) to comply with this MS4 General Permit; and, on June 12, 2019, the City was granted authorization by USEPA Region 1 to discharge stormwater from Rochester's MS4 under this permit. The first annual report for the MS4 permit was submitted to EPA in September 2019. With the end of Year 2 in June 2020, a second annual report is now being prepared for submission in September 2020.

- **New DPW Facility:** The construction contract was awarded in January 2020. A pre-construction meeting was held in early May and construction began in late May. A Groundbreaking ceremony was held on June 30th. Construction of the facility is anticipated to continue through September 2021.
- **New DPW Facility:** The construction contract was awarded in January 2020. A groundbreaking ceremony was held on June 30, 2020.

Water Treatment



Tufts Pond May 2020

From the source to the tap the City of Rochester Water Treatment Facility Staff and the Utility Maintenance Staff at the DPW are committed to providing our customers with the highest quality drinking water. In fiscal year 2021 our water system met all required State and Federal standards for safe drinking water. The annual Water Quality Reports are posted on the City of Rochester web page www.rochesternh.net. This division listens, acknowledges, responds, takes action, reports and follows up with all aspects of operations. The City of Rochester is pleased with our Water Treatment Operators and Utility Technicians as many of them have acquired and maintain certifications that exceed the requirement of their positions. There are currently five positions at our Treatment Plant that report to the Chief operator. There are four Water Treatment Plant Operators and one laborer.

The City operates and monitors the water system 24 hours per day, seven days per week to produce and deliver high quality drinking water through 135 miles of water main, 3 storage tanks, and 6 pumping stations to approximately 7500 service connections.

The Surface Water Treatment Facility at 64 Stafford Road can treat and filter 4.5 million gallons per day and produced approximately 645 million gallons of water in FY2020. The Groundwater Treatment Plant at 157 Farmington Road can treat 1 million gallons per day and produced approximately 121 million gallons of drinking water in FY2020. The total for both

facilities is approximately 766 million gallons delivered to the City.

Annually staff conduct tests for over 175 drinking water compounds and samples are continuously taken throughout the distribution system. Additional information is available in our annual water quality report and system overview pamphlet. The HVAC improvement project was and auxiliary boiler installation and propane conversion was completed. Municipal backflow device testing was also completed.

When considering the high value we place on water, it is truly a bargain to have water service that protects public health, fights fires, and supports businesses and the economy, along with providing us with the high-quality of life we enjoy. Your water is a valuable, plentiful and cost effective resource. Water is Worth It. You need water

WASTEWATER TREATMENT DIVISION



Dewatering Construction

The Wastewater Treatment Facility Staff and the Utility Maintenance Division are dedicated to the collection and treatment of wastewater that flows into the facility from Rochester, East Rochester and Gonic and to deliver a clean, clear and safe effluent into the Cochemo River. The Wastewater Treatment Plant has a total of nine employees, the Chief Operator, four Certified Wastewater Treatment Plant Operators, one Maintenance Mechanic and three Pump Station Technicians. The Utilities Division which is located at the DPW consists of nine employees to maintain the Collection System and Water Distribution System. As discussed in the Water section this division has one Supervisor, six equipment operators and two meter technicians.

The present day advanced Wastewater Treatment Facility is designed to treat an average flow of 5.030 million gallons per day (mgd) with a peak design flow of 16 million gallons per day (mgd). In FY21 the facility treated an estimated 972,608,000 gallons of wastewater. The average daily effluent flow was 2,664,679 gallons. The Facility continues to produce a high quality effluent and is running extremely well as we have removed 337,199 pounds of CBOD (97.7%) and 545,619 pounds of TSS (98.6%). We also received and treated 1,666,700 gallons of septage. The City operates under the strict effluent limitations and

monitoring requirements contained in the July 23, 1997 National Pollution Discharge Elimination System (NPDES) Permit issued by the U.S. Environmental Protection Agency.

The sewer division continues to work in coordination with other divisions and consultants on many projects throughout the City to include wastewater treatment, collection systems, 28 pumping stations, storm water and the industrial pretreatment program. There are currently eight staff positions that report to the Chief Operator. There are four Wastewater Treatment Plant Operators, one Maintenance Mechanic and three Pump Station Maintenance Technicians. These employees continue to increase their knowledge and certification levels in both treatment and collection systems. Some of the projects underway are the River Street pump station upgrades and dewatering and chemical storage facilities continue to move forward.

**Resolutions
Fiscal Year 2020
July 1, 2019 through June 30, 2020**

Resolution 1 [APPROVED] Resolution Authorizing Supplemental Appropriation in the Amount of \$19,932.00 to the 2019-2020 Rochester Fire Department Operating Budget and Acceptance of an Emergency Management Performance Grant (EPMG) in the Amount of \$9,996.00 *First reading, second reading, and adoption held on July 2, 2019.*

Resolution 2 [APPROVED] Resolution Authorizing the Acceptance of a Donation from the State of New Hampshire Department of Natural and Cultural Resources Divisions of Forest and Lands of a Yamaha 4 x 4 Big Bear ATV *First reading, second reading, and adoption held on July 2, 2019.*

Resolution 3 [APPROVED] Resolution Deauthorizing \$473 of Previously Accepted Federal Forfeiture Funds *First reading, second reading, and adoption held on July 2, 2019.*

Resolution 4 [APPROVED] Resolution Authorizing Acceptance of New Hampshire Department of Justice (NHDOJ) Forfeiture Funds and Appropriation in Connection Therewith in the Amount of \$2,391.75 *First reading, second reading, and adoption (as amended) held on July 2, 2019.*

Resolution 5 [APPROVED] Resolution Approving Cost Items Associated with Proposed Rochester School Department Multi-Year Collective Bargaining Agreement with the Rochester Federation of Food Service Bargaining Unit *First reading, second reading, and adoption held on July 2, 2019.*

Resolution 6 [APPROVED] Resolution Granting Discretionary Preservation Easement to the Property Located at 290 Chestnut Hill Road Under the Provisions of RSA 79-D in Connection with its Proposed Preservation Project *First reading, second reading, and adoption held on July 2, 2019.*

Resolution 7 [APPROVED] Resolution Authorizing Supplemental Appropriation to the FY 2020 Sewer Fund Capital Improvement Plan Project Fund in Connection with Wastewater Treatment Plan (WWTP) Biosolids and Carbon System Storage Facilities Project in the Amount of \$8,750,000.00 and Bonding Authority Pursuant to RSA 33:9 and Authorizing the Application for a State of New Hampshire Department of Environmental Service (NHDES) Clean Water State Revolving Fund (CWSRF) Loan *First reading held on July 16, 2019. Public Hearing held on August 6, 2019. Second reading and adoption held on August 20, 2019.*

Resolution 8 [APPROVED] Resolution to Amend the Community Development Block Grant (CDBG) Funds for Fiscal Year 2019-2020 *First reading held on July 16, 2019. Public Hearing held on August 6, 2019. Second reading and adoption held on September 3, 2019.*

Resolution 9 [APPROVED] Resolution Granting Community Revitalization Tax Relief to the Property Located at 22 South Main Street Under Provisions of RSA 79-E in Connection with a Proposed Rehabilitation Project *Public Hearing held on August 6, 2019. First reading held on August 6, 2019. Second reading and adoption held on August 20, 2019.*

Resolution 10 [APPROVED] Resolution for Supplemental Appropriation to the Conservation Fund for Fiscal Year 2018-2019 Pursuant to the Provisions of Section 11.21(s) of the General Ordinances of the City of Rochester *First reading, second reading and adoption held on August 6, 2019.*

Resolution 11 [APPROVED] Resolution for Supplemental Appropriation to the Department of Public Works CIP in an Amount of \$1,000,000 for the Colonial Pines Subdivision Drainage Project *First reading held on August 20, 2019. Public Hearing and adoption held on September 3, 2019. Second reading and adoption held on September 3, 2019.*

Resolution 12 [APPROVED] Resolution Granting Community Revitalization Tax Relief to the Property Located at 73-77 North Main Street Under the Provision of RSA 79-E in Connection with a Proposed Rehabilitation Project *Public Hearing held on September 3, 2019. First reading held on September 3, 2019. Second reading and adoption held on September 17, 2019.*

Resolution 13 [APPROVED] Resolution Authorizing Supplemental Appropriation to the 2019-2020 Recreation Special Events Fund of the City of Rochester (\$20,000.00 *First reading, second reading, and adoption held on September 3, 2019.*

Resolution 14 [APPROVED] Resolution Authorizing Supplemental Appropriation to the 2019-2020 Capital Improvements Plan (CIP) of the City of Rochester, Department of Public Works (CIP) Fund, in the Amount of \$25,000 for the Ice Arena Parking Lot Project *First reading, second reading, and adoption held on September 3, 2019.*

Resolution 15 [APPROVED] Resolution Authorizing Supplemental Appropriation to the City of Rochester Fire Department Capital Improvement Project (CIP) Fund for Apparatus Replacement Program *First reading, second reading, and adoption held on September 3, 2019.*

Resolution 16 [APPROVED] Resolution Deauthorizing Supplemental Appropriation to the City of Rochester Fire Department Capital Improvement Project (CIP) Fund for Apparatus Replacement Program *First reading, second reading, and adoption held on September 3, 2019.*

Resolution 17 [APPROVED] Resolution Approving Cost Items Associated with Proposed City of Rochester Multi-Year Collective Bargaining Agreement with the New England Police Benevolent Association Local 23 (Police Patrol Personnel) *First reading, second reading, and adoption held on September 3, 2019.*

Resolution 18 [APPROVED] Resolution Deauthorizing \$735.86 in funding related to the 2019 Victims of Crime Grant Act *First reading, second reading, and adoption held on September 3, 2019.*

Resolution 19 [APPROVED] Resolution Authorizing Supplemental Appropriation to the Rochester Economic Development Commission Fund in an Amount of \$3,000,000.00 for the 145 Airport Drive Development Project and Borrowing Authority pursuant to RSA 33:9 *First reading held on October 1, 2019. Public Hearing held on October 1, 2019. Second reading and adoption held on October 15, 2019.*

Resolution 20 [APPROVED] Resolution Accepting NH Department of Environmental Services (NHDES) Grant in Connection with 2020 Household Hazardous Waste Day and Authorizing City Manager to Enter into a Contract with NHDES not to exceed \$14,000.00 *First reading, second reading, and adoption held on October 1, 2019.*

Resolution 21 [APPROVED] Resolution Deauthorizing \$146,217.16 related to Various Projects Funded from the Department of Public Works Capital Improvement Plan Project Funds *First reading, second reading, and adoption held on October 1, 2019.*

Resolution 22 [APPROVED] Resolution Deauthorizing \$613.24 in Funding Related to the 2019 Victims of Crimes Act Grant *First reading, second reading, and adoption held on October 1, 2019.*

Resolution 23 [APPROVED] Resolution Authorizing Acceptance of \$10,000.00 as a Voluntary Contribution and Supplemental Appropriation for Old Dover Road Area Sidewalk Installation *First reading, second reading, and adoption held on October 1, 2019.*

Resolution 24 [APPROVED] Resolution Authorizing Transfer of \$50,000.00 from the Project Performance Cash Account to the Sidewalk Rehabilitation Multi-Year Account and Payment to New Hampshire Department of Transportation *First reading, second reading, and adoption held on October 1, 2019.*

Resolution 25 [APPROVED] Resolution Authorizing Acceptance of Donation of Three MI-9 Carbine Rifles and Twenty Boxes of 9mm Blank Ammunition from the American Legion *First reading, second reading, and adoption held on October 1, 2019.*

Resolution 26 [APPROVED] Resolution Authorizing Acceptance of \$1,329.95 from the Drug Enforcement Agency (DEA) *First reading, second reading, and adoption held on October 1, 2019.*

Resolution 27 [APPROVED] Resolution Establishing Polling Places and Times for the November 5, 2019 Municipal Election *First reading, and adoption held on October 1, 2019.*

Resolution 28 [APPROVED] Resolution Confirming Results of the October 5, 2019, Public Auction *First reading, second reading, and adoption held on October 15, 2019.*

Resolution 29 [APPROVED] Resolution Deauthorizing \$311.64 from the Highway Safety Bicycle/Pedestrian Grant Overtime Account *First reading, second reading, and adoption held on November 6, 2019.*

Resolution 30 [APPROVED] Resolution Deauthorizing \$9,720.54 from the New Hampshire Juvenile Court Diversion Network *First reading, second reading, and adoption held on November 6, 2019.*

Resolution 31 [APPROVED] Resolution Deauthorizing \$400 from the New Hampshire Juvenile Court Diversion Network *First reading, second reading, and adoption held on November 6, 2019.*

Resolution 32 [APPROVED] Resolution Deauthorizing \$1,634.89 from the Highway Safety DWI Grant Fund *First reading, second reading, and adoption held on November 6, 2019.*

Resolution 33 [APPROVED] Resolution in Accordance with RSA 33:3-a Authorizing the Repurposing of Bond Proceeds in the Amount of \$10,198.97 and Deauthorizing said Amount from the Whitehall Road Water Main Extension Project *First reading, second reading, and adoption held on November 6, 2019.*

Resolution 34 [APPROVED] Resolution in Accordance with RSA 33:3-a Authorizing the Repurposing of Bond Proceeds in the Amount of \$18,364.25 and Deauthorizing \$23,174.94 from the Rochester Reservoir Dam Project *First reading, second reading, and adoption (required 2/3rd vote) held on November 6, 2019.*

Resolution 35 [APPROVED] Resolution Authorizing Supplemental Appropriation to the Downtown Revitalization Fund (\$300,000) *First reading, second reading, and adoption (as amended) held on November 6, 2019. Public Hearing held on December 3, 2019. Second reading and re-adoption held on December 3, 2019.*

Resolution 36 [APPROVED] Resolution Relative to State Revenues Outlining How the Finance Director Should Work with the New Hampshire Department of Revenue when Setting the Tax Rate *First reading, second reading, and adoption held on November 6, 2019.*

Resolution 37 [APPROVED] Resolution Authorizing Acceptance of \$18,857.74 in Pre-FY 2015 CDBG fund from the U.S. Department of Housing and Urban Development (HUD) and Supplemental Appropriation in Connection Therewith *First reading, second reading, and adoption held on November 6, 2019.*

Resolution 38 [APPROVED] Resolution Accepting the Donation of a Route 16 Gateway Sign from the Rochester Chamber of Commerce *First reading, second reading, and adoption held on November 6, 2019.*

Resolution 39 [APPROVED] Resolution Changing Funding Source of Various Capital Improvement Project Appropriations from Borrowing to General Fund Unassigned Fund Balance in an Amount not to exceed \$2,051,373.08 *First reading held on December 3, 2019. Public Hearing, second reading and adoption held on January 7, 2020.*

Resolution 40 [APPROVED] Resolution Authorizing Supplemental Appropriation for Various 2019-2020 Fund 1501 Capital Improvement Projects from General Fund Unassigned Fund Balance in the amount of \$1,520,000.00 *First reading held on December 3, 2019. Public Hearing, second reading and adoption held on January 7, 2020.*

Resolution 41 [APPROVED] Resolution for Supplemental Appropriation and Authorizing Borrowing Authority Pursuant to RSA 33:9 to the Department of Public Works (DPW) Capital Improvements Plan (CIP) Fund, the Sewer CIP Fund, and the Water CIP Fund for the New DPW Facility Project in an Amount not to Exceed \$4,000,000.00 *First reading held on December 3, 2019. Public Hearing, second reading and adoption held on January 7, 2020.*

Resolution 42 [APPROVED] Resolution to Amend the Community Development Block Grant (CDBG) Funds for Fiscal Year 2020 regarding the Opera House Chairlift *First reading second reading and adoption held on December 3, 2019.*

Resolution 43 [APPROVED] Resolution Authorizing Acceptance of \$463.14 from the State of New Hampshire *First reading, second reading, and adoption held on December 3, 2019.*

Resolution 44

44-A [APPROVED] Resolution Authorizing Supplemental Appropriation to the Rochester School Department in the amount of \$1,335,993.00 *First reading held on December 3, 2019. Public Hearing, second reading and adoption held on January 7, 2020.*

44-B [APPROVED] Resolution Authorizing Supplemental Appropriation to the Rochester School Department in the amount of \$1,336,000.00 *Motion to Clarify Prior Authorization held on February 2, 2020.*

Resolution 45 [APPROVED] Resolution Authorizing Acceptance and Appropriation of Community of Action Program for Lead Safety Stipend *First reading, second reading, and adoption held on December 3, 2019.*

Resolution 46 [APPROVED] Resolution Authorizing Amendment to Lease Agreement between the City and the Department of Health and Human Services (DHHS) *First reading, second reading, and adoption held on January 7, 2020.*

Resolution 47 [APPROVED] Resolution Granting Community Revitalization Tax Relief to the Property Located at 10 South Main Street Under the Provisions of RSA 79-E in Connection with a Proposed Rehabilitation Project *First reading held on January 7, 2020. Public Hearing held on January 21, 2020. Second reading and adoption held on February 4, 2020.*

Resolution 48 [APPROVED] Resolution Establishing Polling Places and Times for the February 11, 2020 Presidential Primary *First reading and adoption held on January 7, 2020.*

Resolution 49 [APPROVED] Resolution Authorizing Certain Re-numbering on Milton Road *First reading held on January 7, 2020. Public Hearing held on January 21, 2020. Second reading and adoption held on February 4, 2020.*

Resolution 50 [APPROVED] Resolution Authorizing Acceptance of \$1,250.00 from the State of New Hampshire Juvenile Court Diversion Network and Supplemental Appropriation in Connection therewith *First reading, second reading, and adoption held on January 7, 2020.*

Resolution 51 [APPROVED] Resolution Confirming Results of the December 6, 2019 Public Auction *First reading, second reading, and adoption held on January 7, 2020.*

Resolution 52 [APPROVED] Resolution Deauthorizing Bonding Authority in the Amount of \$71,420.00 for the City Hall Bathroom Renovation Project *First reading, second reading, and adoption held on February 4, 2020.*

Resolution 53 [APPROVED] Resolution Deauthorizing Bonding Authority in the Amount of \$16,337.87 for the Franklin Street-Adams Street Improvements Project *First reading, second reading, and adoption held on February 4, 2020.*

Resolution 54 [APPROVED] Resolution Changing Funding Source of \$104,992.77 Appropriated for the Strafford Square Project from Borrowing to the New Hampshire Department of Transportation (NHDOT) Grant *First reading, second reading, and adoption held on February 4, 2020.*

Resolution 55 [APPROVED] Resolution Authorizing Acceptance of JAG funding in the Amount of \$27,693.00 *First reading, second reading, and adoption (as amended) held on February 4, 2020.*

Resolution 56 [APPROVED] Resolution Authorizing Acceptance of State Forfeiture Funds in the amount of \$1,348.36 *First reading, second reading, and adoption (as amended) held on February 4, 2020.*

Resolution 57 [APPROVED] Resolution Authorizing Application for a Victims of Crime Act (VOCA) Continuing Grant Application *First reading, second reading, and adoption held on February 4, 2020.*

Resolution 58 [APPROVED] Resolution Authorizing Waiver of Municipal Registration Fees for Applicants Qualifying under RSA 261:86 Special Number Plates for Certain Veterans *First reading, second reading, and adoption held on March 3, 2020.*

Resolution 59 [APPROVED] Resolution Authorizing Supplemental Appropriation in the Amount of \$100,000 to the Assessing Department's FY20 Operating Budget for the Purchase of Assessing Software *First reading held on March 3, 2020. Public Hearing held on March 31, 2020. Second reading and adoption held on March 31, 2020.*

Resolution 60 [APPROVED] Resolution Authorizing the Rochester Police Department (RPD) to Accept a \$27,693.00 United States Department of Justice (USDOJ) Justice Assistance Grant (JAG) *First reading, second reading, and adoption held on March 3, 2020.*

Resolution 61 [APPROVED] Resolution Deauthorizing \$8,841.90 in Funding Related to the FY 2020 Granite Shield Grant Funds *First reading, second reading, and adoption held on March 3, 2020.*

Resolution 62 [APPROVED] Resolution Granting Community Revitalization Tax Relief to the Property Located at 28 North Main Street Under the Provisions of RSA 79-E in Connection with a Proposed Rehabilitation Project *First reading held on March 3, 2020. Public Hearing held on March 31, 2020. Second reading and adoption held on March 31, 2020.*

Resolution 63 [APPROVED] Resolution Authorizing Acceptance of Granite Shield 2020 Substance Abuse Reduction Initiative Grant in the amount of \$15,000.00 and Supplemental Appropriation in Connection Therewith *First reading, second reading, and adoption held on March 3, 2020.*

Resolution 64 [APPROVED] Resolution Authorization Supplemental Appropriation in the Amount of \$10,000.00 to the Recreation Department General Donation Fund *First reading, second reading, and adoption held on March 3, 2020.*

Resolution 65 [APPROVED] Resolution Accepting a Donation from St. Anselm College to the Recreation and Arena Department and Supplemental Appropriation in the Amount of \$500.00 *First reading, second reading, and adoption held on March 3, 2020.*

Resolution 66 [APPROVED] Resolution Authorizing the Acceptance of a \$5,500 Grant by the Rochester Police Department (RPD) and Supplemental Appropriation in Connection Therewith *First reading, second reading, and adoption held on March 3, 2020.*

Resolution 67 [APPROVED] Resolution Authorizing Acceptance and Appropriation of Victims of Crime Act (VOCA) Grant Award for FY 2021 *First reading, second reading, and adoption held on March 3, 2020.*

Resolution 68 [APPROVED] Resolution Authorizing Transfer from the General Fund Unassigned Fund Balance to the School Building Capital Reserve Fund in the amount of \$1,664,787.00 *First reading held on March 3, 2020. Public Hearing held on March 31, 2020. Second reading and adoption (as amended) held on May 19, 2020.*

Resolution 69 [APPROVED] Resolution for Supplemental Appropriation and Authorizing Borrowing Authority Pursuant to RSA 33:9 to the Department of Public Works (DPW) Sewer Capital Improvements Plan (CIP) Fund for NPDES Permit Technical and Legal Assistance in an Amount not to exceed \$300,000 *First reading held on March 3, 2020. Public Hearing held on March 31, 2020. Second reading and adoption held on March 31, 2020.*

Resolution 70 [APPROVED] Resolution Authorizing the Issuance of Refunding Bonds in Accordance with RSA 33:3-d *First reading held on March 3, 2020. Public Hearing held on March 31, 2020. Second reading and adoption held on March 31, 2020.*

Resolution 71 [APPROVED] Tri-City Request for Federal and State Financial Assistance Related to the COVID-19 Emergency *First reading and adoption held on March 31, 2020.*

Resolution 72 [APPROVED] Resolution for a Supplemental Appropriation to the Rochester Business Microloan Program in the amount of \$50,000.00 *First reading, second reading, and adoption (as amended) held on March 31, 2020.*

Resolution 73 [APPROVED] Resolution Recommending the Cessation of Activities by Certain City Public Bodies *First reading and adoption held on March 31, 2020.*

Resolution 74 [APPROVED] Resolution Adopting a FY 2021 Rochester CDBG “Action Plan for The City Of Rochester, N.H.” and Approving And Appropriating The FY 2021 Community Development Budget for The City Of Rochester *First reading held on April 7, 2020. Public Hearing held on April 21, 2020. Second reading and adoption held on April 7, 2020.*

Resolution 75 [APPROVED] Resolution Adopting a FY 2020-2025 CDBG “Consolidated Plan for The City of Rochester, N.H.” *First reading held on April 7, 2020. Public Hearing held on April 21, 2020. Second reading and adoption (as amended) held on April 7, 2020.*

Resolution 76 [APPROVED] Resolution Approving Contract and Cost Items Associated with Proposed City of Rochester School Department Multi-Year Collective Bargaining Unit (Administration) *First reading, second reading, and adoption held on April 7, 2020.*

Resolution 77 [APPROVED] Resolution Authorizing Transfer of Operating Funds into Multi-Year Funds in the amount of \$332,000.00 *first reading, consideration for second reading and adoption First reading and adoption held on April 7, 2020.*

Resolution 78 [APPROVED] Resolution Authorizing Supplemental Appropriation in the Amount of \$25,000.00 to the COVID-19 Donation Fund *First reading and adoption held on April 7, 2020.*

Resolution 79 [APPROVED] Resolution Approving the 2020-2021 Operating Budget for the City of Rochester *First reading held on April 28, 2020. Public Hearing held on May 19, 2020. Second reading and adoption (as amended) held on June 16, 2020.*

Resolution 80 [APPROVED] Resolution Authorizing and Approving the 2020-2021 Capital Improvements Budget for the City of Rochester and Authorizing Borrowing in Connection Therewith *First reading held on April 28, 2020. Public Hearing held on May 19, 2020. Second reading and adoption (as amended) held on June 16, 2020.*

Resolution 81 [APPROVED] Resolution for Supplemental Appropriation and Authorizing Borrowing Authority Pursuant to RSA 33:9 to the Department of Public Works (DPW) Sewer Capital Improvements Plan (CIP) Fund for National Pollution Discharge Elimination System (NPDES) Permit Technical and Legal Assistance in an Amount not to Exceed \$600,000.00 *First reading held on May 5, 2020. Public Hearing held on May 19, 2020. Second reading and adoption held on June 2, 2020.*

Resolution 82 [APPROVED] Resolution Authorizing Acceptance and Appropriation of a Certified Local Government Grant Award *First reading and adoption held on May 5, 2020.*

Resolution 83 [APPROVED] Resolution Authorizing Supplemental Appropriation to the Rochester Business Microloan Program in the amount of \$50,000.00 (2nd round) *First reading and adoption held on May 5, 2020.*

Resolution 84 [APPROVED] Resolution Authorizing Acceptance of a \$1,664,000.00 Grant from the New Hampshire Department of Environmental Services (NHDES) Drinking Water/Groundwater Trust Fund (DWGWTF) and a \$993,000.00 Grant from the MTBE Remediation Bureau Fund and Supplemental Appropriation to the Water Fund CIP in an Amount of \$3,888,000.00 for the Route 202A Water Main Extension Project In Connection Therewith *First reading held on June 2, 2020. Public Hearing held on June 16, 2020. Second reading and adoption held on June 16, 2020.*

Resolution 85 [APPROVED] Resolution Authorizing Supplemental Appropriation from General Fund Unassigned Fund Balance in the amount of \$350,000.00 for the Purchase of 55 North Main *First reading held on June 2, 2020. Public Hearing held on June 16, 2020. Second reading and adoption held on July 7, 2020.*

Resolution 86 [APPROVED] Resolution Authorizing Transfer of Water Fund Operating Funds into Multi-Year Funds in the amount of \$25,500.00 *First reading and adoption held on June 2, 2020.*

Resolution 87 [APPROVED] Resolution Authorizing Transfer of Sewer Fund Operating Funds into Multi-Year Funds in the Amount of \$118,500.00 *First reading and adoption held on June 2, 2020.*

Resolution 88 [APPROVED] Resolution Authorizing the Department of Public Works (DPW) to Apply for a Loan from the Clean Water State Revolving Fund (CWSRF) in the Amount of \$1,200,000.00 for the Route 11 Pump Station Upgrade Project *First reading and adoption held on June 16, 2020.*

Resolution 89 [APPROVED] Resolution Authorizing the Department of Public Works (DPW) to Apply for a Loan from the Clean Water State Revolving Fund (CWSRF) in the Amount of \$4,900,000.00 for the Woodman Area Improvement Project *First reading and adoption held on June 16, 2020.*

Resolution 90 [APPROVED] Resolution Authorizing the Department of Public Works (DPW) to Apply for a Loan from the Clean Water State Revolving Fund (CWSRF) in the Amount of \$4,000,000.00 for the Colonial Pines Sewer Extension Project-Phase 3 *First reading and adoption held on June 16, 2020.*

Resolution 91 [APPROVED] Resolution Approving Cost Items Associated with Proposed City of Rochester Multi-Year Collective Bargaining Agreement with New England Police Benevolent Association Local 123 (Communications Personnel) *First reading and adoption held on June 16, 2020.*

Amendments to the City Ordinances
Fiscal Year 2020
July 1, 2019 through June 30, 2020

Amendment 1 [APPROVED] Amendment to Chapter 210 of the General Ordinances of the City of Rochester Regarding Solid Waste *First reading, second reading, and adoption held on July 2, 2019.*

Amendment 2 [APPROVED] Amendment to Chapter 75 of the General Ordinances of the City of Rochester Regarding Means of Escape [Fires and Fire Safety] *First reading held on July 2, 2019. Public Hearing held on July 16, 2019. Adoption held on August 6, 2019.*

Amendment 3 [APPROVED] Amendment to Chapter 94 of the General Ordinances of the City of Rochester Regarding Overcrowded Housing *First reading held on July 2, 2019. Public Hearing held on July 16, 2019. Adoption held on August 6, 2019.*

Amendment 4 [APPROVED] Amendment to Chapter 40 of the General Ordinances of the City of Rochester Regarding Building, Plumbing, Electrical, and Life Safety Codes *First reading held on July 2, 2019. Public Hearing held on July 16, 2019. Adoption held on August 6, 2019.*

Amendment 5 [FAILED] Amendment to Chapter 275 of the General Ordinances of the City of Rochester regarding the Downtown Commercial District *First reading held on August 6, 2019. Public Hearing held on August 20, 2019. Adoption (failed) held on October 1, 2019.*

Amendment 6 [APPROVED] Amendment to Chapter 75 of the General Ordinances of the City of Rochester Regarding Fireworks *First reading, second reading and adoption held on September 3, 2019.*

Amendment 7 [APPROVED] Amendment to Chapter 7-40 of the General Ordinances of the City of Rochester Regarding Purchasing Procedures *First reading held on September 3, 2019. Second reading and adoption held on October 1, 2019.*

Amendment 8 [APPROVED] Amendment to Chapter 7-62 of the General Ordinances of the City of Rochester Regarding Purchasing Procedures *First reading held on September 3, 2019. Second reading and adoption held on October 1, 2019.*

Amendment 9 [APPROVED] Amendment to Chapter 28 of the General Ordinances of the City of Rochester Regarding Nuisance Animals *First reading, second reading, and adoption held on October 1, 2019*

Amendment 10 [APPROVED] Amendment to Chapter 167 of the General Ordinances of the City of Rochester Regarding Drop-Off Bins *First reading, second reading, and adoption held on October 1, 2019.*

Amendment 11 [APPROVED] Amendment to Chapter 40 of the General Ordinances of the City of Rochester Regarding Building Permit Fees *First reading and adoption held on October 1, 2019.*

Amendment 12 [APPROVED] Amendment to Chapter 275 of the General Ordinances of the City of Rochester Regarding Impact Fees *First reading held on December 3, 2019 [Public Hearing held on January 7, 2020] Adoption on January 7, 2020.*

Amendment 13 [APPROVED] Amendment to Chapter 275 of the General Ordinances of the City of Rochester Regarding Conditional Uses within the Downtown District *First reading held on December 3, 2019. Public Hearing held on January 7, 2020. Second reading and adoption held on January 7, 2020.*

Amendment 14 [APPROVED] Amendment to Chapter 275 of the General Ordinances of the City of Rochester Regarding Residential Uses within the Downtown District *First reading held on December 3, 2019. Public Hearing and adoption held on January 7, 2020.*

Amendment 15 [APPROVED] Amendment to Chapter 275 of the General Ordinances of the City of Rochester Regarding Temporary Use Shelters *First reading held on February 4, 2020. Second reading and adoption held on April 7, 2020.*

Amendment 16 [APPROVED] Amendment to Chapter 7-26 of the General Ordinances of the City of Rochester Regarding the Board of Health *First reading and adoption held on April 7, 2020.*

Amendment 17 [APPROVED] [Effective date delayed until January 1, 2021] Amendment to Chapter 200.23 of the General Ordinances of the City of Rochester Regarding Waste Water Rates *First reading held on April 7, 2020. Public Hearing held on April 21, 2020. Second reading and adoption (Amended: Effective date delayed until January 1, 2021) held on May 5, 2020.*

Amendment 18 [APPROVED] Amendment to Chapter 200-23 of the General Ordinances of the City of Rochester Regarding Water Rates *First reading held on April 7, 2020. Public Hearing held on April 21, 2020. Second reading and adoption (as amended). **Effective date delayed until January 1, 2021.***

REPORT OF THE CITY CLERK
FISCAL YEAR 2020
July 1, 2019 – June 30, 2020

Narrative

The City Clerk's office is known as the keeper of the records and serves as the local registrar in the issuance of vital records. The office is responsible for recording and issuing certified copies of birth, divorce, death, and marriage certificates. The City Clerk's office is also responsible for issuing marriage licenses. The City Clerk submits reports to the State of New Hampshire and other authorities as required by law. The City Clerk is responsible for the repair, binding, maintenance, and proper storage of all permanent records in compliance with local and state laws. The City Clerk's office staff often researches older vital records for customers conducting genealogical studies.

The City Clerk's office staff prepares the following material for the City Council Regular Meetings, Workshops, Special meetings, and Public Hearings: agendas, informational packets, and the permanent record of all meeting minutes. In addition, the City Clerk's staff prepares the same material for the Codes and Ordinances Committee, Appointments Review Committee, and Fidelity Committee (Tri-City Mayors' Joint Task Force on Homelessness).

The Clerk's office also has both notaries and justices of the peace on staff to offer notarial services and to perform oaths for the public.

Vital Statistics and Related Revenues

The following statistics have been generated for the City of Rochester from reports from the State Bureau of Vital Records from July 1, 2019 to June 30, 2020: There were 207 babies born in the City of Rochester, 77 of which were born to Rochester residents. Additionally, there were 120 babies born to Rochester residents in neighboring communities. There were 129 marriages of Rochester residents throughout the State, including 79 ceremonies in Rochester. The City clerk's office issued 179 marriage between July 2019 and June 2020. There were 380 deaths of Rochester residents.

Adams Fund / Pray Fund

Cassie Givara, Deputy City Clerk, submitted six applications for the Adams Fund and Pray Fund to The Trustees of the Trust Fund. Both are funds which offer one-time annual financial assistance to widowed or maiden female residents of Rochester who are older than 50-years old and who have lived in the community for 10 years or more. The Clerk's office sends out applications to eligible residents recommended by the police department (Project Good Morning) and the Welfare Department. Completed applications received by the Clerk's Office are sent to the Trustees of the Trust fund for disbursement.

Dogs

The City Clerk's office issued 5,078 dog licenses between May 1, 2019 and April 30, 2020. There were a total of 994 unlicensed dogs following the end of the licensing deadline, which is significantly less than in previous years. This was in large part due to the Animal Control Officer and staff calling all owners of unlicensed dogs and issuing final reminders.

Miscellaneous Information and Revenues

City Clerk Revenues	
Vital Records	\$29,623
Dogs	\$24,293
CF/Dog Late	
Fees	\$13,675.50
Miscellaneous	\$3,495.76
Marriage Licenses	\$1,255

Elections

The City Clerk supervised the November 5, 2019 Municipal Election and the February 11, 2020 Presidential Primary. The City Clerk's office assisted with accepting new voter registrations, address changes, name changes and party affiliation changes. The Supervisors of the Checklist held session in City Hall on October 25, 2019 and February 5, 2020 to authorize changes to the checklist leading up to each election, including new voter registrations.

City Clerk's staff attended election training and coordinated each of these Supervisors' Sessions as well as the Moderators' Session for counting ballots, testing the machines, and preparing for the elections. The City Clerk's staff provided in-home voter registration for the elderly and disabled as well as offering voter registration and absentee ballots for residents in assisted living and nursing facilities, and those who became hospitalized just prior to the election.

The City Clerk's staff communicated with other town and city clerks throughout New England in order to keep the Election Database up to date. All checklists and warrants were posted according to State Law.

As of June 30, 2020, there were a total of 21,545 registered voters in Rochester, New Hampshire and the breakdown to party affiliation is as follows:

	Democrats	Republicans	Undeclared	Total
Ward 1	1,156	1,190	1,429	3,775
Ward 2	1,084	1,146	1,562	3,792
Ward 3	1,186	1,261	1,318	3,765
Ward 4	1,009	831	1,591	3,431
Ward 5	1,042	1,136	1,389	3,567
Ward 6	1,170	852	1,193	3,215
TOTAL	6,647	6,416	8,482	21,545

There were a total of 1,226 new voters registered in Rochester between July 1, 2019 and June 30, 2020. Of these new voters, 187 were new residents to New Hampshire. There were 436 voters removed from the checklist between July 2019 and July 2020 due to voter duplication, death or moving out of jurisdiction.

Respectfully submitted,

Cassie Givara

Cassie Givara
Deputy City Clerk

TIF 162-K - Granite State Business Park District
Financial Report for Tax Year 2019 (as of 06/30/2020)
Fund 7028 - TIF1
Audited - January 31, 2021

Assessment Information:	
Date of Adoption/Modification (mm/dd/yy)	07/05/11
A Original Assessed Value	13,536,169
B - Unretained Captured Assessed Value	-
C = Amounts Used on P2 (for tax rate purposes)	13,536,169
D + Retained captured assessed value	4,412,791
E = Current Assessed Value	17,948,960

Tax Rate Information:	
2019 Tax Rate per 1000 assessed value	24.90

Revenues ¹	
Tax Increment District (Retained captured assessed value / 1000 * tax rate)	109,878.50
Investment Interest	-
Other	-
Total Revenues:	109,878.50

Expenditures ²	
Long Term Dept Payments	
Principal	-
Interest	-
Outside Services	17,915.24
Other (Transfer to CIP 15011010-772000-20560 Building Demo 294-296 Rochester Hill)	67,500.00
Total Expenditures	85,415.24

Long-Term Debt Payable ^{3 & 4}	
Principal - Project 19553 Water Main Extension - Construction In Progress ³	807,324.19
Principal - Project 20576 145 Airport Drive Development Project - Const. In Progress ⁴	225,000.00
Interest	-
Total Long-Term Debt Payable	1,032,324.19

Beginning of Period - Fund Balance	259,437.59
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Excess (Deficiency) of Revenue	24,463.26
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End of Period - Fund Balance	283,900.85
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Fund Balance Reserved for Debt Service	283,900.85
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Deficit to be Raised by Tax Increment District	748,423.34
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Notes:

¹ One property with incremental value tax was purchased by the City of Rochester - December bill abated

³ CIP Fund 6096 Project 19553 Water Main Extension - In Progress (2 Sources of Funding Bond & Fund Balance)

⁴ CIP Fund 6133 Project 20567 145 Airport Drive Development Project - In Progress (NHBFA Loan Agreement)

TIF 162-K - Granite Ridge Development District
Financial Report for Tax Year 2019 (as of 06/30/2020)
Fund 7030 - TIF3
Audited - January 31, 2021

Assessment Information:	
Date of Adoption/Modification (mm/dd/yy)	10/15/15
A Original Assessed Value	60,431,438
B - Unretained Captured Assessed Value	-
C = Amounts Used on P2 (for tax rate purposes)	60,431,438
D + Retained captured assessed value	31,670,545
E = Current Assessed Value	92,101,983

Tax Rate Information:	
2019 Tax Rate per 1000 assessed value	24.90
2019 PBUT Tax Rate per 1000 assessed value	22.97

Revenues ¹	
Tax Increment District (Retained captured assessed value / 1000 * tax rate)	788,789.57
Investment Interest	-
Other	-
Total Revenues:	788,789.57

Expenditures ²	
Long Term Dept Payments	
Principal	370,000.00
Interest	82,212.50
Outside Services	-
Other	-
Total Expenditures	452,212.50

Long-Term Debt Payable ²	
Principal - 2015 Series D	2,585,000.00
Interest - 2015 Series D	227,281.25
Principal - April 2020 Series A	85,000.00
Interest - April 2020 Series A	31,384.58
Principal - Project 16577 Phase II - In Progress	167,213.07
Principal - Project 19570 Phase II - In Progress	-
Total Long-Term Debt Payable	3,095,878.90

Beginning of Period - Fund Balance	1,031,665.78
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Excess (Deficiency) of Revenue	336,577.07
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End of Period - Fund Balance	1,368,242.85
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Fund Balance Reserved for Debt Service	1,368,242.85
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Deficit to be Raised by Tax Increment District	1,727,636.05
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Notes:

¹ Only 1 property with incremental value tax had unpaid balances on June 30, 2020

² Outstanding debt as of 06/30/2020

TIF 205-C - RHA C/O NHBFA District (SAFRAN Lease)
Financial Report for Tax Year 2019 (as of June 30, 2020)
Fund 7029 - TIF2
Audited - January 31, 2021

Assessment Information:	
Date of Adoption/Modification (mm/dd/yy)	07/05/11
A Original Assessed Value	193,900
B Unretained Captured Assessed Value	26,969,800
C Retained captured assessed value	-
D Current Assessed Value	27,163,700

Tax Rate Information:	
2019 Tax Rate per 1000 assessed value	24.90

Revenues ¹	
Payment in Lieu of Tax - (PILOT)	764,193.47
Less Amount Retained by General Fund	(4,828.11)
Investment Interest	-
Other	-
Total Revenues:	759,365.36

Expenditures ²	
Long Term Dept Payments	
Principal - March 2012 Series B	203,033.94
Interest - March 2012 Series B	89,048.03
Principal - NHBFA Loan	277,955.96
Interest - NHBFA Loan	149,367.57
Outside Services	-
Other	-
Total Expenditures	719,405.50

Long-Term Debt Payable ²	
Principal - March 2012 Series B	3,151,439.88
Interest - March 2012 Series B	632,351.44
Principal - NHBFA Loan	2,709,397.02
Interest - NHBFA Loan	556,147.31
Total Long-Term Debt Payable	7,049,335.65

Beginning of Period - Fund Balance	235,605.00
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Excess (Deficiency) of Revenue	39,959.86
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End of Period - Fund Balance	275,564.86
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Fund Balance Reserved for Debt Service	275,564.86
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Deficit to be Raised by Tax Increment District	6,773,770.79
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Notes:¹ PILOT - Safran Lease paid in full² All FY20 debt payments are paid

**City of Rochester,
Trust Funds, Expendable
MS-9 for Year Ending June 30, 2020**

6/24/2020 Richard Gray Memorial Scholarship check incorrectly posted to the Common Fund account; Sarah Varney Scholarship check incorrectly posted to the Expendable account; Reported correctly on the MS9 reports



City of Rochester,
Capital Reserves
MS-9 for Year Ending June 30, 2020

PRINCIPAL ACCOUNT #800006660										INCOME ACCOUNT #800006660									
ANNUAL TOTALS										ANNUAL TOTALS									
BALANCE					BALANCE					BALANCE					BALANCE				
07/01/19					06/30/20					07/01/19					06/30/20				
GAIN/					LOSS					Gross					Income				
MCMT					Fees					Income					Income				
Transf					Exp					Transf					Exp				
INCOME					EXPENSE					TOTAL					TOTAL				
DATE					TRUST NAME					TYPE					PURPOSE				
HOW INVESTED					TOTAL					TOTAL					TOTAL				
12/15/2015					School Building					Capital Reserve (RSA 34435)					Educational Purpose				
01/01/1900					History of Rochester Funds					Capital Reserve (RSA 34435)					Capital Reserve (Other)				
97%					822,918.52					-					(10.02)				
3%					24,184.14					101.52					(0.30)				
100.0%					847,102.66					101.52					(10.32)				
8,339.56					13,784.89					-					22,124.43				
869,418.31																			



City of Rochester,
Common Fund
MS-9 for Year Ending June 30, 2020

PRINCIPAL - ACCOUNT #5233001215										INCOME - ACCOUNT #5233001215									
ANNUAL TOTALS					ANNUAL TOTALS					ANNUAL TOTALS					ANNUAL TOTALS				
DATE	TRUST NAME	TYPE	PURPOSE	HOW INVESTED	% OF TOTAL	BALANCE 07/01/19	NEW FUNDS	GAIN/LOSS	EXPEND 06/30/19	BALANCE 07/01/19	Gross Income	Migrant Fees	Transf Income/ Exp	BALANCE 06/30/19	TOTAL				
01/01/1900	Special Funds	Trust	Cemetery Trust	Common	0.01%	59.67	-	75.14	-	134.81	249.28	10.95	(2.96)	-	257.27	392.09			
01/01/1900	Old Cemetery-General Emergency	Trust	Cemetery Trust	Common	0.02%	159.71	-	84.11	-	243.82	186.12	12.26	(3.31)	-	195.07	438.89			
01/01/1900	Old Cemetery-Special Emergency	Trust	Cemetery Trust	Investment	1.03%	10262.62	-	5,451.21	-	15,713.84	12151.35	794.63	(214.42)	-	12,731.56	28,445.40			
01/01/1980	Old Cemetery-Conservation Fund	Trust	Cemetery Trust	Common	0.87%	14319.76	-	4,624.55	-	18,944.31	4,695.20	674.13	(181.90)	-	5,187.43	24,311.75			
01/01/1908	Old Town Farm Cemetery Fund	Trust	Cemetery Trust	Common	0.06%	251.26	-	309.46	-	560.73	1,021.16	45.11	(12.17)	-	1,054.10	1,614.83			
01/01/1990	Hanson Pines	Trust	Recreation	Common	4.99%	83,053.12	-	25,677.93	-	108,733.04	25,722.72	3,783.69	(1,020.96)	(3,222.54)	25,262.92	133,995.96			
01/01/1915	Abbott Family, Lot 130	Trust	Cemetery Perpetual Care	Common	0.04%	634.67	-	193.71	-	828.38	161.82	28.24	(7.62)	-	182.44	1,010.82			
01/01/1974	Reed, Robert	Trust	Cemetery Perpetual Care	Investment	0.05%	1,067.27	-	278.76	(17.98)	1,238.04	96.86	40.68	(10.98)	-	126.55	1,454.60			
01/01/1921	Broadly, Kate M.	Trust	Cemetery Perpetual Care	Common	0.01%	200.70	-	61.25	-	261.95	51.16	8.93	(2.41)	-	57.68	319.64			
01/01/1933	Brown, Mary A.	Trust	Cemetery Perpetual Care	Investment	0.03%	516.83	-	157.24	-	674.58	131.77	22.99	(6.20)	-	148.56	823.14			
01/01/1913	Doe, Annie B.	Trust	Cemetery Perpetual Care	Common	0.18%	1,344.21	-	963.06	-	2,317.27	2,605.63	140.39	(37.88)	-	2,708.14	5,025.41			
01/01/1911	Eves, Elizabeth C.	Trust	Cemetery Perpetual Care	Investment	0.02%	432.70	-	132.07	-	564.77	110.32	19.25	(5.19)	-	124.38	689.15			
01/01/2008	French-Haney	Trust	Cemetery Perpetual Care	Common	0.57%	11,396.76	-	3,018.24	-	14,415.01	1,013.47	439.97	(118.72)	-	1,334.73	15,749.73			
01/01/1934	Hannet, Ephraim O.	Trust	Cemetery Perpetual Care	Investment	0.03%	437.71	-	142.50	-	580.21	148.22	20.77	(5.61)	-	163.39	743.60			
01/01/1934	Hannet, Ephraim O. Clark Lot	Trust	Cemetery Perpetual Care	Common	0.09%	555.30	-	13.62	-	69.12	0.49	1.99	(0.54)	-	1.94	71.06			
01/01/1934	Hannet, Ephraim O. Haven Hill	Trust	Cemetery Perpetual Care	Investment	0.01%	115.66	-	37.00	-	152.67	36.49	5.39	(1.46)	-	40.42	193.09			
01/01/1916	Haven Hill	Trust	Cemetery Perpetual Care	Common	0.36%	8,993.61	-	2,988.36	-	11,981.97	3,293.77	435.62	(117.54)	-	3,611.84	15,593.81			
01/01/1902	Moore, John E. Allen	Trust	Cemetery Perpetual Care	Investment	0.02%	432.68	-	132.06	-	564.74	110.31	19.25	(5.19)	-	124.36	689.10			
01/01/1907	Monrill, Elizabeth A.	Trust	Cemetery Perpetual Care	Common	0.01%	200.69	-	61.25	-	261.94	51.16	8.93	(2.41)	-	57.68	319.62			
01/01/1934	Tor Family	Trust	Cemetery Perpetual Care	Common	0.03%	280.13	-	180.48	-	460.61	461.95	26.31	(7.10)	-	481.16	941.77			
01/01/1944	Trickey on Chestnut Hill Road	Trust	Cemetery Perpetual Care	Investment	0.04%	444.07	-	238.12	-	682.19	535.01	34.71	(9.27)	-	560.35	1,242.54			
01/01/1934	Willard on Chestnut Hill Road	Trust	Cemetery Perpetual Care	Investment	0.06%	576.73	-	306.68	-	883.41	684.24	44.70	(12.06)	-	716.88	1,601.29			
01/01/1916	Wingate on Salmon Falls Rd	Trust	Cemetery Perpetual Care	Investment	0.02%	432.70	-	132.07	-	564.77	110.32	19.25	(5.19)	-	124.38	689.15			
01/01/1970	Leighton, Charlotte	Trust	Library	Investment	0.10%	2,007.97	-	488.54	-	2,496.51	104.52	72.46	(19.54)	(104.52)	52.92	2,549.43			
01/01/1975	Merritts, Sadie L.	Trust	Library	Investment	0.16%	3,323.33	-	808.57	-	4,131.90	172.98	119.93	(32.35)	(172.98)	87.58	4,219.40			
01/01/1986	Elderly, James	Trust	Library	Common	0.15%	31,564.9	-	767.83	-	3,294.32	81.45	112.90	(20.46)	(81.45)	82.44	4,006.76			
01/01/1900	Barrington Avenue, Jennie	Trust	Library	Investment	0.10%	2,022.58	-	499.30	-	2,521.89	58.63	73.45	(19.81)	(55.63)	57.64	2,605.37			
01/01/1931	Felzer, Samuel D.	Trust	Library	Investment	0.48%	10,155.85	-	2,470.47	-	12,626.32	275.25	363.40	(98.03)	(275.25)	265.37	12,891.69			
01/01/1981	Greene, Pearl & Charles	Trust	Library	Common	0.09%	1,893.97	-	460.72	-	2,354.68	51.33	67.77	(18.28)	(51.33)	49.49	2,404.17			
01/01/1938	Greenfield, Charles & Andrew B.	Trust	Library	Common	0.48%	10,155.85	-	2,470.47	-	12,626.32	275.25	363.40	(98.03)	(275.25)	265.37	12,891.69			
01/01/1941	Greenfield, John	Trust	Library	Common	0.48%	10,155.85	-	2,470.47	-	12,626.32	275.25	363.40	(98.03)	(275.25)	265.37	12,891.69			
01/01/1943	Hanson, John	Trust	Library	Investment	0.48%	10,155.85	-	2,470.47	-	12,626.32	275.25	363.40	(98.03)	(275.25)	265.37	12,891.69			



City of Rochester,
Common Fund
MS-9 for Year Ending June 30, 2020

PRINCIPAL - ACCOUNT#5233001215										INCOME - ACCOUNT#5233001215									
ANNUAL TOTALS						ANNUAL TOTALS				ANNUAL TOTALS									
DATE	TRUST NAME	TYPE	PURPOSE	HOW INVESTED	% OF TOTAL	BALANCE 07/01/19	NEW FUNDS	GAIN/LOSS	EXPEND	BALANCE 06/30/19	BALANCE 07/01/19	Gross Income	Migrant Fees	Transf Income	Exp	BALANCE 06/30/19	TOTAL		
01/01/1973	Hanes, Wallace	Trust	Library	Common	0.25%	5,277.19	-	1,283.71	-	6,560.89	143.02	188.83	(50.94)	(143.02)		137.89	6,698.79		
01/01/1973	Jensen, Charles G.	Trust	Library	Investment	0.07%	1,578.31	-	383.93	-	1,962.24	42.78	56.48	(15.24)	(42.78)		41.24	2,003.48		
01/01/1977	Jones, Mabel H.	Trust	Library	Common	0.13%	2,677.76	-	651.38	-	3,329.13	72.58	95.82	(25.85)	(72.58)		69.96	3,399.10		
01/01/2011	King, Barbara	Trust	Library	Common	0.27%	5,773.44	-	1,404.42	-	7,177.86	158.48	206.59	(55.73)	(158.48)		150.85	7,328.72		
01/01/1978	Phyllis J. Bliss Fund	Trust	Library	Investment	0.06%	1,262.65	-	307.15	-	1,569.79	34.22	45.18	(12.19)	(34.22)		32.99	1,602.78		
01/01/1927	McDuffee, John	Trust	Library	Investment	0.48%	101,558.5	-	2,470.47	-	12,626.32	275.25	363.40	(98.03)	(275.25)		265.37	12,891.69		
01/01/2007	Nesett, Marcus L.	Trust	Library	Investment	0.54%	11,566.17	-	2,813.54	-	14,379.71	313.48	413.86	(111.65)	(313.48)		302.21	14,681.92		
01/01/1996	Rose, Carolyn C.	Trust	Library	Investment	0.06%	1,262.65	-	307.15	-	1,569.79	34.22	45.18	(12.19)	(34.22)		32.99	1,602.78		
01/01/1960	Schinger Library Fund, Leon	Trust	Library	Common	3.31%	70,224.63	-	17,082.55	-	87,307.18	1,903.26	2,512.80	(677.87)	(1,903.26)		1,834.93	89,142.11		
01/01/2004	Tobias, S. William	Trust	Library	Investment	1.41%	30,018.49	-	7,302.17	-	37,320.66	813.58	1,074.13	(289.27)	(813.58)		784.36	38,105.02		
01/01/1978	Thompson, Kenneth L.	Trust	Library	Investment	1.08%	22,864.90	-	5,562.02	-	28,426.91	619.69	818.16	(220.71)	(619.69)		597.45	29,024.36		
01/01/1940	Varney Library Fund, Sarah L.	Trust	Library	Investment	0.07%	2,037.42	-	385.35	-	2,422.77	(452.95)	56.17	(15.16)	-		(41.93)	2,010.84		
01/01/1918	Woodward, Olive M.	Trust	Library	Investment	0.01%	126.27	-	30.71	-	156.98	3.42	4.52	(1.22)	(3.42)		3.40	160.28		
01/01/1978	American Rev Bicentennial	Trust	Scholarship	Investment	0.12%	2,453.43	-	623.78	-	3,077.21	111.39	90.93	(24.54)	(145.00)		32.79	3,109.99		
01/01/1973	Bieder/Sarna	Trust	Scholarship	Common	0.98%	21,082.62	-	5,199.78	-	26,282.40	297.53	757.98	(204.53)	(575.00)		275.99	26,558.39		
01/01/1984	Bennett, Sharon	Trust	Scholarship	Investment	0.32%	6,865.13	-	1,695.37	-	8,560.50	105.80	247.14	(66.69)	(200.00)		86.25	8,646.75		
01/01/1975	Bliss, Phyllis	Trust	Scholarship	Investment	0.52%	11,221.00	-	2,778.01	-	13,999.01	201.46	404.95	(109.27)	(350.00)		147.14	14,146.15		
01/01/2014	Campbell, Kevin	Trust	Scholarship	Investment	0.96%	20,668.31	-	5,102.48	-	25,770.78	311.75	743.79	(200.70)	(575.00)		279.84	26,050.63		
01/01/1955	Class of 1905, 50th Reunion	Trust	Scholarship	Investment	0.62%	13,425.25	-	3,313.34	-	16,738.59	198.36	482.99	(130.33)	(375.00)		176.02	16,914.61		
01/01/1996	Class of 1946, 50th Reunion Memorial Fd	Trust	Scholarship	Investment	1.12%	24,009.82	-	5,919.58	-	29,929.40	329.95	862.90	(222.84)	(650.00)		310.02	30,239.41		
01/01/2013	Cocheco Valley Sportsmen Association Scholarship Fund	Trust	Scholarship	Investment	1.46%	31,309.54	-	7,726.96	-	39,036.49	461.71	1,126.37	(303.93)	(875.00)		409.15	39,445.64		
01/01/1983	Genie Sportsmen's Club	Trust	Scholarship	Investment	1.01%	21,629.46	-	5,322.23	-	26,951.69	295.27	777.29	(209.74)	(570.00)		292.82	27,254.51		
01/01/2007	Groddin, A. Faye	Trust	Scholarship	Investment	25.54%	548,495.96	-	135,518.64	-	684,014.60	8,275.01	19,753.90	(5,330.39)	(15,000.00)		7,698.52	691,713.12		
01/01/1977	Hanson-Daniel, Ruth	Trust	Scholarship	Investment	16.61%	357,167.42	-	88,047.11	-	445,214.53	4,859.41	12,884.74	(3,463.23)	(9,795.00)		4,433.94	449,650.47		
01/01/1973	Haney, Charles Eskin	Trust	Scholarship	Investment	0.60%	12,821.59	-	3,160.80	-	15,982.39	174.80	460.75	(124.33)	(350.00)		161.23	16,143.62		
01/01/1974	Haney, Charles L.	Trust	Scholarship	Investment	0.28%	6,061.19	-	1,494.98	-	7,556.17	85.76	217.92	(58.50)	(150.00)		94.88	7,651.05		
01/01/1994	Manning, Carol A.	Trust	Scholarship	Investment	0.88%	18,975.62	2,000.00	5,169.91	-	26,145.53	262.21	724.51	(195.18)	(550.00)		261.55	26,596.08		
01/01/2000	Meadler, H. Dwight	Trust	Scholarship	Investment	0.60%	12,981.18	-	3,201.98	-	16,183.16	184.55	466.76	(125.95)	(350.00)		175.36	16,585.52		
01/01/1978	Meador-Springfield, John	Trust	Scholarship	Investment	0.11%	2,286.19	-	579.91	-	2,866.10	98.24	84.53	(22.81)	(130.00)		29.97	2,896.07		
01/01/1994	Miffland, MD, Norman	Trust	Scholarship	Investment	1.32%	28,318.87	-	6,983.10	-	35,301.97	393.80	1,017.93	(274.67)	(785.00)		352.07	35,654.04		
01/01/1997	Pray, George & Hattie Fund	Trust	Scholarship	Investment	0.29%	5,878.48	-	1,522.98	-	7,401.46	385.62	222.01	(59.90)	(450.00)		95.72	7,497.19		
01/01/1986	Reddon, Gladys Gilman	Trust	Scholarship	Investment	0.53%	11,379.55	-	2,807.58	-	14,187.13	164.50	409.26	(110.43)	(320.00)		143.33	14,330.46		



City of Rochester,
Common Fund
MS-9 for Year Ending June 30, 2020

PRINCIPAL - ACCOUNT #523001215										
TRUST NAME					INCOME - ACCOUNT #523001215					
DATE	TYPE	PURPOSE	HOW INVESTED	ANNUAL TOTALS			ANNUAL TOTALS			
				BALANCE 07/01/19	NEW FUNDS	GAIN/LOSS	EXPEND	BALANCE 06/30/19	TOTAL INCOME	BALANCE 06/30/19
				TOTAL				TOTAL		
01/01/1996	Redegee, Roland & Lorraine	Trust	Scholarship	Common Investment	34,627.25	-	8,541.10	-	43,168.35	43,598.86
01/01/1960	Schlinger, Leon Scholarship Fund	Trust	Scholarship	Common Investment	69,927.15	-	17,250.84	-	87,177.99	88,117.94
01/01/1992	For MacMillan, Bessie	Trust	Scholarship	Common Investment	19,283.92	-	4,758.60	-	24,042.52	24,291.23
01/01/1940	Varnes Scholarship, Sarah L.	Trust	Scholarship	Common Investment	101,170.03	-	2,536.64	-	12,653.67	12,792.66
1/1/874	Widows Children	Trust	Poor/Indigent	Common Investment	23,512.67	-	6,497.15	-	32,009.82	33,093.27
01/01/1951	For George and Harri	Trust	Poor/Indigent	Common Investment	16,641.51	-	4,109.15	-	20,750.65	21,442.26
01/01/2017	Widowhouse, Mary McDuffee from Abbie	Trust	Discretionary/Bene	Common Investment	51,513.16	-	14,057.29	-	65,570.45	73,353.43
01/01/2017	McDuffee Chase Probate	Trust	Discretionary/Bene	Common Investment	16,313%	324,724.05	82,167.43	-	406,891.48	426,972.91
01/01/2017	Evans, William Charitable Trust	Trust	Fit of the Town	Common Investment	100.00%	2,062,941.59	2,000.00	524,238.49	(17,798)	2,589,162.10
					117,072.46	76,728.41	(20,704.92)	(65,547.19)	107,748.76	2,069,910.86

6/24/2020 Richard Gary Memorial Scholarship check incorrectly posted to the Common Fund account, Sarah Varnes Scholarship check incorrectly posted to the Expendable account. Reported correctly on the MS9 reports.



MS-10 City of Rochester, Common Funds
July 2019 - June 2020

Account #5233001215

# of Shares or Other Units	Description of Investment (Names of Banks, Stocks, Bonds, etc.)	TYPE	Beginning Year Balance	Purchases	Cash Capital Gains	Proceeds from Sales	Gains/Losses from Sales	Year End Balance	Income During Year	Beginning Year Market Value	Year End Market Value
650,000	ABBOTT LABS	Stock	19,240.75	-	-	-	-	19,240.75	884.00	54,665.00	59,429.50
-	ADIDAS AG SPONSORED ADR	Stock	28,974.00	-	-	48,224.00	19,250.00	-	-	46,263.00	-
91,000	Adobe Inc	Bond	-	34,796.12	-	-	-	34,796.12	-	20,389.80	39,613.21
133,000	Air Products and Chemicals Inc	Stock	-	29,795.02	-	-	-	29,795.02	-	-	32,114.18
20,000,000	Air Products and Chemicals Inc 3% 03 Nov 2021	Bond	19,988.00	-	-	-	-	19,988.00	600.00	-	20,633.27
35,000	ALPHABET INC CL A	Stock	15,462.24	-	-	-	-	15,462.24	-	37,898.00	49,631.75
25,000	AMAZON.COM INC	Stock	22,460.00	-	-	-	-	22,460.00	-	47,340.75	68,970.50
150,000	American Tower Corp	Stock	-	34,151.57	-	-	-	34,151.57	313.50	-	38,781.00
400,000	Americk Inc	Stock	-	39,865.09	-	-	-	39,865.09	144.00	-	35,748.00
133,000	Amgen Inc	Stock	-	30,006.60	-	-	-	30,006.60	-	-	31,369.38
250,000	APPLE INC	Stock	28,147.70	14,201.99	-	-	-	42,349.69	705.50	39,584.00	91,200.00
25,000,000	APPLE INC 3.350% 2/09/27	Bond	25,125.25	-	-	-	(13.41)	25,111.84	837.50	26,250.75	28,480.74
600,000	AT&T INC	Stock	9,686.56	10,925.18	-	-	-	20,611.74	950.40	10,723.20	18,138.00
250,000	Automatic Data Processing Inc	Stock	-	42,577.69	-	-	-	42,577.69	227.50	-	37,222.50
-	BALL CORP	Stock	5,187.90	-	-	39,349.05	34,161.15	-	247.50	41,994.00	-
-	BAXTER INTERNATIONAL INCORPORATED	Stock	17,983.84	-	-	36,577.19	18,593.35	-	352.00	32,760.00	-
96,000	Becton Dickinson and Co	Stock	-	23,210.39	-	-	-	23,210.39	75.84	-	22,969.92
30,000,000	BERKSHIRE HATHAWAY 2.750% 5/15/23	Bond	30,079.80	-	-	-	(17.45)	30,062.35	825.00	30,484.80	31,771.18
77,000	BLACKROCK INCORPORATED	Stock	14,643.17	-	-	-	-	14,643.17	1,067.22	36,136.10	41,894.93
30,000,000	BRISTOL MYERS SQUIBB 3.250% 2/27/27	Bond	30,082.80	-	-	-	(7.89)	30,074.91	975.00	31,216.80	34,427.72
-	BROKERED BANK MONEY MARKET FUND	Money Market	45,000.00	-	-	45,000.00	-	-	213.65	45,000.00	-
30,000,000	BURLINGTON NORTH SAN 3.400% 9/01/24	Bond	30,240.00	-	-	-	(30.02)	30,209.98	1,020.00	31,667.40	33,007.57



MS-10 City of Rochester, Common Funds
July 2019 - June 2020

Account #5233001215

# of Shares or Other Units	Description of Investment (Names of Banks, Stocks, Bonds, etc.)	TYPE	Beginning Year Balance	Purchases	Cash Capital Gains	Proceeds from Sales	Gains/Losses from Sales	Year End Balance	Income During Year	Beginning Year Market Value	Year End Market Value
30,000,000	CATERPILLAR FINL CRP 3.200% 6/15/26	Bond	30,097.50	-	-	-	(18.02)	30,079.48	960.00	29,648.10	31,230.90
275,000	CHEVRON CORPORATION	Stock	6,092.97	-	-	-	-	6,092.97	1,364.00	34,221.00	24,538.25
-	CISCO SYSTEMS INC	Stock	16,744.66	-	-	29,970.74	13,226.08	-	987.00	38,311.00	-
20,000,000	CLOROX CO 3.100% 10/01/27	Bond	20,113.20	-	-	-	(14.69)	20,098.51	620.00	20,476.00	21,882.17
30,000,000	Coca Cola CO 2.875% 10/27/25	Bond	29,827.80	-	-	-	-	29,827.80	862.50	31,051.50	33,321.59
-	COMCAST CORP CLASS A	Stock	22,832.28	-	-	20,890.33	(1,941.95)	-	516.00	25,368.00	-
-	CORTEVA INCORPORATED	Stock	2,609.86	-	-	3,686.58	1,076.72	-	33.28	3,784.96	-
150,000	COSTCO WHOLESALE CORP	Stock	26,318.25	-	-	-	-	26,318.25	397.50	39,639.00	45,481.50
-	CULLEN FROST BANKERS PFD 5.375%	Bond	24,874.30	-	-	25,000.00	125.70	-	1,007.82	26,160.00	-
-	CVS HEALTH CORP	Stock	28,225.10	-	-	18,390.60	(9,834.50)	-	550.00	14,984.75	-
30,000,000	CVS HEALTH CORP 3.375% 8/12/24	Bond	30,367.20	-	-	-	(52.81)	30,314.39	1,012.50	30,729.60	32,677.79
170,744,840	DAILY BANK MONEY MARKET FUND	Money Market	143,984.54	453,391.38	-	424,381.08	-	172,994.84	4,024.04	143,984.54	172,994.84
-	DAILY BANK MONEY MARKET FUND	Money Market	34,360.06	(34,360.06)	-	-	-	-	-	34,360.06	-
212,000	Danaher Corp	Stock	-	34,945.93	-	-	-	34,945.93	-	-	37,487.96
-	DUPONT DE NEMOURS INCORPORATED	Stock	7,194.00	-	-	8,134.25	940.25	-	76.80	9,608.96	-
-	ECOLAB INC.	Stock	30,743.72	-	-	68,608.13	37,864.41	-	604.00	69,104.00	-
-	ELLIE LILLY & CO	Stock	16,332.03	-	-	52,860.59	36,528.56	-	969.50	38,776.50	-
-	EMERSON ELECTRIC CO	Stock	13,353.62	-	-	22,851.06	9,497.44	-	297.00	20,016.00	-
1,200,000	ENERGY ARKANSAS LLC 4.900% PFD	Bond	30,079.08	-	-	-	-	30,079.08	1,470.00	31,140.00	30,000.00
300,000	EXXON MOBIL CORP	Stock	10,929.65	-	-	-	-	10,929.65	1,044.00	22,989.00	13,416.00
30,000,000	EXXON MOBIL CORP 3.043% 3/01/26	Bond	30,063.60	-	-	-	(9.70)	30,053.90	912.90	31,092.00	32,968.86
-	FICB 2.030% 8/14/19	Bond	29,973.81	-	-	30,000.00	26.19	-	304.50	29,998.50	-



MS-10 City of Rochester, Common Funds
July 2019 - June 2020

Account #5233001215

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-	FHLMC GD PL# B19343 5.500%	Bond	167.79	-	-	167.37	(0.42)	-	3.76	167.53	-
-	FHLMC PL #G12688 5.500%	Bond	543.36	-	-	277.05	(0.48)	265.83	22.54	556.89	273.46
55,000.00	6/01/22	Bond	29,763.60	-	-	-	-	29,763.60	960.00	30,322.50	33,842.12
30,000,000	GENERAL MILLS INC 3.200% 2/10/27	Bond	25,101.25	-	-	-	(30.23)	25,071.02	843.76	26,022.50	26,955.59
25,000,000	GLAXOSMITHKLINE CAP 3.375% 5/15/23	Bond	-	-	-	-	-	-	-	-	-
-	GOVERNMENT II MONEY MARKET FUND033	Money Market	-	139,815.30	-	139,815.30	-	-	-	-	-
-	HARTFORD FINL SVCS GROUP INC	Stock	17,994.24	-	-	50,984.99	32,990.75	-	765.00	47,362.00	-
300,000	Honeywell International Inc	Stock	-	52,822.92	-	-	-	52,822.92	540.00	-	43,377.00
-	ILLINOIS TOOL WORKS INC	Stock	9,154.06	-	-	35,960.17	26,806.11	-	414.00	30,162.00	-
560,000	INTEL CORP	Stock	11,145.25	43,815.49	-	40,742.43	19,029.22	33,247.53	558.54	23,935.00	33,504.80
400,000	ISHARES CORE S&P MID-CAP ETF	Mutual Fund/Index	50,945.97	20,603.00	-	-	-	71,548.97	1,110.60	58,278.00	71,128.00
700,000	ISHARES CORE S&P SMALL-CAP ETF	Mutual Fund/Index	16,949.98	-	-	-	-	16,949.98	828.51	54,796.00	47,803.00
3,250,000	ISHARES CORE U.S. AGGREGATE BOND ETF	Mutual Fund/Index	107,929.60	258,136.99	-	-	-	366,066.59	4,993.10	111,350.00	384,182.50
-	ISHARES CORE U.S. AGGREGATE BOND ETF	Mutual Fund/Index	37,712.40	(37,712.40)	-	-	-	-	-	38,972.50	-
300,000	ISHARES IBOXX HIGH YIELD CORP BDTF	Mutual Fund/Index	26,233.01	-	-	-	-	26,233.01	1,293.26	26,154.00	24,486.00
875,000	ISHARES IBOXX INVEST GRADE CORP BOND	Mutual Fund/Index	62,795.02	45,322.79	-	-	-	108,117.81	2,352.30	65,294.25	117,687.50
275,000	ISHARES JP MORGAN EMERGING BOND FUND	Mutual Fund/Index	31,200.40	-	-	-	-	31,200.40	1,340.76	31,154.75	30,035.50
-	ISHARES LATIN AMERICA 40 ETF	Mutual Fund/Index	9,365.55	-	-	10,143.37	777.82	-	171.14	10,122.00	-
500,000	ISHARES MBS ETF	Mutual Fund/Index	53,265.02	-	-	-	-	53,265.02	1,380.46	53,800.00	55,350.00
-	ISHARES MSCI PACIFIC EX - JAPAN FD	Mutual Fund/Index	8,251.52	-	-	12,509.52	4,258.00	-	260.16	12,846.56	-
-	ISHARES MSCI SOUTH AFRICA IDX	Mutual Fund/Index	9,977.33	-	-	7,555.82	(2,421.51)	-	729.23	8,473.85	-
300,000	Johnson & Johnson	Stock	-	43,786.35	-	-	-	43,786.35	588.00	-	42,189.00
400,000	JPMORGAN CHASE & CO	Stock	17,761.67	-	-	-	-	17,761.67	1,400.00	44,720.00	37,624.00



MS-10 City of Rochester, Common Funds
July 2019 - June 2020

Account #5233001215

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20,000.000	JPMORGAN CHASE & CO 3.200%	Bond	20,095.60	-	-	-	(18.22)	20,077.38	640.00	20,582.60	22,199.09
-	KIMBERLY CLARK CORP	Stock	12,818.17	-	-	35,207.27	22,389.10	-	1,040.00	33,320.00	-
30,000.000	KIMBERLY CLARK CORP 3.050%	Bond	30,117.90	-	-	-	(14.16)	30,103.74	915.00	31,096.20	33,158.66
-	LOWES COMPANIES INC	Stock	6,569.50	-	-	32,039.47	25,469.97	-	550.00	25,227.50	-
-	MARSH & McLENNAN COS INC	Stock	9,994.89	-	-	39,822.84	29,827.95	-	773.52	42,393.75	-
76,000	Mastercard Inc	Stock	-	23,099.81	-	-	-	23,099.81	-	-	22,473.20
-	MCKESSON CORPORATION	Stock	16,147.64	-	-	27,553.50	11,405.86	-	242.00	26,878.00	-
500,000	MICROSOFT CORP	Stock	4,209.64	-	-	-	-	4,209.64	995.00	66,980.00	101,755.00
20,000.000	NATL RURAL UTIL COOP 2.850%	Bond	20,018.60	-	-	-	(2.53)	20,016.07	570.00	20,440.00	21,963.00
15,000.00	NEW YORK NY BAB 4.047%	Bond	15,079.54	-	-	-	(17.80)	15,061.74	607.06	15,373.20	15,123.30
30,000.000	NEWMONT MINING CORP 3.500%	Bond	30,397.20	-	-	-	(71.00)	30,326.20	1,050.00	30,705.30	30,914.57
200,000	NEXTERA ENERGY INC	Stock	12,104.47	-	-	-	-	12,104.47	1,060.00	40,972.00	48,034.00
300,000	NIKE Inc	Stock	-	30,050.46	-	-	-	30,050.46	73.50	-	29,415.00
-	NORFOLK SOUTHERN CORP	Stock	7,586.60	-	-	38,959.01	31,372.41	-	376.00	39,866.00	-
-	NOVARTIS AG ADR	Stock	11,485.10	-	-	24,131.53	12,646.43	-	-	23,284.05	-
500,000	Novo Nordisk AS	Stock	-	32,446.85	-	-	-	32,446.85	-	-	32,740.00
30,000.000	ORACLE CORP 2.500% 10/15/22	Bond	29,880.60	-	-	-	-	29,880.60	750.00	30,211.80	31,376.14
-	ORACLE CORPORATION	Stock	11,040.99	-	-	27,993.36	16,953.37	-	253.00	29,909.25	-
-	PAYCHEX INC	Stock	14,773.57	-	-	46,574.02	31,800.45	-	682.00	45,259.50	-
277,000	PEPSICO INC	Stock	4,748.18	-	-	-	-	4,748.18	1,076.85	36,323.01	36,636.02
250,000	Philips 66	Stock	-	28,275.67	-	-	-	28,275.67	450.00	-	17,975.00
450,000	Procter & Gamble Co/The	Stock	-	52,710.07	-	-	-	52,710.07	505.00	-	53,806.50



MS-10 City of Rochester, Common Funds
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61,000	Reper Technologies Inc	Stock	-	35,370.47	-	14,947.77	1,153.29	21,575.99	102.50	-	21,683.86
-	SEI Daily Income Trust Government II Fund		-	34,151.74	-	34,151.74	-	-	12.42	-	-
-	SEMPRA ENERGY	Stock	14,151.89	-	-	34,938.05	20,786.16	-	1,085.56	37,796.00	-
-	SHELL INTL FIN 4.300% 9/22/19	Bond	30,266.70	-	-	30,000.00	(266.70)	-	645.00	30,099.00	-
-	SPDR S&P CHINA ETF	Mutual Fund/Index Fund/ETF	14,284.55	-	-	17,749.38	3,464.83	-	286.84	16,728.25	-
300,000	Starbucks Corp	Stock	-	19,987.74	-	-	-	19,987.74	123.00	-	22,077.00
-	STATE STREET CORP	Stock	17,621.60	-	-	19,842.98	2,221.38	-	247.50	14,015.00	-
30,000,000	STATE STREET CORP 2.550% 8/18/20	Bond	30,140.12	-	-	-	(32.43)	30,107.69	765.00	30,133.20	30,085.22
-	STRYKER CORP 4.375% 1/15/20	Bond	30,033.90	-	-	30,000.00	(33.90)	-	1,312.50	30,303.30	-
-	SYMANTEC CORP	Stock	20,030.57	-	-	17,955.89	(2,074.68)	-	140.00	15,232.00	-
132,000	Sonopys Inc	Stock	-	23,114.41	-	-	-	23,114.41	-	-	25,740.00
30,000,000	SYSCO CORP 2.600% 6/12/22	Bond	30,227.40	-	-	-	(51.27)	30,176.13	780.00	30,291.00	30,918.35
717,000	Technology Select Sector SPDR Fund	Mutual Fund/Index Fund/ETF	-	68,176.04	-	-	-	68,176.04	201.13	-	74,919.33
966,000	TENNESSEE VALLEY AUTHORITY 5.560%	Bond	25,154.64	-	-	-	-	25,154.64	811.44	24,246.60	25,058.04
-	TEXAS INSTRUMENTS INC		-	51,283.33	-	44,593.01	(6,690.32)	-	360.00	-	-
101,000	THERMO FISHER SCIENTIFIC INC.	Stock	5,509.60	-	-	33,172.02	30,400.22	2,827.80	147.00	58,736.00	36,596.34
30,000,000	TORONTO DOMINION BK 2.125% 4/07/21	Bond	30,123.60	-	-	-	(32.65)	30,090.95	637.50	29,969.10	30,410.81
20,000,000	UNITED PARCEL SERVICE 2.800% 11/15/24	Bond	20,068.40	-	-	-	(15.01)	20,053.39	560.00	20,444.20	21,668.63
-	UNITED TECHNOLOGIES CORP	Stock	3,401.70	-	-	14,947.42	11,545.72	-	147.00	13,020.00	-
2,000,000	VANGUARD FTSE DEVELOPED MARKETS ETF	Mutual Fund/Index Fund/ETF	38,833.75	43,898.21	-	-	-	82,731.96	1,373.90	41,710.00	77,580.00
1,000,000	VANGUARD FTSE EMERGING MARKETS ETF	Mutual Fund/Index Fund/ETF	39,479.50	-	-	-	-	39,479.50	1,305.80	42,530.00	39,610.00
8,414,114	VANGUARD GNMMA FD ADM #536	Mutual Fund/Index Fund/ETF	87,937.50	-	-	-	-	87,937.50	2,061.42	88,264.06	90,872.43



MS-10 City of Rochester, Common Funds
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Account #5233001215

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-	VERIZON COMMUNICATIONS	Stock	11,925.77	-	-	16,648.55	4,722.78	-	734.25	17,139.00	-
200,000	Visa Inc	Stock	-	37,596.91	-	-	-	37,596.91	120.00	-	38,634.00
250,000	Walt Disney Co/The	Stock	-	33,921.02	-	-	-	33,921.02	481.50	-	27,877.50
-	WALMART INCORPORATED	Stock	2,753.44	-	-	27,714.07	24,960.63	-	-	24,860.25	-
329,000	WASTE MGMT INC DEL	Stock	17,234.98	-	-	18,202.42	11,683.11	10,715.67	964.31	57,685.00	34,844.39
	Banking Assistance Fees (1)		-	-	-	-	-	-	(20,704.92)	-	-
	TOTAL FUNDS		2,180,014.06	1,794,180.07	-	1,799,223.92	524,240.66	2,699,210.87	55,315.65	3,114,431.52	3,267,987.06

(1) \$20,704.92 Collected From Income



City of
ROCHESTER
New Hampshire

CITY OF ROCHESTER, NEW HAMPSHIRE

Financial Statements
For the Year Ended June 30, 2020

(With Independent Auditor's Report Thereon)

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council and City Manager
City of Rochester, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rochester, New Hampshire, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the



financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rochester, New Hampshire, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Budgetary Comparison for the General fund and certain Pension and OPEB schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2021 on our consideration of the City's internal control over financial reporting and



on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Merrimack, New Hampshire
January 28, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Rochester (the City), we offer readers this narrative overview and analysis of the financial activities of the City of Rochester for the fiscal year ended June 30, 2020.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, highways and streets, education, health and welfare, culture and recreation, community development, community services, and conservation. The business-type activities include water and sewer.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The proprietary fund category includes enterprise funds.

Enterprise funds are used to report activity for which a fee is charged to external users, and must be used when one of the following criteria are met: (1) activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges, (2) laws or regulations require the activity's costs of providing services be recovered with fees and charges, and (3) the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs such as depreciation or debt service. The primary focus on these criteria is on fees charged to external users. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. Specifically, enterprise funds are used to account for water and sewer operations, which are considered to be major funds.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required supplementary information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America.

Financial Highlights

- As of the close of the current fiscal year, net position in governmental activities was \$31,243,762, a change of \$10,212,432, and net position in business-type activities was \$61,415,338, a change of \$1,408,426.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$28,342,528, a change of \$7,923,268 in comparison to the prior year, as restated.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$20,482,669, a change of \$(2,706,853) in comparison to the prior year.

Government-Wide Financial Analysis

The following is a summary of condensed government-wide financial data for the current and prior fiscal years.

<u>NET POSITION</u>						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current and other assets	\$ 67,375,417	\$ 51,130,951	\$ 12,635,949	\$ 5,199,856	\$ 80,011,366	\$ 56,330,807
Capital assets	<u>148,545,761</u>	<u>141,322,355</u>	<u>105,486,275</u>	<u>97,763,282</u>	<u>254,032,036</u>	<u>239,085,637</u>
Total assets	215,921,178	192,453,306	118,122,224	102,963,138	334,043,402	295,416,444
Deferred outflows of resources	13,431,760	16,745,026	482,459	616,515	13,914,219	17,361,541
Current liabilities	12,985,918	14,666,009	15,643,523	6,274,673	28,629,441	20,940,682
Noncurrent liabilities	<u>146,925,083</u>	<u>146,413,495</u>	<u>40,621,329</u>	<u>36,553,309</u>	<u>187,546,412</u>	<u>182,966,804</u>
Total liabilities	159,911,001	161,079,504	56,264,852	42,827,982	216,175,853	203,907,486
Deferred inflows of resources	38,198,175	27,087,498	924,493	744,759	39,122,668	27,832,257
Net investment in capital assets	94,944,470	80,969,438	56,098,673	56,959,378	151,043,143	137,928,816
Restricted	780,888	1,550,178	-	-	780,888	1,550,178
Unrestricted	<u>(64,481,596)</u>	<u>(61,488,286)</u>	<u>5,316,665</u>	<u>3,047,534</u>	<u>(59,164,931)</u>	<u>(58,440,752)</u>
Total net position	\$ <u>31,243,762</u>	\$ <u>21,031,330</u>	\$ <u>61,415,338</u>	\$ <u>60,006,912</u>	\$ <u>92,659,100</u>	\$ <u>81,038,242</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net position was \$92,659,100 a change of \$11,620,858 in comparison to the prior year.

The largest portion of net position, \$151,043,143, reflects our investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to

repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$780,888, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position reflects a deficit of \$(59,164,931), primarily resulting from unfunded pension and OPEB liabilities.

<u>CHANGES IN NET POSITION</u>						
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues:						
Program revenues:						
Charges for services	\$ 8,067,030	\$ 8,321,455	\$ 9,637,950	\$ 8,969,568	\$ 17,704,980	\$ 17,291,023
Operating grants and contributions	35,533,505	34,946,209	264,351	-	35,797,856	34,946,209
Capital grants and contributions	4,146,553	7,900,930	570,507	113,866	4,717,060	8,014,796
General revenues:						
Property taxes	54,499,053	52,794,230	-	-	54,499,053	52,794,230
Licenses and permits	6,108,067	6,051,123	-	131,955	6,108,067	6,183,078
Penalties and interest on taxes	1,080,001	1,488,593	-	9,840	1,080,001	1,498,433
Grants and contributions not restricted to specific programs	2,903,139	2,182,334	-	-	2,903,139	2,182,334
Investment income	541,527	696,549	10,000	10,000	551,527	706,549
Other	630,363	1,118,990	-	342,745	630,363	1,461,735
Total revenues	113,509,238	115,500,413	10,482,808	9,577,974	123,992,046	125,078,387
Expenses:						
General government	6,857,642	8,239,589	-	-	6,857,642	8,239,589
Public safety	14,500,315	14,014,848	-	-	14,500,315	14,014,848
Highway and streets	7,230,530	7,087,283	-	-	7,230,530	7,087,283
Education	68,121,529	66,002,861	-	-	68,121,529	66,002,861
Health and welfare	423,228	456,171	-	-	423,228	456,171
Culture and recreation	2,591,714	2,630,192	-	-	2,591,714	2,630,192
Community development	557,794	448,959	-	-	557,794	448,959
Community services	729,559	810,386	-	-	729,559	810,386
Conservation	4,600	-	-	-	4,600	-
Interest	1,928,703	2,285,335	-	-	1,928,703	2,285,335
Water	-	-	4,464,695	4,471,392	4,464,695	4,471,392
Sewer	-	-	4,960,879	4,951,387	4,960,879	4,951,387
Total expenses	102,945,614	101,975,624	9,425,574	9,422,779	112,371,188	111,398,403
Change in net position before transfers	10,563,624	13,524,789	1,057,234	155,195	11,620,858	13,679,984
Transfers in (out)	(351,192)	54,504	351,192	(54,504)	-	-
Change in net position	10,212,432	13,579,293	1,408,426	100,691	11,620,858	13,679,984
Net position - beginning of year	21,031,330	7,452,037	60,006,912	59,906,221	81,038,242	67,358,258
Net position - end of year	\$ 31,243,762	\$ 21,031,330	\$ 61,415,338	\$ 60,006,912	\$ 92,659,100	\$ 81,038,242

Governmental Activities

Governmental activities for the year resulted in a change in net position of \$10,212,432. Key elements of this change are as follows:

Capital assets acquired with current year revenues, net of disposals	\$ 15,335,758
Depreciation expense in excess of principal debt service	(2,401,452)
Change in pension expense from GASB 68	(2,304,658)
Other	<u>(417,216)</u>
Total	<u>\$ 10,212,432</u>

Business-Type Activities

Business-type activities for the year resulted in a change in net position of \$1,408,426. Key elements of this change result from:

Water operations	\$ 543,859
Sewer operations	<u>864,567</u>
Total	<u>\$ 1,408,426</u>

Financial Analysis of the City's Funds

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

General Fund

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$20,482,669, while total fund balance was \$23,400,046. The unassigned fund balance changed by \$(2,706,853) primarily from positive budgetary results of \$8,451,211 less the use of fund balance for capital improvements of \$9,491,202 and \$1,000,000 used for the fiscal year 2021 budget to fund capital improvements and the non-spendable fund balance established because of the current deficit in the Arena special revenue

fund. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to general fund expenditures. Refer to the following table.

<u>General Fund</u>	<u>6/30/20</u>	<u>6/30/19</u>	<u>Change</u>	<u>% of General Fund Expenditures</u>
Unassigned fund balance	\$ 20,482,669	\$ 23,189,522	\$ (2,706,853)	22.3%
Total fund balance	\$ 23,400,046	\$ 24,485,692	\$ (1,085,646)	25.5%

The total fund balance of the general fund changed by \$(1,085,646) during the current fiscal year. Key factors in this change are as follows:

Use of fund balance as a funding source	\$ (9,491,202)
Revenues in excess of budget	4,433,262
Expenditures less than budget	4,017,949
Change in capital reserves	14,230
Other timing issues	<u>(59,885)</u>
Total	<u>\$ (1,085,646)</u>

Included in the total general fund balance are the City's capital reserve accounts with the following balances:

	<u>6/30/20</u>	<u>6/30/19</u>	<u>Change</u>
Capital reserves	\$ <u>870,704</u>	\$ <u>856,474</u>	\$ <u>14,230</u>
Total	\$ <u><u>870,704</u></u>	\$ <u><u>856,474</u></u>	\$ <u><u>14,230</u></u>

Capital project fund

The capital project fund accounts for all financial transactions used for the acquisition or construction of major capital facilities, infrastructure, vehicles, and equipment for the City. At the end of the current fiscal year, unassigned fund balance of capital projects was \$4,161,594. The unassigned fund balance changed by \$9,778,204 primarily from the transfers in of \$10,415,544 for capital improvements and the current year bonding of \$7,860,000 which was used to fund both prior year and current year capital expenditures.

Non-Major Governmental Funds

The non-major fund balance changed by \$(769,290) primarily from timing differences between the receipt and disbursement of grants and Granite State Business Park TIF District results of \$(1,307,767) which was the result of current year construction costs not yet bonded.

Proprietary Funds

Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net position of the water enterprise funds changed by (\$2,988,090) while the sewer enterprise fund changed by \$5,257,221. The changes in both funds are timing related as the City follows a practice of using unrestricted cash/net position to finance capital improvements and issuing bonds at completion of most projects.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget resulted in an overall change in appropriation of \$8,490,202. Major reasons for these amendments include:

- \$1,336,000 – City resolution to use unassigned fund balance to fund the School Department for unanticipated special education costs.
- \$1,151,863 – City resolution to use unassigned fund balance to fund the School Building Capital Reserve Fund.
- \$1,000,000 – City resolution to use unassigned fund balance to fund the Department of Public Works Capital Improvements Plan budget associated with the Colonial Pines Subdivision Project.
- \$1,000,000 – City resolution to use unassigned fund balance to fund the Department of Public Works Capital Improvements Plan budget for the Paving Rehabilitation Project.
- \$642,401 – City resolution to use unassigned fund balance to fund the Spaulding High School Sprinkler/Alarm Upgrade Project.

Capital Assets and Debt Administration

Capital Assets

Total investment in capital assets for governmental and business-type activities at year end amounted to \$254,032,036 (net of accumulated depreciation), a change of \$14,946,399 from the prior year. This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment.

Major capital asset events during the current fiscal year included the following:

Governmental Activities

New addition to Construction in Progress:

Creteau Tech Center Upgrade	\$	5,351,458
Granite State Water Main Interconnect	\$	1,307,767
Emergency Services Radio	\$	995,297
Colonial Pines Drainage	\$	901,278
New DPW Facility	\$	795,079

Conversion of Construction in Progress to Depreciable Asset:

Pavement Rehabilitation Program	\$	2,013,582
SB38 Paving Rehabilitation	\$	530,588
Commons Playground Upgrade	\$	209,424
Hanson Pines Playground	\$	209,351

Business-type Activities

New addition to Construction in Progress:

WWTP Sludge Dewatering	\$	951,311
WWTP Biosolids Dewatering	\$	622,427
Route 202A Water Main Extension	\$	395,052

Conversion of Construction in Progress to Depreciable Asset:

Colonial Pines Sewer	\$	1,717,657
Round Pond Augmentation	\$	587,437
WTP Low Lift Pump Station	\$	440,000

Additional information on capital assets can be found in the Notes to the Financial Statements.

Long-term debt

At the end of the current fiscal year, total bonded debt outstanding was \$86,315,519, net of unamortized bond premiums \$5,072,102, all of which was backed by the full faith and credit of the government.

Additional information on long-term debt can be found in the Notes to the Financial Statements.

Requests for Information

This financial report is designed to provide a general overview of the City of Rochester's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City Finance Office
City of Rochester
31 Wakefield Street
Rochester, New Hampshire 03867

CITY OF ROCHESTER, NEW HAMPSHIRE

Statement of Net Position
June 30, 2020

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets			
Current:			
Cash and short-term investments	\$ 66,256,595	\$ -	\$ 66,256,595
Investments	3,210,433	-	3,210,433
Receivables, net of allowance for uncollectibles:			
Property taxes	41,305	-	41,305
User fees	346,373	2,826,785	3,173,158
Intergovernmental	797,053	1,897,389	2,694,442
Internal balances	(6,028,275)	6,028,275	-
Other assets	<u>608,161</u>	<u>364,188</u>	<u>972,349</u>
Total Current Assets	65,231,645	11,116,637	76,348,282
Noncurrent:			
Receivables, net of allowance for uncollectibles:			
Property taxes	2,143,772	-	2,143,772
Intergovernmental	-	1,454,652	1,454,652
Capital Assets:			
Land and construction in progress	35,248,902	14,754,537	50,003,439
Other assets, net of accumulated depreciation	<u>113,296,859</u>	<u>90,731,738</u>	<u>204,028,597</u>
Total Noncurrent Assets	<u>150,689,533</u>	<u>106,940,927</u>	<u>257,630,460</u>
Total Assets	215,921,178	118,057,564	333,978,742
Deferred Outflows of Resources			
Related to pensions	11,892,775	312,852	12,205,627
Related to OPEB	1,216,155	35,975	1,252,130
Other	<u>322,830</u>	<u>133,632</u>	<u>456,462</u>
Total Deferred Outflows of Resources	13,431,760	482,459	13,914,219

(continued)

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Statement of Net Position
June 30, 2020

(continued)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Liabilities			
Current:			
Accounts payable	2,590,946	1,454,593	4,045,539
Accrued liabilities	3,772,596	1,304,695	5,077,291
Due to external parties	114,185	-	114,185
Tax refunds payable	18,521	-	18,521
Notes payable	-	8,026,325	8,026,325
Other liabilities	81,562	5,173	86,735
Current portion of long-term liabilities:			
Bonds payable	5,875,278	4,060,164	9,935,442
Loans payable	110,951	711,854	822,805
Compensated absences	247,825	16,059	263,884
Capital leases	<u>174,054</u>	<u>-</u>	<u>174,054</u>
Total Current Liabilities	12,985,918	15,578,863	28,564,781
Noncurrent:			
Bonds payable, net of current portion	51,066,383	30,456,273	81,522,656
Loans payable, net of current portion	225,091	7,452,507	7,677,598
Net pension liability	76,791,230	2,067,725	78,858,955
Net OPEB liability	16,285,873	500,296	16,786,169
Compensated absences	2,245,378	144,528	2,389,906
Capital leases	<u>311,128</u>	<u>-</u>	<u>311,128</u>
Total Noncurrent Liabilities	<u>146,925,083</u>	<u>40,621,329</u>	<u>187,546,412</u>
Total Liabilities	159,911,001	56,200,192	216,111,193
Deferred Inflows of Resources			
Related to pension	4,170,781	163,682	4,334,463
Related to OPEB	3,740,379	109,487	3,849,866
Taxes paid in advance	29,943,677	-	29,943,677
Other	<u>343,338</u>	<u>651,324</u>	<u>994,662</u>
Total Deferred Inflows of Resources	38,198,175	924,493	39,122,668
Net Position			
Net investment in capital assets	94,944,470	56,098,673	151,043,143
Restricted for:			
Grants and other statutory restrictions	657,632	-	657,632
Permanent funds:			
Nonexpendable	72,055	-	72,055
Expendable	51,201	-	51,201
Other purposes			
Unrestricted	<u>(64,481,596)</u>	<u>5,316,665</u>	<u>(59,164,931)</u>
Total Net Position	\$ <u><u>31,243,762</u></u>	\$ <u><u>61,415,338</u></u>	\$ <u><u>92,659,100</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Statement of Activities
For the Year Ended June 30, 2020

		Program Revenues			Net (Expenses) Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
	Expenses				
Governmental Activities					
General government	\$ 6,857,642	\$ 3,624,990	\$ 101,058	\$ -	\$ (3,131,594)
Public safety	14,500,315	410,814	126,246	115,000	(13,848,255)
Highway and streets	7,230,530	46,077	-	233,659	(6,950,794)
Education	68,121,529	2,758,655	34,845,406	3,797,894	(26,719,574)
Health and welfare	423,228	-	-	-	(423,228)
Culture and recreation	2,591,714	500,630	10,000	-	(2,081,084)
Community development	557,794	-	450,795	-	(106,999)
Community services	729,559	725,864	-	-	(3,695)
Conservation	4,600	-	-	-	(4,600)
Interest on long-term debt	<u>1,928,703</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,928,703)</u>
Total Governmental Activities	102,945,614	8,067,030	35,533,505	4,146,553	(55,198,526)
Business-Type Activities					
Water operations	4,464,695	4,399,851	227,230	150,247	312,633
Sewer operations	<u>4,960,879</u>	<u>5,238,099</u>	<u>37,121</u>	<u>420,260</u>	<u>734,601</u>
Total Business-Type Activities	<u>9,425,574</u>	<u>9,637,950</u>	<u>264,351</u>	<u>570,507</u>	<u>1,047,234</u>
Total	<u>\$ 112,371,188</u>	<u>\$ 17,704,980</u>	<u>\$ 35,797,856</u>	<u>\$ 4,717,060</u>	(54,151,292)

(continued)

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Statement of Activities
For the Year Ended June 30, 2020

(continued)

	Governmental Activities	Business- Type Activities	Total
Changes in net (expenses) revenues from previous page	\$ (55,198,526)	\$ 1,047,234	\$ (54,151,292)
General Revenues and Transfers			
Property taxes	\$ 54,499,053	\$ -	\$ 54,499,053
Licenses and permits	6,108,067	-	6,108,067
Penalties, interest, and other taxes	1,080,001	-	1,080,001
Grants and contributions not restricted to specific programs	2,903,139	-	2,903,139
Investment income	541,527	10,000	551,527
Miscellaneous	630,363	-	630,363
Transfers, net	<u>(351,192)</u>	<u>351,192</u>	<u>-</u>
Total general revenues and transfers	<u>65,410,958</u>	<u>361,192</u>	<u>65,772,150</u>
Change in Net Position	10,212,432	1,408,426	11,620,858
Net Position			
Beginning of year	<u>21,031,330</u>	<u>60,006,912</u>	<u>81,038,242</u>
End of year	\$ <u><u>31,243,762</u></u>	\$ <u><u>61,415,338</u></u>	\$ <u><u>92,659,100</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Governmental Funds
Balance Sheet
June 30, 2020

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and short-term investments	\$ 66,123,090	\$ -	\$ 133,505	\$ 66,256,595
Investments	3,093,621	-	116,812	3,210,433
Receivables:				
Property taxes	2,649,403	-	-	2,649,403
User fees	316,865	-	-	316,865
Departmental and other	29,508	-	-	29,508
Intergovernmental and other	-	21,338	775,715	797,053
Due from other funds	1,391,618	4,882,623	2,128,071	8,402,312
Other assets	<u>32,452</u>	<u>-</u>	<u>75,565</u>	<u>108,017</u>
Total Assets	\$ <u>73,636,557</u>	\$ <u>4,903,961</u>	\$ <u>3,229,668</u>	\$ <u>81,770,186</u>
Liabilities				
Accounts payable	\$ 1,921,697	\$ 545,737	\$ 123,512	\$ 2,590,946
Accrued liabilities	2,991,692	191,732	32,986	3,216,410
Tax refunds payable	18,521	-	-	18,521
Due to other funds	12,595,828	-	1,948,944	14,544,772
Other liabilities	<u>81,562</u>	<u>-</u>	<u>-</u>	<u>81,562</u>
Total Liabilities	17,609,300	737,469	2,105,442	20,452,211
Deferred Inflows of Resources				
Unavailable revenues	2,683,534	4,898	343,338	3,031,770
Taxes paid in advance	29,943,677	-	-	29,943,677
Fund Balances				
Nonspendable	687,451	-	72,055	759,506
Restricted	311,169	4,161,594	2,325,430	6,798,193
Committed	1,870,704	-	-	1,870,704
Assigned	48,053	-	-	48,053
Unassigned	<u>20,482,669</u>	<u>-</u>	<u>(1,616,597)</u>	<u>18,866,072</u>
Total Fund Balances	<u>23,400,046</u>	<u>4,161,594</u>	<u>780,888</u>	<u>28,342,528</u>
Total Liabilities, Deferred Inflows of Resources Resources and Fund Balances	\$ <u>73,636,557</u>	\$ <u>4,903,961</u>	\$ <u>3,229,668</u>	\$ <u>81,770,186</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
in the Statement of Net Position
June 30, 2020

Total governmental fund balances	\$ 28,342,528
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	148,545,761
Revenues are reported on the accrual basis of accounting and are not deferred until collection.	2,224,106
Long-term liabilities, including bonds payable, net pension liability, and net OPEB liability are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Bonds payable	(56,941,661)
Pension liability, net of related deferred outflows & inflows of resources	(69,069,236)
OPEB liability, net of related deferred outflows & inflows of resources	(18,810,097)
Compensated absences	(2,493,203)
Other	<u>(554,436)</u>
Net position of governmental activities	\$ <u><u>31,243,762</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2020

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Property taxes	\$ 53,203,837	\$ -	\$ 1,658,035	\$ 54,861,872
Penalties, interest, and other taxes	1,080,001	-	-	1,080,001
Charges for services	6,480,626	-	1,586,404	8,067,030
Intergovernmental	33,639,588	4,141,385	4,654,089	42,435,062
Licenses and permits	6,108,067	-	-	6,108,067
Investment income	530,996	-	10,531	541,527
Miscellaneous	<u>562,989</u>	<u>-</u>	<u>26,773</u>	<u>589,762</u>
Total Revenues	101,606,104	4,141,385	7,935,832	113,683,321
Expenditures				
Current:				
General government	5,956,472	1,623,414	1,329,043	8,908,929
Public safety	13,259,537	2,099,521	77,375	15,436,433
Highway and streets	2,959,512	3,173,103	-	6,132,615
Education	60,316,842	6,478,700	4,949,598	71,745,140
Health and welfare	424,237	-	-	424,237
Culture and recreation	2,030,040	218,479	382,062	2,630,581
Community development	370,285	17,342	390,269	777,896
Community services	-	-	715,282	715,282
Conservation	4,600	-	-	4,600
Debt service				
Principal	4,937,293	-	850,990	5,788,283
Interest	1,511,312	-	320,629	1,831,941
Capital outlay	<u>-</u>	<u>-</u>	<u>90,975</u>	<u>90,975</u>
Total Expenditures	<u>91,770,130</u>	<u>13,610,559</u>	<u>9,106,223</u>	<u>114,486,912</u>
Excess (deficiency) of revenues over expenditures	9,835,974	(9,469,174)	(1,170,391)	(803,591)
Other Financing Sources (Uses)				
Issuance of bonds	-	7,860,000	85,000	7,945,000
Bond premium	-	1,118,051	15,000	1,133,051
Issuance of refunding bonds	-	1,291,000	-	1,291,000
Premium on refunding bonds	-	229,817	-	229,817
Payments to escrow agent	-	(1,520,817)	-	(1,520,817)
Transfers in	200,646	10,415,544	368,724	10,984,914
Transfers out	<u>(11,122,266)</u>	<u>(146,217)</u>	<u>(67,623)</u>	<u>(11,336,106)</u>
Total Other Financing Sources (Uses)	<u>(10,921,620)</u>	<u>19,247,378</u>	<u>401,101</u>	<u>8,726,859</u>
Change in fund balance	(1,085,646)	9,778,204	(769,290)	7,923,268
Fund Equity, at Beginning of Year	<u>24,485,692</u>	<u>(5,616,610)</u>	<u>1,550,178</u>	<u>20,419,260</u>
Fund Equity, at End of Year	\$ <u><u>23,400,046</u></u>	\$ <u><u>4,161,594</u></u>	\$ <u><u>780,888</u></u>	\$ <u><u>28,342,528</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Reconciliation of the Statement of Revenues, Expenditures, and Changes
In Fund Balances of Governmental Funds To the Statement of Activities
For the Year Ended June 30, 2020

Net changes in fund balances - total governmental funds	\$ 7,923,268
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:</p>	
Capital outlay, net of disposals of capital assets	15,335,758
Depreciation	(8,112,352)
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position:</p>	
Issuance of debt	(7,945,000)
Repayments of debt	5,771,685
Bond premium	(1,133,051)
<p>Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., property taxes, etc.) differ between the two statements. This amount represents the net change in unavailable revenue.</p>	
	363,788
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:</p>	
Change in pension expense from GASB 68	(2,304,658)
Change in OPEB expense from GASB 75	822,997
Other	(510,003)
Change in net position of governmental activities	\$ 10,212,432

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Proprietary Funds
Statement of Net Position
June 30, 2020

	Business-Type Activities Enterprise Funds		
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Assets			
Current:			
Due from other funds	\$ 1,261,724	\$ 4,831,211	\$ 6,092,935
User fees, net of allowance for uncollectibles	1,199,647	1,627,138	2,826,785
Intergovernmental receivables	-	1,897,389	1,897,389
Other assets	<u>336,873</u>	<u>27,315</u>	<u>364,188</u>
Total Current Assets	2,798,244	8,383,053	11,181,297
Noncurrent:			
Intergovernmental receivables	-	1,454,652	1,454,652
Capital assets:			
Land and construction in progress	3,977,185	10,777,352	14,754,537
Other assets, net of accumulated depreciation	<u>33,897,082</u>	<u>56,834,656</u>	<u>90,731,738</u>
Total Noncurrent Assets	<u>37,874,267</u>	<u>69,066,660</u>	<u>106,940,927</u>
Total Assets	40,672,511	77,449,713	118,122,224
Deferred Outflows of Resources			
Related to pensions	159,421	153,431	312,852
Related to OPEB	19,196	16,779	35,975
Other	<u>99,416</u>	<u>34,216</u>	<u>133,632</u>
Total Deferred Outflows of Resources	278,033	204,426	482,459
Liabilities			
Current:			
Accounts payable	220,110	1,234,483	1,454,593
Accrued liabilities	289,007	1,015,688	1,304,695
Due to other funds	64,660	-	64,660
Notes payable	452,712	7,573,613	8,026,325
Other current liabilities	-	5,173	5,173
Current portion of long-term liabilities:			
Bonds payable	1,469,603	2,590,561	4,060,164
Loans payable	346,484	365,370	711,854
Compensated absences	<u>6,386</u>	<u>9,673</u>	<u>16,059</u>
Total Current Liabilities	2,848,962	12,794,561	15,643,523
Noncurrent:			
Bonds payable, net of current portion	13,133,697	17,322,576	30,456,273
Loans payable, net of current portion	4,245,541	3,206,966	7,452,507
Net pension liability	1,053,661	1,014,064	2,067,725
Net OPEB liability	272,867	227,429	500,296
Compensated absences	<u>57,475</u>	<u>87,053</u>	<u>144,528</u>
Total Noncurrent Liabilities	<u>18,763,241</u>	<u>21,858,088</u>	<u>40,621,329</u>
Total Liabilities	21,612,203	34,652,649	56,264,852
Deferred Inflows of Resources			
Related to pensions	83,408	80,274	163,682
Related to OPEB	62,307	47,180	109,487
Other	<u>26,023</u>	<u>625,301</u>	<u>651,324</u>
Total Deferred Inflows of Resources	171,738	752,755	924,493
Net Position			
Net investment in capital assets	19,180,381	36,918,292	56,098,673
Unrestricted	<u>(13,778)</u>	<u>5,330,443</u>	<u>5,316,665</u>
Total Net Position	\$ <u>19,166,603</u>	\$ <u>42,248,735</u>	\$ <u>61,415,338</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Proprietary Funds
Statement Of Revenues, Expenses And Changes In Fund Net Position
For the Year Ended June 30, 2020

	Business-Type Activities Enterprise Funds		
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Operating Revenues			
Charges for services	\$ 4,327,942	\$ 4,910,914	\$ 9,238,856
Other	<u>71,909</u>	<u>327,185</u>	<u>399,094</u>
Total Operating Revenues	4,399,851	5,238,099	9,637,950
Operating Expenses			
Personnel costs	1,406,293	1,369,880	2,776,173
Non-personnel cost	833,370	1,185,849	2,019,219
Depreciation	1,485,781	1,741,360	3,227,141
Other	<u>195,361</u>	<u>293</u>	<u>195,654</u>
Total Operating Expenses	<u>3,920,805</u>	<u>4,297,382</u>	<u>8,218,187</u>
Operating Income	479,046	940,717	1,419,763
Nonoperating Revenues (Expenses)			
Intergovernmental revenue	227,230	37,121	264,351
Investment income	5,000	5,000	10,000
Interest expense	<u>(543,890)</u>	<u>(663,497)</u>	<u>(1,207,387)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(311,660)</u>	<u>(621,376)</u>	<u>(933,036)</u>
Income (Loss) Before Transfers and Capital Contributions	167,386	319,341	486,727
Capital contributions	150,247	420,260	570,507
Transfers in	<u>226,226</u>	<u>124,966</u>	<u>351,192</u>
Change in Net Position	543,859	864,567	1,408,426
Net Position, Beginning of Year	<u>18,622,744</u>	<u>41,384,168</u>	<u>60,006,912</u>
Net Position, End of Year	\$ <u><u>19,166,603</u></u>	\$ <u><u>42,248,735</u></u>	\$ <u><u>61,415,338</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2020

	Business-Type Activities Enterprise Funds		
	Water Fund	Sewer Fund	Total
Cash Flows From Operating Activities			
Receipts from customers and users	\$ 4,370,598	\$ 4,917,033	\$ 9,287,631
Payments to employees	(1,586,587)	(1,455,543)	(3,042,130)
Payments to suppliers	<u>(1,044,083)</u>	<u>(625,355)</u>	<u>(1,669,438)</u>
Net Cash Provided By Operating Activities	1,739,928	2,836,135	4,576,063
Cash Flows From Noncapital Financing Activities			
Transfers in	502,879	567,069	1,069,948
Transfers out	(276,653)	(442,103)	(718,756)
Interfund borrowing	<u>(2,862,558)</u>	<u>(14,986,590)</u>	<u>(17,849,148)</u>
Net Cash Provided By (Used For) Noncapital Financing Activities	(2,636,332)	(14,861,624)	(17,497,956)
Cash Flows From Capital and Related Financing Activities			
Proceeds of bonds	2,990,000	6,335,000	9,325,000
Bond premiums	426,406	903,438	1,329,844
Proceeds of loans	92,118	5,399,596	5,491,714
Acquisition and construction of capital assets	(1,401,662)	(9,234,976)	(10,636,638)
Interfund borrowing	1,020,690	10,838,066	11,858,756
Principal payments on bonds and notes	(1,661,217)	(2,642,362)	(4,303,579)
Interest expense	(574,931)	(809,843)	(1,384,774)
Intergovernmental revenue	<u>-</u>	<u>1,231,570</u>	<u>1,231,570</u>
Net Cash (Used For) Capital and Related Financing Activities	891,404	12,020,489	12,911,893
Cash Flows From Investing Activities			
Investment income	<u>5,000</u>	<u>5,000</u>	<u>10,000</u>
Net Cash Provided By Investing Activities	<u>5,000</u>	<u>5,000</u>	<u>10,000</u>
Net Change in Cash and Short-Term Investments	-	-	-
Cash and Short-Term Investments, Beginning of Year	-	-	-
Cash and Short-Term Investments, End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities			
Operating income (loss)	\$ 479,046	\$ 940,717	\$ 1,419,763
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	1,485,781	1,741,360	3,227,141
Changes in assets, liabilities, and deferred outflows/inflows:			
User fees	(29,253)	(321,066)	(350,319)
Other assets	(11,664)	(4,264)	(15,928)
Deferred outflows - related to pensions	62,383	47,682	110,065
Deferred outflows - related to OPEB	762	957	1,719
Deferred outflows - other	16,569	5,703	22,272
Accounts payable	27,673	(20,690)	6,983
Accrued liabilities	(24,883)	585,741	560,858
Compensated absences	2,766	4,421	7,187
Net pension liability	(112,111)	(42,955)	(155,066)
Net OPEB liability	(119,852)	(89,475)	(209,327)
Deferred inflows - related to pensions	(6,752)	(1,475)	(8,227)
Deferred inflows - related to OPEB	(12,395)	(10,521)	(22,916)
Deferred inflows - other	<u>(18,142)</u>	<u>-</u>	<u>(18,142)</u>
Net Cash Provided By (Used For) Operating Activities	<u><u>\$ 1,739,928</u></u>	<u><u>\$ 2,836,135</u></u>	<u><u>\$ 4,576,063</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2020

	Private Purpose Trust Funds	Agency Funds
Assets		
Cash and short-term investments	\$ 274,521	\$ 1,136,012
Investments	3,026,406	-
Due from external parties	<u>-</u>	<u>114,185</u>
Total Assets	3,300,927	1,250,197
Liabilities		
Other liabilities	<u>-</u>	<u>1,250,197</u>
Total Liabilities	<u>-</u>	<u>\$ 1,250,197</u>
Net Position		
Restricted for other purposes		
Total Net Position	<u>\$ 3,300,927</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	Private Purpose <u>Trust Funds</u>
Additions	
Contributions	\$ 3,536
Increase in fair value of investments	<u>241,178</u>
Total additions	244,714
Deductions	
Other	<u>97,949</u>
Total deductions	<u>97,949</u>
Net increase	146,765
Net position restricted for pensions and other purposes	
Beginning of year	<u>3,154,162</u>
End of year	<u><u>\$ 3,300,927</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of the City of Rochester, New Hampshire (the City) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

Reporting Entity

The City is a municipal corporation governed by a City Council. As required by generally accepted accounting principles, these financial statements present the government and applicable component units for which the government is considered to be financially accountable. In fiscal year 2020, it was determined that no entities met the required GASB 14 (as amended) criteria of component units.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, certain expenditures such as debt service, claims and judgments, compensated absences, OPEB, and pension are recorded only when payment is due.

The City reports the following major governmental funds:

- The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *capital projects fund* accounts for all financial transactions used for the acquisition or construction of major capital facilities, infrastructure, vehicles, and equipment for the City.

The proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and

delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The government reports the following major proprietary funds:

- The *Water Fund* accounts for services relating to water activities.
- The *Sewer Fund* accounts for services relating to sewer activities.

The fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

The City reports the following fiduciary funds:

- The *private-purpose trust fund* is used to account for trust arrangements, other than those properly reported in the pension trust fund or permanent fund, under which principal and investment income exclusively benefit individuals, private organizations, or other governments.
- The *agency funds* account for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others. Agency funds report only assets and liabilities, and therefore, have no measurement focus.

Cash and Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Certain special revenue and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. Generally, a cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments".

For purpose of the statement of cash flows, the proprietary funds consider investments with original maturities of three months or less to cash equivalents.

Investments, generally, are presented at fair value. Where applicable, fair values are based on quotations from national securities exchanges, except for certain investments that are required to be presented using the net asset value (NAV). The NAV per share is the amount of

net assets attributable to each share of capital stock outstanding at the close of the period investments measured at the NAV for fair value are not subject to level classification.

State and local statutes place certain limitations on the nature of deposits and investments available. Deposits in any financial institution may not exceed certain levels within the financial institution. Non-fiduciary fund investments can be made in securities issued by or unconditionally guaranteed by the U.S. Government or agencies that have a maturity of one year or less from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase.

Investments are carried at fair value, except certificates of deposit which are reported at cost.

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due from/to other funds” (i.e., the current portion of interfund loans).

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (for enterprise funds only), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	10 – 20
Building improvements	5 – 100
Infrastructure	10 – 50
Vehicles and equipment	5 – 50

Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vested sick and vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is

reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position.

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance”. Fund equity for all other reporting is classified as “net position”.

Fund Balance

Generally, fund balance represents the difference between the current assets/deferred outflows and current liabilities/deferred inflows. The City reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources and, therefore, are not available for appropriation or expenditure. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the City uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

Net Position

Net position represents the difference between assets/ deferred outflows and liabilities/deferred inflows. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use, either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining net position is reported as unrestricted.

Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. Stewardship, Compliance, and Accountability

Budgetary Information

The City Manager presents an operating and capital budget for the proposed expenditures of the year commencing the following July 1. The budget, as enacted by the City Council, establishes the legal level of control and specifies that certain appropriations are to be funded by particular revenues. The original budget is amended during the year at City Council meetings as required by changing conditions.

Departments are limited to the line item as voted. Formal budgetary integration is employed as a management control device during the year for the General Fund. At year end, appropriation balances lapse, except for certain unexpended capital items and encumbrances which will be honored during the subsequent year.

Deficit Fund Equity

Certain individual funds reflected deficit balances as of June 30, 2020.

It is anticipated that the deficits in these funds will be eliminated through future departmental revenues, bond proceeds, and transfers from other funds.

3. Deposits and Investments

State statutes (RSA 48:16) place certain limitation on the nature of deposits and investments available to the City/Town/District. Deposits may be made in the New Hampshire Deposit Investment Pool (NHPDIP), in NH Banks or banks outside the State if such banks pledge and deliver to a third-party custodial bank with various collateralized security, in accordance with RSA 383:22. NHDIP is under the control of the New Hampshire Banking Commission and Advisory Committee. Participation units of the NHDIP are considered short-term for financial presentation purposes due to high liquidity of the fund and is carried at amortized cost in accordance with GASB Statement 79.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. RSA 48:16 limits "deposit in any one bank shall not at any time exceed the sum of its paid-up capital and surplus, exception that a City with a population in excess of 50,000 is authorized to deposit funds in a solvent bank in excess of the paid-up capital surplus of said bank." The City does not have a deposit policy for custodial credit risk.

As of June 30, 2020, \$170,745 of the City's bank balance of \$65,486,638 was exposed to custodial credit risk as uninsured and/or uncollateralized. This amount represents the cash portion of investment accounts in the custody of the Trustees of Trust Funds.

Investment Summary

The following is a summary of the City's investments as of June 30, 2020:

<u>Investment Type</u>	<u>Amount</u>
Certificates of deposits	\$ 3,058,459
Corporate bonds	650,754
Corporate equities	1,692,907
Fixed income mutual funds	753,147
Municipal bonds	40,181
U.S. Treasury and agencies	<u>41,391</u>
Total investments	<u>\$ 6,236,839</u>

Custodial Credit Risk - Investments

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the City will not be able to recover the value of its investment or collateral securities that are in possession of another party. The City does not have formal investment policies related to custodial credit risk.

As of June 30, 2020, the City did not have investments subject to custodial credit risk exposure as all assets were held in the City's name.

Credit Risk – Investments of Debt Securities

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations. The City does not have formal investment policies related to credit risk.

As of June 30, 2020, the credit quality ratings, as rated by Moody's Investors Service, Inc., of the City's debt securities are as follows:

<u>Investment Type</u>	<u>Amount</u>	<u>Rating as of Year End</u>					
		<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Baa1</u>	<u>Baa2</u>	<u>Unrated</u>
Corporate bonds	\$ 650,754	\$ -	\$ 312,675	\$ 154,655	\$ 83,715	\$ 69,624	\$ 30,085
Fixed income mutual funds	753,147	-	-	-	-	-	753,147
Municipal bonds	40,181	-	40,181	-	-	-	-
U.S. Treasury and agencies	<u>41,391</u>	<u>41,391</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,485,473</u>	<u>\$ 41,391</u>	<u>\$ 352,856</u>	<u>\$ 154,655</u>	<u>\$ 83,715</u>	<u>\$ 69,624</u>	<u>\$ 783,232</u>

Concentration of Credit Risk – Investments

Concentration of credit risk is the risk of loss attributable to the magnitude of the City's investment in a single issuer. The City places no limit on the amount invested in any one issuer. The City does not have formal investment policies related to concentration of credit risk exposure.

Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from concentration of credit disclosure.

<u>Investment Issuer</u>	<u>Amount</u>	<u>% of Total Investments</u>
Century Bank	\$ 1,024,532	16%
Century Bank	1,024,532	16%
Century Bank	<u>1,009,396</u>	16%
Total	<u>\$ 3,058,460</u>	

Interest Rate Risk – Investments of Debt Securities

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policies limiting investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is as follows:

<u>Investment Type</u>	<u>Amount</u>	<u>Investment Maturities (in Years)</u>				
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>Thereafter</u>	<u>Varied</u>
Corporate bonds	\$ 650,754	\$ 30,085	\$ 472,063	\$ 118,606	\$ 30,000	\$ -
Fixed income mutual funds	753,147	-	-	-	-	753,147
Municipal bonds	40,181	15,123	-	25,058	-	-
U.S. Treasury and agencies	41,391	10,040	31,351	-	-	-
Total	\$ 1,485,473	\$ 55,248	\$ 503,414	\$ 143,664	\$ 30,000	\$ 753,147

Foreign Currency Risk- Investments

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. Although the City has an investment policy, it does not address foreign currency risk.

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by Governmental Accounting Standards Board Statement No. 72 *Fair Value Measurement and Application* (GASB 72).

The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3

measurements). The hierarchy categorizes the inputs to valuation techniques used for fair value measurement into three levels as follows:

- Level 1 – inputs that reflect quoted prices (unadjusted) in active markets for identical assets or liabilities that the fund has the ability to access at the measurement date.
- Level 2 – inputs other than quoted prices that are observable for an asset or liability either directly or indirectly, including inputs in markets that are not considered to be active. Because they must often be priced on the basis of transactions involving similar but not identical securities or do not trade with sufficient frequency, certain directly held securities are categorized as level 2.
- Level 3 – unobservable inputs based on the best information available, using assumptions in determining the fair value of investments and derivative instruments.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation.

The City has the following fair value measurements as of June 30, 2020:

<u>Investment Type</u>		<u>Fair Value Measurements Using:</u>	
		Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)
Investments by fair value level:			
Corporate bonds	\$ 650,754	\$ -	\$ 650,754
Corporate equities	1,692,907	1,692,907	-
Fixed income mutual funds	753,147	-	753,147
Municipal bonds	40,181	-	40,181
U.S. Treasury and agencies	<u>66,449</u>	-	66,449
Total	\$ <u>3,203,438</u>		

Equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt securities classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quote prices. Level 2 debt securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

4. Property Taxes Receivable

The City bills property taxes on a semi-annually, in May and November. Property tax revenues are recognized in the year for which taxes have been levied. Property taxes are due on July 1 and December 1. Delinquent accounts are charged 8% interest. In March of the next year, a lien is recorded on delinquent property at the Registry of Deeds. The City purchases all the delinquent accounts by paying the delinquent balance, recording costs, and accrued interest. The accounts that are lienied by the City will be reclassified from property taxes receivable to unredeemed tax liens receivable. After this date, delinquent accounts will be charged interest at a rate of 14%. The City annually budgets amounts (overlay for abatements) for property tax abatements and refunds.

Property taxes receivable reported in the government-wide financial statements are net of an allowance for doubtful accounts of \$464,326.

Property taxes receivable at June 30, 2020 consist of the following:

	Gross Amount (fund basis)	Allowance for Doubtful Accounts	Current Portion	Long-Term Portion
Tax liens	\$ 2,608,098	\$ (464,326)	\$ -	\$ 2,143,772
Property Taxes	<u>41,305</u>	<u>-</u>	<u>41,305</u>	<u>-</u>
Total property taxes	<u>\$ 2,649,403</u>	<u>\$ (464,326)</u>	<u>\$ 41,305</u>	<u>\$ 2,143,772</u>

Taxes Collected for Others

The City collects property taxes for the State of New Hampshire, the Rochester School District, and the County of Strafford. Payments to the other taxing units are normally made throughout the year. The ultimate responsibility for the collection of taxes rests with the City.

5. User Fee Receivables

Receivables for user charges and betterments for business type activities at June 30, 2020 consist of the following:

	Gross Amount	Allowance for Doubtful Accounts	Net Amount
Water	\$ 1,332,941	\$ (133,294)	\$ 1,199,647
Sewer	<u>1,807,931</u>	<u>(180,793)</u>	<u>1,627,138</u>
Total	<u>\$ 3,140,872</u>	<u>\$ (314,087)</u>	<u>\$ 2,826,785</u>

6. Intergovernmental Receivables

This balance represents reimbursements requested from Federal and State agencies for expenditures incurred in fiscal 2020.

7. Interfund Fund Accounts

Receivables/Payables

Although self-balancing funds are maintained, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the June 30, 2020 balances in interfund receivable and payable accounts:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 1,391,618	\$ 12,595,828
Capital Projects Fund	4,882,623	-
Non Major Funds:		
Special Revenue Funds:		
Community Center	170,009	-
Arena	-	649,308
Granite State Business Park TIF	-	732,402
Granite State Business Park TIF - II	283,901	-
Safran TIF	275,565	-
Granite Ridge TIF - I	-	132,640
Granite Ridge TIF -II	1,368,243	-
CDBG	-	11,962
Police Grants	-	-
Other Grants	30,353	-
School Grants	-	380,540
School Lunch	-	42,092
Subtotal Nonmajor Funds	2,128,071	1,948,944
Enterprise Funds		
Water	1,261,724	64,660
Sewer	4,831,211	-
Subtotal Enterprise Funds	6,092,935	64,660
Agency Funds	114,185	-
Total	\$ 14,609,432	\$ 14,609,432

Transfers

The City reports interfund transfers between various funds. Most transfers result from budgetary or statutory actions, whereby funds are moved to accomplish various expenditure purposes. The following is an analysis of interfund transfers:

<u>Governmental Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 200,646	\$ 11,122,266
Capital Projects Fund	10,415,544	146,217
Nonmajor Funds:		
Special Revenue Funds:		
Granite State Business Park TIF II	-	67,500
Other Grants	20,000	123
School Lunch	348,724	-
Subtotal Nonmajor Funds	368,724	67,623
<u>Business-Type Funds</u>		
Water Fund	226,226	-
Sewer Fund	124,966	-
Subtotal Business-Type Funds	351,192	-
Total	\$ <u>11,336,106</u>	\$ <u>11,336,106</u>

Transfers out of General Fund represent the City's practice of financing capital projects with General Fund revenue and/or fund balance.

The City's routine transfers include transfers made to move (1) unrestricted revenues or balances that have been collected or accumulated in the general fund to other funds based on budgetary authorization, and (2) revenues from a fund that by statute or budgetary authority must collect them to funds that are required by statute or budgetary authority to expend them.

8. Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, being depreciated:				
Land improvements	\$ 6,617,461	\$ 986,794	\$ -	\$ 7,604,255
Buildings and improvements	89,500,672	3,146,934	-	92,647,606
Vehicles and equipment	29,130,724	3,229,871	(281,084)	32,079,511
Infrastructure	<u>167,733,191</u>	<u>3,747,758</u>	<u>-</u>	<u>171,480,949</u>
Total capital assets, being depreciated	292,982,048	11,111,357	(281,084)	303,812,321
Less accumulated depreciation for:				
Land improvements	(4,697,299)	(321,673)	-	(5,018,972)
Buildings and improvements	(33,540,038)	(1,955,815)	-	(35,495,853)
Vehicles and equipment	(19,185,532)	(1,884,920)	281,084	(20,789,368)
Infrastructure	<u>(125,261,326)</u>	<u>(3,949,944)</u>	<u>-</u>	<u>(129,211,270)</u>
Total accumulated depreciation	<u>(182,684,195)</u>	<u>(8,112,352)</u>	<u>281,084</u>	<u>(190,515,463)</u>
Total capital assets, being depreciated, net	110,297,853	2,999,005	-	113,296,858
Capital assets, not being depreciated:				
Land	10,518,725	-	-	10,518,725
Easement	1,422,250	-	-	1,422,250
Construction in progress	<u>19,083,527</u>	<u>15,180,520</u>	<u>(10,956,119)</u>	<u>23,307,928</u>
Total capital assets, not being depreciated	<u>31,024,502</u>	<u>15,180,520</u>	<u>(10,956,119)</u>	<u>35,248,903</u>
Governmental activities capital assets, net	<u>\$ 141,322,355</u>	<u>\$ 18,179,525</u>	<u>\$ (10,956,119)</u>	<u>\$ 148,545,761</u>
Business-Type Activities				
Capital assets, being depreciated:				
Land improvements	\$ 1,637,896	\$ 979,261	\$ -	\$ 2,617,157
Buildings and improvements	58,278,201	1,761,300	-	60,039,501
Vehicles and equipment	8,063,239	354,992	-	8,418,231
Infrastructure	<u>69,998,901</u>	<u>5,270,657</u>	<u>-</u>	<u>75,269,558</u>
Total capital assets, being depreciated	137,978,237	8,366,210	-	146,344,447
Less accumulated depreciation for:				
Land improvements	(352,655)	(118,314)	-	(470,969)
Buildings and improvements	(24,892,047)	(1,352,636)	-	(26,244,683)
Vehicles and equipment	(6,386,424)	(352,421)	-	(6,738,845)
Infrastructure	<u>(20,754,442)</u>	<u>(1,403,770)</u>	<u>-</u>	<u>(22,158,212)</u>
Total accumulated depreciation	<u>(52,385,568)</u>	<u>(3,227,141)</u>	<u>-</u>	<u>(55,612,709)</u>
Total capital assets, being depreciated, net	85,592,669	5,139,069	-	90,731,738
Capital assets, not being depreciated:				
Land	3,627,217	-	-	3,627,217
Easement	7,500	-	-	7,500
Construction in progress	<u>8,535,896</u>	<u>11,145,790</u>	<u>(8,561,866)</u>	<u>11,119,820</u>
Total capital assets, not being depreciated	<u>12,170,613</u>	<u>11,145,790</u>	<u>(8,561,866)</u>	<u>14,754,537</u>
Business-type activities capital assets, net	<u>\$ 97,763,282</u>	<u>\$ 16,284,859</u>	<u>\$ (8,561,866)</u>	<u>\$ 105,486,275</u>

Depreciation expense was charged to functions of the City as follows:

Governmental Activities	
General government	\$ 759,623
Public safety	687,860
Highway and streets	4,429,979
Education	2,034,205
Culture and recreation	174,238
Community services	21,549
Economic development	4,898
Total governmental activities	<u>\$ 8,112,352</u>
Business-Type Activities	
Water	\$ 1,485,781
Sewer	1,741,360
Total business-type activities	<u>\$ 3,227,141</u>

9. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of net position by the City that is applicable to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets. Deferred outflows of resources related to pensions and OPEB, in accordance with GASB Statements No. 68 and 75, are more fully discussed in the corresponding pension and OPEB noted.

Other deferred outflows of resources consist of losses of debt refunding of \$322,830 and \$133,632 for governmental and business-type activities respectively, as of June 30, 2020.

10. Accrued Liabilities

Accrued liabilities represent fiscal 2020 expenditures paid in fiscal 2021.

11. Notes Payable

The City had notes payable during the year ended June 30, 2020 in the enterprise funds. The State Revolving Loan program provides low interest loans to assist communities with the design and construction of various types of projects, and the proceeds are disbursed as eligible costs are incurred through drawdowns. Upon completion of the project, the original financial assistant agreement shall be amended to reflect actual project expenditures. A

supplemental agreement will then be executed between the State and the City containing the final project cost and the repayment schedule.

The City had the following notes outstanding at June 30, 2020:

<u>State Revolving Loan</u>	<u>Interest Rate</u>	<u>Date of Issuance</u>	<u>Date of Maturity</u>	<u>Balance at 6/30/2019</u>	<u>New Issues</u>	<u>Maturities</u>	<u>Balance at 6/30/2020</u>
Low Lift Pump Station	0.00%	4/1/18	*	\$ 536,648	\$ 92,118	\$ (176,054)	\$ 452,712
Colonial Press Sewer Ext	0.00%	12/1/18	*	646,440	1,835,448	-	2,481,888
Biosolids Dewatering	0.00%	11/1/19	*	-	5,091,725	-	5,091,725
Total notes payable				<u>\$ 1,183,088</u>	<u>\$ 7,019,291</u>	<u>\$ (176,054)</u>	<u>\$ 8,026,325</u>

* Notes will mature upon the completion of project and the supplemental agreement being finalized.

12. Capital Lease Obligations

The City is the lessee of certain equipment under capital leases expiring in various years through 2023. Future minimum lease payments under the capital and operating leases consisted of the following as of June 30, 2020:

<u>Fiscal Year</u>	<u>Capital Leases</u>
2021	\$ 189,046
2022	189,046
2023	<u>135,765</u>
Total payments	513,857
Less amounts representing interest	<u>28,675</u>
Present Value of Minimum Lease Payments	<u>\$ 485,182</u>

The following is an analysis for the leased assets included in capital assets at June 30, 2020:

	<u>Governmental Activities</u>
Machinery, vehicles and equipment	\$ 757,507
Less: accumulated depreciation	<u>(224,021)</u>
Equipment under capital leases, net	<u>\$ 533,486</u>

13. Long-Term Debt

Long-Term Debt Supporting Activities

The City issues general obligation bonds (including direct placements) and direct borrowings to provide funds for the acquisition and construction of major capital facilities. General

obligation bonds have been issued for both governmental and business-type activities. General obligation bonds and direct borrowings currently outstanding are as follows:

<u>Governmental Activities</u>				Amount Outstanding as of
<u>General Obligation Bonds</u>	<u>Original Issue</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s) %</u>	<u>6/30/20</u>
Public offerings:				
2008 Series A NHMBB - 20 year	\$ 692,995	08/15/28	4.00-5.25%	\$ 310,000
2008 Refunding - Series 2007 - 13 year	3,670,315	08/15/20	5.50-5.80%	319,514
2012 Series A Bond Issue - 10 year	160,747	03/15/22	2.00-3.00%	25,000
2012 Series A Bond Issue - 20 year	2,475,496	03/15/32	2.00-3.00%	1,495,000
2012 Series B Bond Issue - 20 year - TIF	5,000,000	03/15/32	1.00-3.25%	3,151,440
2012 Series B Bond Issue - 20 year - Repurposed EDA	117,244	03/15/32	2.00-3.25%	83,712
2013 Series A Refunding 2004 bonds	3,896,698	07/15/24	2.00-3.00%	1,783,889
2015 Series A Bond Issue - 10 year	421,478	03/01/35	2.00-3.25%	201,023
2015 Series A Bond Issue - 20 year	4,450,578	03/01/25	2.00-3.00%	3,521,940
2015 Series B Bond Issue - 10 year	5,158,205	03/01/25	2.00-3.00%	2,726,779
2015 Series C Bond Issue - 20 year	11,415,000	10/15/35	2.50-5.00%	9,120,000
2015 Series D Bond Issue - 10 year - TIF	3,695,000	10/15/26	2.25-4.00%	2,585,000
2015 Refunding - Series 2005 - 5 year	91,234	01/15/21	2.00%	15,358
2015 Refunding - Series 2005 - 10 year	1,880,585	01/15/26	2.00-2.25%	1,080,720
2016 Refunding - Series 2008 - 10 year	5,167,929	02/15/28	1.94%	4,055,080
2017 Series A Bond Issue - 5 year	292,848	06/30/22	5.00%	116,145
2017 Series A Bond Issue - 10 year	711,263	06/30/27	5.00%	490,526
2017 Series A Bond Issue - 20 year	8,586,801	06/30/37	3.00-5.00%	7,287,837
2017 Series B Bond Issue - 5 year	195,000	06/30/22	2.5-2.75%	75,000
2017 Series B Bond Issue - 10 year	1,164,743	06/30/27	2.50-3.00%	811,032
2018 Series A Bond Issue - 20 year	4,845,302	08/15/38	4.06%	4,411,420
2020 Series A Bond Issue - 20 year	7,860,000	04/01/40	2.50-5.00%	7,860,000
2020 Series A Bond Issue - 18 year - TIF	85,000	04/01/38	2.50-5.00%	85,000
2020 Series B - Refunding - 10 year	1,291,000	01/15/30	5.00%	<u>1,291,000</u>
Total public offerings				52,902,415
Direct placements				
2002 Bond Issue	7,111,000	08/15/22	4.25-4.70%	<u>1,031,000</u>
Total direct placements				<u>1,031,000</u>
Total general obligation bonds				53,933,415
Loans - Direct Borrowings				
2005 Qualified Zone Academy Bond (QZAB)	1,382,910	12/29/20	0.00%	92,194
2014 State Revolving Loan - Washington St Phase 4	1,675,282	06/01/33	3.39%	<u>243,848</u>
Total loans - direct borrowings				<u>336,042</u>
Total governmental activities				<u>\$ 54,269,457</u>

Business-Type Activities

		Serial		Amount
	Original	Maturities	Interest	Outstanding
<u>General Obligation Bonds</u>	<u>Issue</u>	<u>Through</u>	<u>Rate(s) %</u>	<u>as of</u>
				<u>6/30/20</u>
Public offerings:				
2007 Refinancing Bonds - 13 year	\$ 809,685	08/15/20	5.50-5.80%	\$ 70,477
2012 Series A Bond Issue - 20 year	668,757	03/15/32	2.00-3.00%	420,000
2012 Series B Bond Issue - 20 year	468,975	03/15/32	2.00-3.25%	334,848
2013 Series A Bond Issue - Refunding 2004 bonds	1,138,302	08/01/20	2.00-4.00%	521,104
2013 Series A Bond Issue - Refunding 2004 bonds	7,480,000	07/15/24	2.00-3.00%	895,000
2015 Series A Bond Issue - 20 year	3,373,782	03/01/35	2.00-3.25%	2,652,035
2015 Series B Bond Issue - 10 year	3,486,795	03/01/25	2.00-3.00%	1,843,221
2015 Refunding Series 2005 - 10 year	113,181	01/15/26	2.00-2.25%	58,922
2016 Refunding Series 2008 - 10 year	2,982,072	02/15/28	1.94%	2,339,920
2017 Series A Bond Issue - 5 year	1,472,153	06/30/22	5.00%	583,857
2017 Series A Bond Issue - 10 year	13,737	06/30/27	5.00%	9,474
2017 Series A Bond Issue - 20 year	9,658,199	06/30/37	3.00-5.00%	8,197,160
2017 Series B Bond Issue - 10 year	465,257	06/30/27	2.50-3.00%	323,969
2018 Series A Bond Issue - 20 year	3,194,698	06/30/39	3.375-5%	2,978,580
2020 Series A - 20 year	9,325,000	04/01/40	2.50-5.00%	9,325,000
2020 Series B - Refunding	1,694,000	01/15/30	5.00%	<u>1,694,000</u>
Total public offerings				32,247,567
Direct placements				
2002 Series Bond Issue	1,475,000	08/15/22	4.25-4.70%	<u>205,000</u>
Total direct placements				205,000
Total general obligation bonds				<u>\$ 32,452,567</u>
Loans - Direct Borrowings				
2005 State Revolving Loan - Chestnut Hill - Clean Water	879,686	08/01/25	3.49%	263,908
2007 State Revolving Loan - Ground Water Supply - Drinking Water	483,988	09/01/26	3.35%	174,036
2007 State Revolving Loan - Homemakers - Clean Water	341,373	07/01/27	2.14%	163,915
2009 State Revolving Loan - East Rochester I & I - Clean Water	1,852,387	12/01/27	3.69%	740,957
2009 State Revolving Loan - South Main/Solar Bee Pilot - Clean Water	1,335,120	08/01/28	3.49%	600,804
2010 State Revolving Loan - South Main Street - Drinking Water	627,000	02/01/29	2.95%	287,418
2010 State Revolving Loan - Washington Street - Drinking Water	1,997,523	12/01/30	2.86%	1,280,877
2013 State Revolving Loan - Cocheco Well - Drinking Water	3,381,909	09/01/31	3.10%	1,178,592
2013 State Revolving Loan - Headworks - Clean Water	1,398,348	02/01/32	2.72%	839,011
2013 State Revolving Loan - Washington St Pump Station - Clean Water	646,346	07/01/31	3.10%	387,810
2014 State Revolving Loan - Washington & Pine St - Drinking Water	388,147	12/01/32	2.72%	142,155
2014 State Revolving Loan - Washington St Phase 4 - Clean Water	1,675,282	06/01/33	3.39%	309,720
2016 State Revolving Loan - New Rte 125 Pump Station	473,212	06/01/35	2.55%	266,219
2016 State Revolving Loan - Drinking Water SRF - 20 Yr	2,248,454	12/01/35	1.96%	<u>1,528,950</u>
Total loans - direct borrowings				<u>\$ 8,164,372</u>

Future Debt Service

The annual payments to retire all general obligation long-term debt outstanding as of June 30, 2020 are as follows:

Governmental	Bonds - Public Offerings		Bonds - Direct Placements		Loans - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 5,307,866	\$ 1,749,319	\$ 350,000	\$ 39,710	\$ 110,951	\$ 8,271
2022	4,979,923	1,606,113	350,000	23,610	18,757	7,635
2023	4,875,374	1,426,949	331,000	7,780	18,757	6,999
2024	4,861,789	1,246,735	-	-	18,757	6,803
2025	4,787,325	1,072,366	-	-	18,757	5,727
2026 - 2030	15,250,847	3,348,037	-	-	93,785	19,087
2031 - 2035	9,359,885	1,304,519	-	-	56,278	3,817
Thereafter	3,479,406	206,444	-	-	-	-
Total	\$ 52,902,415	\$ 11,960,482	\$ 1,031,000	\$ 71,100	\$ 336,042	\$ 58,339

The general fund has been designated as the sole source to repay the governmental-type general obligation long-term debt outstanding as of June 30, 2020.

Business-Type	Bonds - Public Offerings		Bonds - Direct Placements		Loans - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 3,822,128	\$ 1,100,013	\$ 70,000	\$ 7,886	\$ 711,854	\$ 236,560
2022	2,805,079	1,015,662	70,000	4,666	719,110	215,104
2023	2,529,624	904,976	65,000	1,528	726,360	193,428
2024	2,538,215	804,996	-	-	733,509	171,540
2025	2,472,668	706,101	-	-	740,379	149,438
2026 - 2030	8,329,155	2,354,360	-	-	3,208,214	410,324
2031 - 2035	6,235,119	1,056,406	-	-	1,229,381	74,015
Thereafter	3,515,579	241,234	-	-	95,565	1,873
Total	\$ 32,247,567	\$ 8,183,748	\$ 205,000	\$ 14,080	\$ 8,164,372	\$ 1,452,282

Changes in General Long-Term Liabilities

During the year ended June 30, 2020, the following changes occurred in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Less Current Portion	Equals Long-Term Portion
Governmental Activities						
Bonds payable						
Public offerings	\$ 50,242,364	\$ 7,945,000	\$ (5,284,949)	\$ 52,902,415	\$ (5,307,866)	\$ 47,594,549
Direct placements	1,346,000	-	(315,000)	1,031,000	(350,000)	681,000
Unamortized premium	2,046,931	1,133,051	(171,736)	3,008,246	(217,412)	2,790,834
Subtotal	53,635,295	9,078,051	(5,771,685)	56,941,661	(5,875,278)	51,066,383
Loans payable (direct borrowings)	446,993	-	(110,951)	336,042	(110,951)	225,091
Net pension liability	78,010,054	-	(1,218,824)	76,791,230	-	76,791,230
Net OPEB liability	17,301,557	-	(1,015,684)	16,285,873	-	16,285,873
Compensated absences	2,450,598	42,605	-	2,493,203	(247,825)	2,245,378
Capital leases	654,019	-	(168,837)	485,182	(174,054)	311,128
Total	\$ 152,498,516	\$ 9,120,656	\$ (8,285,981)	\$ 153,333,191	\$ (6,408,108)	\$ 146,925,083

Business-Type Activities

Bonds payable						
Public offerings	\$ 26,582,139	\$ 9,325,000	\$ (3,730,035)	\$ 32,177,104	\$ (3,822,128)	\$ 28,354,976
Direct placements	275,000	-	(70,000)	205,000	(70,000)	135,000
Unamortized premium	<u>879,707</u>	<u>1,331,555</u>	<u>(147,406)</u>	<u>2,063,856</u>	<u>(168,036)</u>	<u>1,895,820</u>
Subtotal	27,736,846	10,656,555	(3,947,441)	34,445,960	(4,060,164)	30,385,796
Loans payable (direct borrowings)	10,089,606	-	(1,925,245)	8,164,361	(711,854)	7,452,507
Net pension liability	2,222,791	-	(155,066)	2,067,725	-	2,067,725
Net OPEB liability	709,623	-	(209,327)	500,296	-	500,296
Compensated absences	<u>153,400</u>	<u>7,187</u>	<u>-</u>	<u>160,587</u>	<u>(16,059)</u>	<u>144,528</u>
Total	<u>\$ 40,912,266</u>	<u>\$ 10,663,742</u>	<u>\$ (6,237,079)</u>	<u>\$ 45,338,929</u>	<u>\$ (4,788,077)</u>	<u>40,550,852</u>

Long-Term Debt Supporting Governmental and Business-Type Activities

Bonds and loans issued by the City for various municipal projects are approved by City Council and repaid with revenues recorded in the general fund and user fees recorded in enterprise funds. All other long-term debt is repaid from the funds that the cost relates to, primarily the general fund and enterprise funds.

Advance Refunding**Current Year**

In April 2020, the City issued general obligation bonds in the amount of \$2,985,000 with an interest rate of 2.50% to advance refund \$3,450,000 of term bonds with a variable interest rate ranging from 3.25% - 4.00%. The general obligation bonds were issued at 3.25% and, after paying issuance costs of \$26,552, the net proceeds were \$3,516,375. The net proceeds from the issuance of the general obligation bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the term bonds are called in July, 2020. The advance refunding met the requirements of an in-substance debt defeasance and the term bonds were removed from the Town/City/District's financial statements.

14. Deferred Inflows of Resources

Deferred inflows of resources are the acquisition of net position by the City that are applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities. Deferred inflows of resources related to pension and OPEB will be recognized as expense in future years and is more fully described in the corresponding pension and OPEB notes. *Unavailable revenues* are reported in the governmental funds balance sheet in connection with receivables for which revenues are not considered available to liquidate liabilities of the current year. *Taxes paid in advance* are reported in the governmental funds balance sheet and statement of net position in connection with revenues that have been collected for the subsequent fiscal period.

15. Governmental Funds – Balances

Fund balances are segregated to account for resources that are either not available for expenditure in the future or are legally set aside for a specific future use.

The City has implemented *GASB Statement No. 54 (GASB 54), Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying existing governmental fund type definitions.

The following types of fund balances are reported at June 30, 2020:

Nonspendable

Represents amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This fund balance classification includes general fund reserves for prepaid expenditures and nonmajor governmental fund reserves for the principal portion of permanent trust funds.

Restricted

Represents amounts that are restricted to specific purposes by constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. This fund balance classification includes general fund encumbrances funded by bond issuances, various special revenue funds, and the income portion of permanent trust funds.

Committed

Represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority. This fund balance classification includes general fund encumbrances for non-lapsing special article appropriations approved at City Council Meeting, capital reserve funds, and various special revenue funds.

Assigned

Represents amounts that are constrained by the City's intent to use these resources for a specific purpose.

Unassigned

Represents amounts that are available to be spent in future periods and deficit funds.

Following is a breakdown of the City's fund balances at June 30, 2020:

	General <u>Fund</u>	Capital Projects <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Nonspendable				
Prepaid expenditures	\$ 32,452	\$ -	\$ -	\$ 32,452
Arena deficit	654,999	-	-	654,999
Nonexpendable permanent funds	<u>-</u>	<u>-</u>	<u>72,055</u>	<u>72,055</u>
Total Nonexpendable	687,451	-	72,055	759,506
Restricted				
Community development	51,494	-	-	51,494
Conservation	259,675	-	-	259,675
Special revenue funds:				
Community development block grant	-	-	128,685	128,685
Granite ridge TIF II	-	-	1,368,243	1,368,243
Granite state business park TIF II	-	-	283,901	283,901
Safran TIF	-	-	275,565	275,565
Community center	-	-	152,332	152,332
Other special revenue funds	-	-	65,503	65,503
Expendable permanent funds	-	-	51,201	51,201
Capital Projects	<u>-</u>	<u>4,161,594</u>	<u>-</u>	<u>4,161,594</u>
Total Restricted	311,169	4,161,594	2,325,430	6,798,193
Committed				
Use of fund balance - FY 21 budget	1,000,000	-	-	1,000,000
Capital reserve funds	<u>870,704</u>	<u>-</u>	<u>-</u>	<u>870,704</u>
Total Committed	1,870,704	-	-	1,870,704
Assigned				
Computer lease program	20,000			20,000
Land use change tax	<u>28,053</u>	<u>-</u>	<u>-</u>	<u>28,053</u>
Total Assigned	48,053	-	-	48,053
Unassigned				
General fund	20,482,669	-	-	20,482,669
Arena funds	-	-	(654,999)	(654,999)
Granite Ridge Business Park			(807,324)	(807,324)
Granite Ridge TIF fund	<u>-</u>	<u>-</u>	<u>(154,274)</u>	<u>(154,274)</u>
Total Unassigned	<u>20,482,669</u>	<u>-</u>	<u>(1,616,597)</u>	<u>18,866,072</u>
Total Fund Balance	<u>\$ 23,400,046</u>	<u>\$ 4,161,594</u>	<u>\$ 780,888</u>	<u>\$ 28,342,528</u>

16. General Fund Unassigned Fund Balance

The unassigned general fund balance reported on the balance sheet is stated in accordance with generally accepted accounting principles (GAAP), which differs in respect to how unassigned fund balance is reported in accordance with the budgetary basis for reporting for the State of New Hampshire for tax rate setting purposes. The major difference is the State of New Hampshire considers revenues in connection with property tax receivables to be available to liquidate liabilities when billed rather than received.

The following summarizes the specific differences between GAAP basis and budgetary basis of reporting the general fund unassigned fund balance:

GAAP basis balance	\$ 20,482,669
Reserve of arena deficit	654,999
Reserve for use of fund balance for subsequent year	1,000,000
Other	<u>820</u>
Statutory Balance	<u><u>\$ 22,138,488</u></u>

The following summarizes the change in the general fund unassigned fund balance on the Tax Rate Setting balance:

Tax Rate Setting Balance	
Beginning Unassigned Fund Balance - Budgetary Basis	\$ 23,188,011
Revenues:	
Property Taxes	59,918,243
Intergovernmental	33,640,982
Other local revenues	14,733,416
Transfers in	<u>200,646</u>
Total Revenues	108,493,287
Expenditures:	
City	39,326,006
School	63,502,398
County	<u>6,714,406</u>
Total Expenditures	<u>109,542,810</u>
Change in unassigned fund balance	<u>(1,049,523)</u>
Ending Unassigned Fund Balance - Budgetary Basis	<u><u>\$ 22,138,488</u></u>
Ending Unassigned Fund Balance - Budgetary basis as a % of general fund expenditures	20.21%

17. Retirement System

The City follows the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, with respect to the State of New Hampshire Retirement System (NHRS).

Plan Description

Full-time employees participate in the New Hampshire Retirement System (NHRS), a cost sharing, multiple-employer defined benefit contributory pension plan and trust established in 1967 by RSA 100-A:2 and qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit plan provid-

ing service, disability, death, and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters, and permanent police officers within the State of New Hampshire are eligible and required to participate in the system. Full-time employees of political subdivisions, including counties, municipalities, and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation.

The New Hampshire Retirement System, a Public Employees Retirement System (PERS), is divided into two membership groups. State or local employees and teachers belong to *Group I*. Police officers and firefighters belong to *Group II*. All assets are held in a single trust and are available to each group. Additional information is disclosed in the NHRS annual report publicly available from the New Hampshire Retirement System located at 54 Regional Drive, Concord, New Hampshire 03301-8507.

Benefits Provided

Group I benefits are provided based on creditable service and average final salary for the highest of either three or five years, depending on when service commenced.

Group II benefits are provided based on age, years of creditable service, and a benefit multiplier depending on vesting status as of January 1, 2012. The maximum retirement allowance for Group II members vested by January 1, 2012 (45 years of age with 20 years of service or age 60 regardless of years of creditable service) is the average final compensation multiplied by 2.5% multiplied by creditable service. For Group II members not vested by January 1, 2012, the benefit is calculated the same way, but the multiplier used in the calculation will change depending on age and years of creditable service, as follows:

Years of creditable service as of <u>January 1, 2012</u>	Minimum <u>Service</u>	Minimum <u>Age</u>	Benefit <u>Multiplier</u>
At least 8 but less than 10 years	21	46	2.4%
At least 6 but less than 8 years	22	47	2.3%
At least 4 but less than 6 years	23	48	2.2%
Less than 4 years	24	49	2.1%

Contributions

Plan members are required to contribute a percentage of their Earnable compensation to the pension plan, which the contribution rates are 7% for employees and teachers 11.55% for police and 11.80% for fire. The City and School make annual contributions to the pension plan equal to the amount required by Revised Statutes Annotated 100-A:16, and range from 10.88% to 26.43% of covered compensation. The City's and School's contributions to NHRS for the year ended June 30, 2020 were \$2,677,925 and \$4,770,129, respectively, which were equal to its annual required contribution.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the NHRS and additions to/deductions from NHRS' fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the City and School reported a liability of \$27,496,352 and \$51,362,603, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. The City's and School's proportion of the net pension liability was based on a projection of the City's and School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At the most recent measurement date, the City's proportion was .057145314%. At the most recent measurement date the School's proportion was 1.06746237%.

For the year ended June 30, 2020, the City and School recognized pension expense of \$3,133,040 and \$6,561,896, respectively. In addition, the City and School reported deferred outflows of resources and deferred (inflows) of resources related to pensions from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred (Inflows) of <u>Resources</u>
Differences between expected and actual	\$ 436,022	\$ (1,695,692)
Changes of assumptions	2,829,428	-
Difference between projected and actual earnings on pension plan investments	-	(644,165)
Changes in proportion and differences between contributions and proportionate share of contributions	1,492,122	(1,994,606)
Contributions subsequent to the measurement date	<u>7,448,055</u>	<u>-</u>
Total	<u>\$ 12,205,627</u>	<u>\$ (4,334,463)</u>

The amounts reported as deferred outflows of resources and deferred (inflows) of resources for City and School respectively, related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in 2021.

Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$ 2,480,980
2022	(1,567,046)
2023	(458,348)
2024	<u>(32,477)</u>
Total	<u>\$ 423,109</u>

Actuarial Assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation	3.25% per year (3.00% for Teachers)
Salary increases	5.60% average, including inflation
Investment rate of return	7.25%, net of plan investment expense, including inflation

Mortality rates were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using scale MP-2015.

Certain actuarial assumptions used in the June 30, 2018 valuation were based on the results of the most recent actuarial experience study.

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation Percentage</u>	<u>Weighted Average Average Long- Term Expected Real Rate of Return</u>
Large cap equities	22.50 %	4.25%
Small/mid cap equities	<u>7.50</u>	4.50%
Total domestic equities	30.00	
Int'l equities (unhedged)	13.00	4.50%
Emerging int'l equities	<u>7.00</u>	6.00%
Total international equities	20.00	
Core bonds	9.00	1.12%
Global multi-sector fixed income	10.00	2.46%
Absolute return fixed income	<u>6.00</u>	1.50%
Total fixed income	25.00	
Private equity	10.00	7.90%
Private debt	5.00	4.86%
Real estate	<u>10.00</u>	3.00%
Total alternative investments	<u>25.00</u>	
Total	<u><u>100.00</u></u> %	

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the pension plan's actuarial funding policy and as required by RSA 100-A:16. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's and School's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the City's and School's

proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
\$ 105,595,389	\$ 78,858,955	\$ 56,761,501

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NHRS financial report.

18. Other Post-Employment Benefits (GASB 75)

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, replaces the requirements of *Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. This Statement identifies the methods and assumptions that are required to be used to project benefit payments, discounted projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

City OPEB Plan

All the following OPEB disclosures for the City OPEB Plan are based on a measurement date of June 30, 2019. The City contracts with an outside actuary to complete the GASB 75 actuarial valuation and schedule of changes in Net OPEB liability. Detailed information can be found in separately issued reports through request of the City Finance department.

General Information about the OPEB Plan

Plan Description

The City indirectly provides post-employment healthcare for retired employees through an implicit rate covered by current employees. Retirees of the City who participate in this single-employer plan pay 100% of the healthcare premiums to participate in the City's healthcare program. Since they are included in the same pool as active employees, the insurance rates are implicitly higher for current employees due to the age consideration. This increased rate is an implicit subsidy the City pays for the retirees.

The City's OPEB plan is not administered through a trust that meets the criteria in paragraph 4 of GASB 75.

Benefits Provided

The City provides medical and prescription drug insurance to retirees and their covered dependents. All active employees who retire from the City and meet the eligibility criteria will receive these benefits.

Plan Membership

At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries	
currently receiving benefit payments	66
Active employees	<u>683</u>
Total	<u><u>749</u></u>

Funding Policy

The City's funding policy includes financing the implicit subsidy on a pay-as-you-go basis, as required by statute.

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation as of July 1, 2019 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.25%
Salary increases	3.25%, average, including inflation
Discount rate	3.51%
Healthcare cost trend rates	7.5% for 2020, decreasing 0.5% per year to an ultimate rate of 4.5% for 2026 and later years.
Retirees' share of benefit-related costs	100%
Participation rate	100% active and 100% inactive

The discount rate was based on the long-term municipal bond rate at June 30, 2019.

Mortality rates were based on the RPH-2016 Total Dataset Mortality Table fully generational using Scale MP-2016 (RPH-2016 table created based on RPH-2014 Total Dataset Mortality Table with 8 years of MP-2014 mortality improvement basked out, projected to 2016 using MP-2016 improvement.

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study dating back to the 2009 valuation.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.51%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate.

Total OPEB Liability

The City's total OPEB liability of \$9,827,870 was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2018.

Changes in the Total OPEB Liability

The following summarizes the changes to the total OPEB liability for the past year:

	Total OPEB Liability
Balances, beginning of year	\$ 10,560,534
Changes for the year:	
Service cost	645,002
Interest	425,262
Differences between expected and actual experience	(1,349,244)
Changes in assumptions or other inputs	(15,796)
Benefit payments	<u>(437,888)</u>
Net Changes	<u>(732,664)</u>
Balances, end of year	\$ <u><u>9,827,870</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87% in 2019 to 3.51% in 2020. All other assumptions were the same as those used in the previous measurement.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

1% Decrease (2.51%)	Current Discount Rate (3.51%)	1% Increase (4.51%)
\$ 11,131,337	\$ 9,827,870	\$ 9,575,736

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (6.50%)	Current Healthcare Cost Trend Rates (7.50%)	1% Increase (8.50%)
\$	9,185,528	\$ 9,827,870	\$ 11,659,127

OPEB Expense and Deferred Outflows of Resources and Deferred (Inflows) of Resources Related to OPEB

For the year ended June 30, 2020, the City recognized an OPEB expense of \$435,867. At June 30, 2020, the City reported deferred outflows and (inflows) of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred (Inflows) of <u>Resources</u>
Differences between expected and actual experience	\$ -	\$ (3,601,283)
Change in assumptions	46,564	(209,111)
Contributions subsequent to the measurement date	<u>427,863</u>	<u>-</u>
Total	<u>\$ 474,427</u>	<u>\$ (3,810,394)</u>

The amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ending June 30, 2021.

Other amounts reported as deferred outflows and (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended:

2021	\$ (630,397)
2022	(630,397)
2023	(630,397)
2024	(630,397)
2025	(630,392)
Thereafter	<u>(611,850)</u>
Total	<u>\$ (3,763,830)</u>

New Hampshire Retirement System Medical Subsidy Plan Description

General Information about the OPEB Plan

Plan Description

In addition to the OPEB plan discussed above, the City participates in the New Hampshire Retirement System (NHRS) Medical Subsidy. The NHRS administers a cost-sharing, multiple-employer other post-employment benefit plan (OPEB Plan) for retiree health insurance subsidies. Benefit amounts and eligibility requirements are set by state law, and members are designated by type. The four membership types are Group II Police Officer and Firefighters, Group I Teachers, Group I Political Subdivision Employees and Group I State Employees. Collectively, they are referred to as the OPEB Plan.

NHRS issues publicly available financial reports that can be obtained by writing to them at 54 Regional Drive, Concord, NH 03301-8507 or from their website at <http://www.nhrs.org>.

Benefits Provided

The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical subsidy is a payment made by NHRS to the former employer or their insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certifiably dependent children with a disability who are living in the household and being cared for by the retiree. Under specific conditions, the qualified beneficiaries of members who die while in service may also be eligible for the medical subsidy. The eligibility requirements for receiving OPEB Plan benefits differ for Group I and Group II members. The monthly Medical Subsidy rates are:

1 Person - \$375.56
2 Person - \$751.12
1 Person Medicare Supplement - \$236.84
2 person Medicare Supplement - \$473.68

Contributions

Pursuant to RSA 100-A:16, III, and the biennial actuarial valuation, funding for the Medical Subsidy payment is via the employer contributions rates set forth by NHRS. Employer contributions required to cover that amount of cost not met by the members' contributions are determined by a biennial actuarial valuation by the NHRS actuary using the entry age normal funding method and are expressed as a percentage of gross payroll. The City contributed 0.29% of gross payroll for Group I employees, 1.81% of gross payroll for Group I teachers, and 3.66% and 3.66% of gross payroll for Group II fire and police department members, respectively. Employees are not required to contribute. The State Legislature has the authority to establish, amend, and discontinue the contribution requirements of the Medical Subsidy Plan.

Actuarial Assumptions and Other Inputs

Actuarial assumptions are the same in the Retirement System footnote.

Net OPEB Liability, Expense, and Deferred Outflows and (Inflows)

The City's and School's proportionate share of the net NHRS Medical Subsidy (net OPEB liability) as of the measurement date of June 30, 2019 were \$2,677,052 and \$4,281,247, respectively.

For the year ended June 30, 2020, the City and School recognized an OPEB expense related to the NHRS Medical Subsidy of \$269,135 and \$(120,054), respectively. At June 30, 2020, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred (Inflows) of <u>Resources</u>
Differences between expected and actual experience	\$ -	\$ (12,106)
Net difference between projected and actual OPEB investments	-	(7,818)
Changes in proportion	-	(19,548)
Contributions subsequent to the measurement date	<u>777,703</u>	<u>-</u>
Total	\$ <u>777,703</u>	\$ <u>(39,472)</u>

The amount reported as deferred outflows of resources for City and School respectively, related to OPEB resulting from contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ending June 30, 2021.

Other amounts reported as deferred outflows and (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ended:</u>	
2021	\$ (36,841)
2022	(5,186)
2023	538
2024	<u>2,017</u>
Total	\$ <u>(39,472)</u>

Sensitivity of the Net NHRS Medical Subsidy OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

1% Decrease <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
\$ 7,547,333	\$ 6,958,299	\$ 6,761,383

Healthcare Cost Trend Rate

Healthcare cost trend rates are not applicable given that the benefits are fixed stipends.

Consolidation of Total/Net OPEB Liabilities and Related Deferred Outflows and (Inflows)

The following consolidates the City's total OPEB liability and related deferred outflows/inflows, and the City's proportionate share of the NHRS Medical Subsidy net OPEB liability and related deferred outflows/inflows at June 30, 2020:

	Total/Net OPEB Liability	Total Deferred Outflows of Resources	Total Deferred (Inflows) of Resources	Total OPEB Expense
City OPEB Plan	\$ 9,827,870	\$ 474,427	\$ (3,810,394)	\$ 435,867
Proportionate share of NHRS Medical Subsidy Plan	<u>6,958,299</u>	<u>777,703</u>	<u>(39,472)</u>	<u>149,081</u>
Total	<u>\$ 16,786,169</u>	<u>\$ 1,252,130</u>	<u>\$ (3,849,866)</u>	<u>\$ 584,948</u>

19. Subsequent Events

The City owns and operates a publicly-owned wastewater treatment facility (WWTF), which treats wastewater and discharges it to the Cocheco River pursuant to a National Pollutant Discharge Elimination System (NPDES) permit issued by the United States Environmental protection Agency (EPA); the most recent permit was issued to the City in July 1997. In accordance with federal law, that permit expires in five years; but as long as the City makes a timely application for a new permit, the City remains subject to the terms of that permit until a new permit is issued.

Although a new individual NPDES permit has not yet been issued to the City of Rochester, on January 7, 2020, the EPA published a new draft General Permit for total nitrogen for 13 eligible WWTFs that discharge into the Great Bay watershed, of which the City of Rochester's WWTF is one. The draft permit contains new limits for total nitrogen that can be discharged.

In November of 2020 the EPA substantially changed its approach to nitrogen permits and issued a Final General Permit for nitrogen on a regional basis. The Final General permit becomes effective on February 1, 2021; however, it gives the City and (11) other communities regulated under the permit to “Opt-In” to choose coverage under the permit by April 2, 2021.

The City intends to negotiate and execute an Administrative Order on Consent with EPA by April 2, 2021. Results of this negotiation will be significant in determining the ultimate scope, operational and financial impacts of the NPDES permit to the City. The potential for significant financial and operational impact to the City remains but may be mitigated or lessened substantially depending upon the outcome of these negotiations.

20. Commitments and Contingencies

COVID-19

The COVID-19 outbreak in the United States (and across the globe) has resulted in economic uncertainties. There is considerable uncertainty around the duration and scope of the economic disruption. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on individuals served by the City, employees, and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain.

Outstanding Legal Issues

On an ongoing basis, there are typically pending legal issues in which the City is involved. The City’s management is of the opinion that the potential future settlement of these issues would not materially affect its financial statements taken as a whole.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial

21. New Pronouncements

The Governmental Accounting Standards Board (GASB) has issued Statement No. 84, *Fiduciary Activities*, effective for the City beginning with its fiscal year ending June 30, 2021. This statement establishes guidance on how to address the categorization of fiduciary activities for financial reporting and how fiduciary activities are to be reported and may require reclassification of certain funds.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 87, *Leases*, effective for the City beginning with its fiscal year ending June 30, 2022. This statement establishes new reporting and disclosure requirements, including the recording of various operating leases in the financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Required Supplemental Information
General Fund
Schedule of Revenues and Other Sources, and Expenditures and Other Uses –
Budget and Actual
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Positive (Negative)</u>
Revenues				
Property taxes	\$ 53,161,461	\$ 53,044,284	\$ 53,203,837	\$ 159,553
Penalties, interest, and other taxes	1,063,348	1,062,825	1,080,001	17,176
Charges for services	4,807,944	4,768,742	6,480,626	1,711,884
Intergovernmental	30,964,396	32,983,362	33,640,982	657,620
Licenses and permits	4,713,132	4,802,195	6,108,067	1,305,872
Investment income	350,000	350,000	515,372	165,372
Miscellaneous	<u>1,165,977</u>	<u>288,850</u>	<u>557,989</u>	<u>269,139</u>
Total Revenues	96,226,258	97,300,258	101,586,874	4,286,616
Expenditures				
General government	6,749,941	6,328,247	5,956,472	371,775
Public safety	13,675,848	13,685,848	13,259,537	426,311
Highway and streets	3,037,711	3,119,995	2,959,512	160,483
Education	62,094,241	63,430,241	60,316,842	3,113,399
Health and welfare	472,070	472,070	424,237	47,833
Culture and recreation	2,128,929	2,152,339	2,030,040	122,299
Debt service	<u>6,523,178</u>	<u>6,523,178</u>	<u>6,448,605</u>	<u>74,573</u>
Total Expenditures	<u>94,681,918</u>	<u>95,711,918</u>	<u>91,395,245</u>	<u>4,316,673</u>
Excess (deficiency) of revenues over expenditures	1,544,340	1,588,340	10,191,629	8,603,289
Other Financing Sources (Uses)				
Use of fund balance:				
To fund capital improvement projects	1,325,000	9,491,202	9,491,202	-
Transfers in:				
From capital reserve funds	750,000	-	-	-
From other funds	54,000	54,000	200,646	146,646
Transfers out:				
To other funds	(160,000)	(480,000)	(778,724)	(298,724)
To capital project fund	<u>(3,513,340)</u>	<u>(10,653,542)</u>	<u>(10,653,542)</u>	<u>-</u>
Total Other Financing Sources(Uses)	<u>(1,544,340)</u>	<u>(1,588,340)</u>	<u>(1,740,418)</u>	<u>(152,078)</u>
Overall Budgetary Excess (Deficiency)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>8,451,211</u>	\$ <u>8,451,211</u>

See Independent Auditors' Report.

**Notes to the Required Supplemental Information
for General Fund Budget**

Budgetary Basis

The general fund final appropriation appearing on the previous page represents the final amended budget after all reserve fund transfers and supplemental appropriations.

Budget/GAAP Reconciliation

The budgetary data for the general fund is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison to budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

<u>General Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources/Uses</u>
Revenues/expenditures/transfers (GAAP basis)	\$ 101,606,104	\$ 91,770,130	\$ (10,921,620)
Recognize use of fund balance as funding source	-	-	9,491,202
To eliminate capital reserve activity	(14,230)	-	-
To eliminate conservation activity	-	(4,600)	(10,000)
To eliminate economic development activity	<u>(5,000)</u>	<u>(370,285)</u>	<u>(300,000)</u>
Budgetary basis	\$ <u>101,586,874</u>	\$ <u>91,395,245</u>	\$ <u>(1,740,418)</u>

See Independent Auditors' Report.

CITY OF ROCHESTER, NEW HAMPSHIRE

Required Supplementary Information Schedule of Proportionate Share of the Net Pension Liability

(Unaudited)

New Hampshire Retirement System

<u>Fiscal Year</u>	<u>Measurement Date</u>	Proportion of the Net Pension <u>Liability</u>	Proportionate Share of the Net Pension <u>Liability</u>	<u>Covered Payroll</u>	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position Percentage of the Total <u>Pension Liability</u>
June 30, 2020	June 30, 2019	1.63891551%	\$ 78,858,955	\$ 44,996,128	175.26%	65.59%
June 30, 2019	June 30, 2018	1.66624032%	\$ 80,232,845	\$ 44,196,673	181.54%	64.73%
June 30, 2018	June 30, 2017	1.66577884%	\$ 81,922,884	\$ 44,449,577	184.31%	62.66%
June 30, 2017	June 30, 2016	1.64702675%	\$ 87,582,232	\$ 42,596,488	205.61%	58.30%
June 30, 2016	June 30, 2015	1.62067092%	\$ 64,203,318	\$ 41,436,575	154.94%	65.47%
June 30, 2015	June 30, 2014	1.64659938%	\$ 61,806,520	\$ 41,524,704	148.84%	66.32%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

CITY OF ROCHESTER, NEW HAMPSHIRE

Required Supplementary Information Schedule of Pension Contributions

(Unaudited)

New Hampshire Retirement System						
Fiscal Year	Contributions in Relation to the		Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll	
	Contractually Required Contribution	Contractually Required Contribution				
June 30, 2020	\$ 7,448,054	\$ 7,448,054	\$ -	\$ 46,395,532	16.05%	
June 30, 2019	\$ 7,136,810	\$ 7,136,810	\$ -	\$ 44,996,128	15.86%	
June 30, 2018	\$ 7,041,107	\$ 7,041,107	\$ -	\$ 44,196,673	15.93%	
June 30, 2017	\$ 6,102,796	\$ 6,102,796	\$ -	\$ 44,449,577	13.73%	
June 30, 2016	\$ 5,577,595	\$ 5,577,595	\$ -	\$ 42,596,488	13.09%	
June 30, 2015	\$ 5,416,120	\$ 5,416,120	\$ -	\$ 41,436,575	13.07%	

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

CITY OF ROCHESTER, NEW HAMPSHIRE

Required Supplementary Information

Schedules of Proportionate Share and Contributions of the Net OPEB Liability

(Unaudited)

Schedule of Proportionate Share

New Hampshire Retirement System Medical Subsidy						
Fiscal Year	Measurement Date	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position Percentage of the Net OPEB Liability
June 30, 2020	June 30, 2019	1.58716319%	\$6,958,299	\$ 44,996,128	15.46%	7.53%
June 30, 2019	June 30, 2018	1.62732660%	\$7,450,646	\$ 44,196,673	16.86%	7.53%
June 30, 2018	June 30, 2017	1.77367901%	\$8,109,863	\$ 44,449,577	18.25%	7.91%
June 30, 2017	June 30, 2016	1.74038496%	\$8,425,295	\$ 42,596,488	19.78%	5.21%

Schedule of Contributions

New Hampshire Retirement System Medical Subsidy						
Fiscal Year	Measurement Date	Contractually Required Contribution	Contributions Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Employee Payroll
June 30, 2020	June 30, 2019	\$ 777,704	\$ 777,704	-	\$ 46,395,532	1.68%
June 30, 2019	June 30, 2018	\$ 725,304	\$ 725,304	-	\$ 44,996,128	1.61%
June 30, 2018	June 30, 2017	\$ 720,077	\$ 720,077	-	\$ 44,196,673	1.63%
June 30, 2017	June 30, 2016	\$ 1,051,047	\$ 1,051,047	-	\$ 44,449,577	2.36%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

CITY OF ROCHESTER, NEW HAMPSHIRE

Required Supplementary Information
Other Post-Employment Benefits (OPEB)
Schedule of Changes in the Total OPEB Liability
(Unaudited)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 645,002	\$ 728,467	\$ 910,490
Interest	425,262	444,800	383,537
Changes of benefit terms	-	-	(699,644)
Differences between expected and actual experience	(1,349,244)	(1,904,445)	(1,587,781)
Changes of assumptions	(15,796)	(260,388)	74,498
Benefit payments, including refunds of member contributions	<u>(437,888)</u>	<u>(423,910)</u>	<u>(476,432)</u>
Net change in total OPEB liability	(732,664)	(1,415,476)	(1,395,332)
Total OPEB liability - beginning	<u>10,560,534</u>	<u>11,976,010</u>	<u>13,371,342</u>
Total OPEB liability - ending	\$ <u>9,827,870</u>	\$ <u>10,560,534</u>	\$ <u>11,976,010</u>
Covered employee payroll	\$ 34,721,294	\$ 44,809,485	\$ 42,256,611
Total OPEB liability as a percentage of covered employee payroll	28%	24%	28%

Does not include New Hampshire Retirement System Medical Subsidy.

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to the City's financial statements for summary of significant actuarial methods and assumptions.

See Independent Auditors' Report.