

CITY OF ROCHESTER
NOTICE of PUBLIC MEETING:
FINANCE COMMITTEE

Meeting Information

Date: **October 12, 2021**
Time: **6:30 P.M.**
Location: **City Council Chambers**
 31 Wakefield Street
 Rochester, New Hampshire

Agenda

- 1. Call to Order**

- 2. Acceptance of Minutes-Sept-14, 2021-Pg. 2**

- 3. Public Input**

- 4. Unfinished Business-** American Rescue Plan Act-Project funding review. Pg.7

- 5. New Business-**
 - 5.1.1** Impact Fees-Return of Collected Fees-Discussion. Pg. 11
 - 5.1.2** Conservation Fund Ordinance-7-64- Update proposal. Pg. 14

Reports from Finance & Administration

- 5.2.1** Monthly Financial Report Summary-September 30, 2021, Pg. 21
-
- 6. Other**

 - 7. Adjournment**

Finance Committee

Meeting Minutes

Meeting Information

Date: September 14, 2021

Time: 6:30 P.M.

Location: Council Chambers, 31 Wakefield Street

Committee members present: Mayor Lauterborn, Deputy Mayor Walker, Councilor Lachapelle, Councilor Gray, Councilor Bogan, and Councilor Hamann.

City staff present: Finance Director Katie Ambrose, Deputy Finance Director Mark Sullivan. Paul Toussaint, Rochester Police Chief. Chris Bowlen, Director of Recreation and Arena. Kim Conley, Director of Human Resources. Peter Nourse, Director of City Services.

Agenda & Minutes

1. Call to Order

Mayor Lauterborn called the Finance Committee meeting to order at 6:30 PM. Deputy City Clerk Cassie Givara took a silent roll call. All Councilors were present except for Councilor Jean, who was excused.

2. Acceptance of Minutes- July 13, 2021

Councilor Walker **MOVED** to **ACCEPT** the minutes of the July 13, 2021 Finance Committee meeting. Councilor Lachapelle seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

3. Public Input

No discussion.

4. Unfinished Business-

4.1.1 Fire Department Living Quarters- Withdrawn, resubmitting in FY23 CIP.

Mayor Lauterborn stated that the Fire Department Living Quarters item is on the agenda for informational purposes only and has been withdrawn. This project will be resubmitted in the FY23 CIP.

New Business-

- Public Works-Construction Inspector-PAB Recommendation

Finance Director Katie Ambrose stated that the Public Works Construction Inspector position had gone to the Personnel Advisory Board for discussion. The PAB recommended approval of the new position at a pay grade 9. Councilor Walker **MOVED** to recommend to full Council the Personnel Advisory Board's recommendation for the Public Works Construction Inspector position. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

- **American Rescue Plan Act-Draft Project Proposals**

Finance Director Katie Ambrose gave an overview of the American Rescue Plan Act (ARPA). She stated that the City of Rochester was allocated \$6,147,502.00 of State and Local fiscal recovery funds, of which half has been received with the other half being received in spring of 2022. Funds cover eligible costs which are listed on the Business/Finance page on the City of Rochester website. The funds are available from March 2, 2021 to December 31, 2024. These funds must be obligated by December 31, 2024 and expended by December 31, 2026. Finance Director Ambrose reported that the City Manager had reviewed project proposals from City staff and had made recommendations on which projects to approve. She recommended that the Finance Committee review the projects as listed and make additional suggestions if needed.

Mayor Lauterborn clarified that the process did not need to be rushed given the timeline. She suggested that instead of waiting until there were projects equaling the total allocation, the Committee could make recommendations on individual proposals upon their review.

Councilor Lachapelle **MOVED** to recommend to full council to accept the total funds from the Coronavirus State and Local Fiscal Recovery Funds. Council Walker seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

City Manager Blaine Cox gave a brief overview of the ARPA proposal document and explained the format and summary showing which projects he had included in his recommendations. He suggested briefly going over each proposal to help generate questions and discussion, starting with the three proposals he had recommended including. The first of the three proposals is the "Sheltering Homeless Initiative". City Manager Cox reminded the committee that the Tri-City Mayors had formed a task force to address shelter for the homeless; one specific project is the Willand Warming Center located in Somersworth. Funding is only available for the upcoming winter season for this project without plans for future fiscal years. There has been talk about a seasonal shelter within the three communities and although there is no specific detail for how this money would be allocated to assist with the homeless, he recommended designating \$1,000,000.00 for this proposal.

Councilor Walker requested more specific proposals on where the \$1,000,000.00 for the "sheltering homeless" instead of a general allocation. City Manager Cox stated that the Tri-City

Mayors would likely meet and give the three City Managers direction on how this money could be best allocated.

City Manager Cox gave a brief overview of his second proposal for the “Community Health Coordinator” position. He explained that although this position would be out of the Welfare department, its primary function would be in assisting the Police Department. He recommended allocating \$916,000 for this position over a 5-year span. The purpose of this position would be to respond to calls through the Police Department for issues involving mental health crises and substance misuse, which ideally should be referred to a social work resource. Councilor Walker stated that he does not support using the ARPA money to find positions due to the State money only funding the salary for 5-years at which the point the City would either need to eliminate the position or budget for the position going forward. Chief Toussaint emphasized the importance of this position and spoke about the constant strain the police department is under from calls regarding the homeless population, substance misuse and mental health issues. He clarified that the police do the best they are able in these situations, but they are not the best equipped, nor do they have adequate time to be handling these circumstances. Chief Toussaint said the prevalence of these calls are a drain on police resources and that funding the proposed position would be beneficial long term in helping the residents the department deals with regularly.

There was a discussion on how the position would be structured, with administrative support and resources, and how the position would function following police calls. It was determined that the need was great enough that multiple staff members in this area would be beneficial, but approving this single position would be a good way to start. City Manager Cox stated he could get the committee additional information based on other municipalities who have enacted similar programs. Chief Toussaint acknowledged that this City would need to budget for the position once the ARPA money runs out, but said there was a large amount of hidden costs that would be saved in having these calls handled in a more effective manner.

Councilor Bogan **MOVED** to send the proposal for a Community Health Coordinator position to full council at the October workshop. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

City Manager Cox gave a brief overview of his third proposal for an Employer Assisted Childcare Co-op. He recommended allocating \$1,400,000.00 for this proposal. Mr. Cox stated that there is currently a childcare shortage within the community, and as a result, he did not see that this program would be competing with childcare providers within the private sector. He commented that there would be a feasibility study done to determine the demand for this type of program for City employees. Mr. Cox stated that ideally, we would provide the space and contract with a provider from the private sector to run the childcare center. Mayor Lauterborn commented that she supported this proposal and spoke about how funding could work moving forward to avoid the program being a taxpayer expense. Mr. Cox also added that if all childcare spots were not filled by employees, than it would open up to the public.

Finance Director Katie Ambrose gave a brief overview of the Human Resource Finance Department Position Premium Pay proposal, which would provide stipends in the amount of \$1,000.00 (plus taxes) to City Employees that were deemed essential workers and whose physical

wellbeing were at risk during the COVID-19 emergency.

Commissioner Peter Nourse gave a brief overview of the Water Fund proposal which would provide services to treat and place an epoxy lining on the water transmission line originating from the Water Treatment Plant on the West side of the city connecting to Washington Street. Mr. Nourse stated that this pipe is approximately 12,000 feet long and was installed around 1890; about 50 years prior to the City starting the chlorination of water. He explained the process in which a shuttle goes through the pipe and grinds down the corroded areas; another shuttle sprays inert epoxy on the inside of the pipe, essentially producing a new pipe. The proposal request is for \$2,000,000.00 dollars to complete the treatment on this 12,000 feet of pipe. The previously approved CIP for this project had been \$400,000.00, which would need be deauthorized if this proposal is approved. Councilor Lachapelle questioned how long the newly treated pipe would last. Commissioner Nourse stated he would find out the exact answer, but speculated it would likely be for 100 years, plus.

Chris Bowlen, Director of Recreation and Arena, gave a brief overview of the proposal to replenish the Arena Fund in an amount of \$129,815.00 to help the Arena Department recover loss of revenue experienced over the last year due to COVID-19. Mayor Lauterborn recommended that the Committee make a decision to send this proposal to full Council. She stated that this approval is important due to the Arena fund currently having a negative balance. Councilor Lachapelle **MOVED** to recommend the proposal to replenish the Arena Fund to full Council. The **MOTION CARRIED** by a unanimous voice vote.

Reports from Finance & Administration

5.2.1 Monthly Financial Report Summary-August 31, 2021, Pg. 15

5. Other

Finance Director Katie Ambrose introduced the City of Rochester's new Director of Human Resource, Kim Conley.

6. Adjournment

Mayor Lauterborn **ADJOURNED** the Finance Committee meeting at 7:17 PM.

Respectfully Submitted,

Ashley Greene
Administrative Technician II
&

DRAFT

Cassie Givara,
Deputy City Clerk

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: American Rescue Plan Act-Project Funding Status

Date Submitted: 10-6-21

Name of Person Submitting Item: Mark Sullivan Deputy Finance Director

E-mail Address: mark.sullivan@rochesternh.net

Meeting Date Requested: 10-12-21

Issue Summary Statement: Enclosed is the updated ARPA project status spreadsheet. There is also a new City Manager Included project-RT202A Water Main, project narrative is attached.

Recommended Action:

American Rescue Plan Act-Project Funding Tracking- October 7, 2021

<u>Department</u>	<u>ARPA Project Descriptions</u>	<u>Requested Amount</u>	<u>City Manager Included</u>	<u>City Manager Excluded</u>	<u>Finance Comm Endorsed</u>	<u>Status-Notes</u>	<u>Finance Comm Date</u>	<u>Council Adopted-AMT</u>	<u>Adopted Date</u>
City Manager's Office	Sheltering-Homeless Initiative	\$1,000,000	\$1,000,000			In-Finance Comm			
City Manager's Office	Community Health Coordinator	\$916,000	\$916,000		\$916,000	Recommend Full Council	9/14/2021		
City Manager's Office	Employer Assisted Child Care Cooperative	\$1,400,000	\$1,400,000			In-Finance Comm			
Finance-Human Resources	Employee Premium Pay	\$92,000	\$92,000			In-Finance Comm			
Water Fund	Water Transmission Main Lining	\$2,000,000	\$2,000,000			In-Finance Comm			
Arena	Lost Operating Revenue Replenishment	\$129,815	\$129,815		\$129,815	Recommend Full Council	9/14/2021	\$129,815	10/5/2021
Recreation	Lost Operating Revenue Replenishment	\$105,022		\$105,022		In-Finance Comm			
Economic Development	Development of Affordable Housing	\$1,500,000		\$1,500,000		In-Finance Comm			
Economic Development	Economic Development Analysis-Data Repository	\$280,000		\$280,000		In-Finance Comm			
Water Fund	Cochecho Well Treatment Upgrades	\$5,600,000		\$5,600,000		In-Finance Comm			
Water Fund	Round Pond Capacity Augmentation	\$1,000,000		\$1,000,000		In-Finance Comm			
Water Fund	Electrical Upgrades	\$1,650,000		\$1,650,000		In-Finance Comm			
Water Fund	RT 202A Water Main Extension Project	\$600,000	\$600,000			Presented 10-12-21			
Sewer Fund	WWTF Carbon Storage & Sludge Dewatering	\$2,000,000		\$2,000,000		In-Finance Comm			
Sewer Fund	WWTF Secondary Clarifier Upgrades	\$950,000		\$950,000		In-Finance Comm			
Planning	Building Deferred Maintenance Program	\$301,000		\$301,000		In-Finance Comm			
Easter Seals	Champlin Place Development	\$750,000		\$750,000		In-Finance Comm			
	TOTALS	\$20,273,837	\$6,137,815	\$14,136,022	\$1,045,815			\$129,815	
	ARPA SUMMARY	AMOUNTS							
	Total ARPA Entitlement Award	\$6,147,502							
	Finance Committee Recommendations	\$1,045,815							
	Council Adopted	\$129,815							
	Uncommitted Balance	\$6,017,687							

Commitment Deadline Date: 12-31-24 Expended Deadline Date: 12-31-26



Office of Finance & Budget Management

AMERICAN RESCUE PLAN FUNDING PROPOSAL

This form is a tool to provide policy makers a quick easy to read analysis of important issues pertaining to American Rescue Plan funding. Departments are to complete this form for any projects believed to be eligible under American Rescue Plan funding.

1. Department: Public Works

Department Head: P. C. Nourse

2. Project Name: Rt 202A Water Main Extension Project

3. Is the Project Already Appropriated in O&M or CIP: Yes. CIP appropriations were made to fund all project costs. This request is to exchange City funding for ARPA funding for a component of the work.

4. Funding Requested: (Identify funding amount, or change of funding if already appropriated, multi-year components and any annual carrying costs): Request is for \$600,000. City currently has \$523,000 of funds appropriated for this need and this amount was the projected cost at the time of the allocation. Since that time the estimate has been revised to \$600,000.

5. Description of Project (Describe the project clearly & succinctly):

The overall scope of the Rt 202A Water Main Extension project includes constructing a new tank and the installation of nearly two miles of new water infrastructure to serve the Rt 202A corridor to provide municipal water to residents with primary and secondary contaminants in their well water. Overall project cost is \$13M. This project has been bid and pends award.

This request would fund an existing component of the above project as a supporting, sub-project. This sub-project is to fund the City's on-call contracted services contractor to construct the roadway necessary to construct the new atmospheric municipal water tank and to install about 1,300 feet of new water main to feed the tank from existing City sources. It is a separate contracting action from the larger project.

The Public Works Committee suggested at the September meeting that the City should consider use of City ARPA funds to fund the cost of this sub-project. The reasoning is that if ARPA funds were not

used for the sub-project, then available City funds for the larger overall project would not be enough to award the larger contract, and fund the scope of this sub-project and, maintain a 5% project construction contingency overall. If external funds are used for the sub-project, then it would free up its previous \$523,000 budget to be used towards an adequate overall project contingency.

6. Benefits Related to COVID-19 Response, or Recovery:

A check with NHDES shows that they encourage the use of local ARPA funds in this case. Quality drinking water is vital to the health of all of Rochester's water customers, critical for the support of first responders, and essential for human recovery from illness. This project will help deliver quality drinking water to Rochester residents who currently have very poor quality well water.

7. Implementation Details (Briefly describe how this project will be implemented, and if any potential barriers exist):

The City currently has enough available funds to carry award and start of the larger construction project and this sub-project. However, project contingency is below optimum (5%), and the current estimate of the sub-project exceeds the \$523,000 budget. However an influx of exterior funds for this sub-project will enable the existing \$523,000 to be used to plus up contingency.

8. Supplemental Information (Note if attached):

9. Status: City Manger Included

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: Impact Fee-Collection Summary & Recommendation

Date Submitted: 10-6-21

Name of Person Submitting Item: Mark Sullivan Deputy Finance Director

E-mail Address: mark.sullivan@rochesternh.net

Meeting Date Requested: 10-12-21

Issue Summary Statement: The Planning Board is submitting to City Council a Zoning Ordinance amendment to repeal the Impact Fee ordinance and recommended that all collected fees be returned. Council action is required to authorize refunding these fees. Finance Committee is being asked to further review collected Impact Fees and provide a recommendation to Council to either return or expend these funds.

The City has collected \$99,812.26 in Impact Fees from December 2020 through February 2021. The fees are recorded in (4) special revenue funds, 7031-Municipal, 7032-Police, 7033-Fire & 7034-School. Attached is a summary of all totals and the party that paid the fee.

Recommended Action: Discussion & recommendation to full council on addressing collected Impact Fees associated with the proposed Zoning Ordinance amendments.



PLANNING & DEVELOPMENT DEPARTMENT
City Hall Annex
33 Wakefield Street,
Rochester, New Hampshire 03867-1917
(603) 335-1338 - Fax (603) 330-0023
Web Site: www.rochesternh.net

Planning Board
Conservation Commission
Historic District Commission
Arts and Culture Commission

Memo

To: Mayor Lauterborn and the City Council
From: Shanna B. Saunders, Planning Director;
Date: September 22, 2021
Re: Request for Zoning Ordinance Amendment; Impact Fee Repeal Recommendation

The Planning Board, hereby recommends a proposed change in Chapter 275 – Section 27.3, of the General Ordinances of the City of Rochester.

This was discussed at the April 19, 2021 Planning Board Meeting and at that meeting the Board voted to recommend the following amendment:

“A motion was made by Mr. Walker and seconded by Mr. Collopy to recommend the City Council repeal Impact Fee Ordinance. Until such time the Impact Fee assessment shall remain at \$0. The motion carried by a 7-1 roll call vote. Mr. Collopy opposed.”

The repeal was recommended for the following reasons:

- 1) Housing supply is in crisis and this may act as a detriment to new housing developments
- 2) A majority of fees may be assessed on existing vacant lots which was not the Board’s original intended use.

The Board further recommended that all fees collected so far be returned.

IMPACT FEE COLLECTIONS SUMMARY

NAME	AMOUNT	JOURNAL	DATE RECORDED
CHARLES PRESCOTT ESTATES LLC	5,544.00	63	2/2/2021
TRUE NORTH DEVELOPMENT	9,168.60	160	1/7/2021
PAUL CAIN	4,516.45	198	2/8/2021
AFFORDABLE MOBILES	5,184.00	287	12/9/2020
RYAN ESCHBACH	450.00	335	12/10/2020
DEIDRA HOWARD	6,882.35	441	1/13/2021
PAUL CAIN	4,516.45	441	1/13/2021
S&B MOBILE & MODULAR HOME SALES	2,664.00	469	1/15/2021
SUSAN POLLARD	4,389.60	469	1/15/2021
TRUE NORTH DEVELOPMENT LLC	4,568.76	489	2/16/2021
MARK BERRY	5,144.80	550	11/20/2020
NEW HAUL PROPERTIES	1,044.00	550	11/20/2020
S AND B MOBILE AND MODULAR HOME	12,240.00	553	7/22/2020
GREYSON DAVID LLC	5,451.60	613	12/18/2020
RBV REALTY LCC	3,776.00	703	1/25/2021
D R LEMIEUX BUILDERS	4,360.10	907	10/30/2020
LYDALL	9,360.01	921	1/29/2021
JILL MAPES	530.40	949	10/30/2020
PAUL CAIN	3,973.65	949	10/30/2020
GREYSON DAVID LLC	6,047.50	1024	12/31/2020
TOTAL IMPACT FEES RECEIVED	99,812.27		

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: Updating Conservation Fund Ordinance- Administrative Code 7-64

Date Submitted: 10-6-21

Name of Person Submitting Item: Mark Sullivan Deputy Finance Director

E-mail Address: mark.sullivan@rochesternh.net

Meeting Date Requested: 10-12-21

Issue Summary Statement: The City's Conservation Fund ordinance 7-64 is written in a way that requires a lot of manual financial tracking and analysis. These manual calculations can increase risk of errors, and creates challenges when a request for Conservation Fund balance is requested. Current Use Taxation RSA 79-A, and RSA 79-A:25 provide allowances for a more efficient and streamlined process. Attached is documentation of the current process, future process (pros & cons), Current Use taxation revenues and expenses FY16 through FY22, as well as recommended language for an ordinance change.

Recommended Action: Endorse pursuing the change to 7-64.

CURRENT USE TAX PROCESS-CURRENT STATE

Annual Budget

Current Use Revenues	\$35,000	General Fund Revenues
Transfer to Conservation Fund	\$10,000	Manual Transfer to Conservation Fund upon budget adoption
Net Gain GF	\$25,000	

Warrant Process

- Assessor creates the CUT Warrants, with appropriate state filing documents.
- Assessor sends warrants to Tax Collector Office.
- Tax Collector send notice to property owner, and files state forms.
- Tax Collector forwards CUT Warrants to Finance Office.
- Finance Office records the CUT as Revenue & an Accounts Receivable (AR).
- Tax Collector processes payments when received- Payment receipt batch bookkeeping relieves the AR, and debits cash account.

Fiscal Year End Analysis

- At the end of each fiscal year Finance Office calculates the actual cash payments received during the fiscal year.
- This calculation requires a look back to prior fiscal year Accounts Receivable that remained unpaid in prior year, but paid in current.
- Finance recaps the payment activity and determines the amount collected in excess of the budgeted \$35,000.
- Finance office prepares a supplemental resolution for Council to transfer the excess collections to Conservation Fund.
- Once Council Adopts the supplemental resolution Finance performs multi-step bookkeeping to transfer the funds to Conservation Fund.

Issues

- Too many bookkeeping steps, both automatic and manul, which increase risks for error, confusion.
- Finance staff time to manage entire process and calculate the precise CUT for the supplemental resolution can be significant.
- Current fund balance reporting is complicated, and an up to date fund balance number takes time to produce.
- Tax Collector performing multiple steps in overall process.
- Conservation Fund not realizing full revenue streams, takes longer to build fund balance.

CURRENT USE TAX PROCESS-PROPOSED FUTURE STATE

Warrants

Assessor creates the CUT Warrants, with appropriate state filing documents.

Assessor sends warrants to Tax Collector Office.

Tax Collector sends notice to property owner, and files state forms.

Tax Collector enters a special revenue recording batch to New Special Conservation Fund Reserve Account.

Tax Collector processes payments when received- Payment receipt batch bookkeeping relieves the AR, and debits cash account.

Use of Funds

100% of Current Use revenues recorded into the Current Use Fund.

Finance updates Council in July of each year on fund balance.

Council can deliberate on changing future revenue percentage directed to Conservation Fund.

Pros

Much more efficient and accurate process. Conservation Funds realizes 100% of revenue.

100% Revenue recognition is important to build fund balance, especially in soft collection years.

Con

General Fund does not receive the annual \$25k in revenue.

CURRENT USE REVENUE STREAMS-TRANSFERS TO CONSERVATION FUND

FISCAL YEAR	REVENUES RECOGNIZED	GENERAL FUND RETAINED	CASH TRANS TO CONSV FUND	FUND BALANCE CONSV FUND	CONSERVATION FUND USE OF FUNDS	USE OF FUNDS NOTES
FY16	\$68,580	\$25,000	\$57,400	\$106,486	\$13,660	Consulting Services-Guthier Farms Contribution Guthier Farms Purchase- \$228k- (\$128k GF Unassigned)
FY17	\$169,805	\$25,000	\$97,195	\$102,118	\$100,000	
FY18	\$123,800	\$25,000	\$77,290	\$118,408	\$0	
FY19	\$69,420	\$25,000	\$72,867	\$254,275	\$0	
FY20	\$51,000	\$25,000	\$10,000	\$264,275	\$4,600	
FY21	\$118,314	\$25,000	\$38,053	\$115,728	\$182,000	Appraisal 104 Crow Hill Road property Purchase 104 Crow Hill Road property
FY22	\$112,728	\$25,000	\$137,314	\$253,042	\$0	
TOTALS	\$713,647	\$175,000	\$490,119		\$300,260	

Note: FY17-Guthier Farms purchase Conservation Fund was inadequately funded, remaining balance originated from General Fund Unassigned Fund balance.

Section 79-A:24

79-A:24 Repealed by 1991, 163:43, XXXIII, eff. May 27, 1991. –

Section 79-A:25

79-A:25 Disposition of Revenues. –

- I. Except as provided in paragraph II, all money received by the tax collector pursuant to the provisions of this chapter shall be for the use of the town or city.
- II. The legislative body of the town or city may, by majority vote, elect to place the whole or a specified percentage, amount, or any combination of percentage and amount, of the revenues of all future payments collected pursuant to this chapter in a conservation fund in accordance with RSA 36-A:5, III. The whole or specified percentage or amount, or percentage and amount, of such revenues shall be deposited in the conservation fund at the time of collection.
- III. If adopted by a town or city, the provisions of RSA 79-A:25, II shall take effect in the tax year beginning on April 1 following the vote and shall remain in effect until altered or rescinded pursuant to RSA 79-A:25, IV.
- IV. In any town or city that has adopted the provisions of paragraph II, the legislative body may vote to rescind its action or change the percentage or amount, or percentage and amount, of revenues to be placed in the conservation fund. Any such action to rescind or change the percentage or amount, or percentage and amount, shall not take effect before the tax year beginning April 1 following the vote.

Source. 1973, 372:1. 1988, 120:2. 1991, 281:19, 20, eff. Aug. 17, 1991.

Section 79-A:25-a

79-A:25-a Land Use Change Tax Fund. –

- I. Towns and cities may, pursuant to RSA 79-A:25-b, vote to account for all revenues collected pursuant to this chapter in a land use change tax fund separate from the general fund. After a vote pursuant to RSA 79-A:25-b, no land use change tax revenue collected under this chapter shall be recognized as general fund revenue for the fiscal year in which it is received, except to the extent that such revenue is appropriated pursuant to paragraph II of this section. Any land use change tax revenue collected pursuant to this chapter which is to be placed in a conservation fund in accordance with RSA 79-A:25, II, shall first be accounted for as revenue to the land use change tax fund before being transferred to the conservation fund at the time of collection.
- II. After any transfer to the conservation fund required under the provisions of RSA 79-A:25, II, the surplus remaining in the land use change tax fund shall not be deemed part of the general fund nor shall any surplus be expended for any purpose or transferred to any appropriation until such time as the legislative body shall have had the opportunity at an annual meeting to appropriate a specific amount from said fund for any purpose not prohibited by the laws or by the constitution of this state. At the end of an annual meeting, any unappropriated balance of land use change tax revenue received during the prior fiscal year shall be recognized as general fund revenue for the current fiscal year.

Source. 1991, 156:1. 1992, 122:1, eff. June 30, 1992.

Section 79-A:25-b

79-A:25-b Procedure for Adoption. –

- I. Any town may adopt the provisions of RSA 79-A:25-a to account for all revenues received pursuant to this chapter in a land use change tax fund separate from the general fund in the following manner:
 - (a) In a town, the question shall be placed on the warrant of a special or annual town meeting by the selectmen, or by petition under RSA 39:3, and shall be voted on by ballot. The question shall not be placed on the official ballot.
 - (b) The selectmen shall hold a public hearing on the question at least 15 days but not more than 30 days before the question is to be voted on. Notice of the hearing shall be posted in at least 2 public places in the municipality

associated with the disposal and/or recycling of solid waste. Therefore, in an effort to offset the expected loss of revenues and increased costs occurring to the City as a result of the anticipated filling of the TREE Waste Disposal Facility to its permitted capacity and to promote the general fiscal strength and well-being of the City, it is necessary that economic development in the City of Rochester be promoted and/or maintained to ensure the existence and/or expansion of a vibrant economic base for the City and its inhabitants.

- (2) Therefore, the City Council of the City of Rochester, pursuant to the authority granted by RSA 47:1-b and 47:1-c, hereby establishes a special revenue reserve fund from the specific source identified in Subsection **B** of this section for capital expenditures or expenditures for capital projects, transfers to capital projects, transfers to capital reserve, or for any other appropriation of a nonrecurring nature in support of economic development as determined by the City Council. The special reserve fund established in Subsection **B** of this section shall be known as the "City of Rochester Economic Development Special Reserve Fund." No expenditure from said City of Rochester Economic Development Special Reserve Fund shall be made without an appropriation of such funds having been adopted by the Rochester City Council, which appropriation shall provide that such appropriation is for economic development purposes and shall contain a statement and/or finding by the City Council indicating the manner in which it is anticipated that such appropriation is related to the economic development of the City of Rochester.
- B. There is hereby created a non-lapsing budgetary account within the City of Rochester, pursuant to the authority granted to the City by the provisions of RSA 47:1-b, such special reserve fund to be known as the "City of Rochester Economic Development Special Reserve Fund." Such fund shall be funded on an annual basis by the appropriation by the City Council to such special reserve fund of an amount not less than one hundred thousand dollars (\$100,000.) from the funds annually payable to the City of Rochester by Waste Management of New Hampshire, Inc., from the so-called "host community fees" payable to the City pursuant to the provisions of the Host Agreement between the City and Waste Management of New Hampshire, Inc., or of any successor to such agreement. In addition to such minimum funding level, the City Manager may, during any fiscal year of the City, upon written notification to, and appropriation by, the City Council, transfer to said City of Rochester Economic Development Special Reserve Fund unappropriated host community fees in an amount not to exceed the difference between the total amount of host community fees received from Waste Management of New Hampshire, Inc., during such fiscal year and the amount of such host community fees previously appropriated by the Rochester City Council during such fiscal year (having in mind the minimum funding/appropriation requirement provided for herein and any other appropriation of such fiscal year's host community fees by the City Council during such fiscal year).

§ 7-64 Conservation Fund.

- A. Purpose. The Rochester City Council recognizes that the proper utilization and protection of the City's natural resources and the protection of its watershed resources are important to the well-being of the City of Rochester and its inhabitants, and to that end the City has adopted the provisions of Chapter 36-A of the New Hampshire Revised Statutes Annotated providing for the establishment of a Conservation Commission. The Rochester City Council further recognizes that realizing the goals of properly utilizing and protecting its natural resources and protecting its watershed resources requires the development and implementation of a systematic program designed to maintain and care for such resources, which program implementation is enhanced when the Conservation Commission is provided with a regular

source of revenue. Therefore, it is the purpose of the Rochester City Council in adopting this section to establish a mechanism whereby the Conservation Commission is provided with a source of funding which can be utilized to aid in the accomplishment of the goals of properly utilizing and protecting the City of Rochester's natural resources and protecting its watershed resources. **[Added 5-4-1999]**

- B. Establishment of Conservation Fund. Pursuant to the provisions of RSA 36-A:5, I, a Conservation Fund is established by the City of Rochester. Funds appropriated to said Conservation Fund by the Rochester City Council, and any gifts received pursuant to the provisions of RSA 36-A:4, shall be placed in said fund and allowed to accumulate from year to year. The City Treasurer shall have custody of all moneys in the Conservation Fund and shall pay out the same only upon the order of the Conservation Commission. Money may be expended from the Conservation Fund by the Conservation Commission for the purposes specified in Chapter 36-A of the New Hampshire Revised Statutes Annotated without further approval of the City Council. The disbursement of Conservation Fund moneys shall be authorized by a majority of the Conservation Commission. Prior to the use of such funds for the purchase of any interest in real property, the Conservation Commission shall hold a public hearing with notice in accordance with RSA 675:7.
- C. ~~Establishment of annual Conservation Fund budget. The City Manager shall include in the budget prepared and submitted to the City Council annually, pursuant to Section 40 of the Rochester City Charter, an appropriation to the Conservation Fund in an amount hereinafter provided for, the source of funds for which appropriation shall be specified as being drawn in their entirety from revenues received by the City during such budgetary period from the so-called "current use change tax" provided for in RSA 79-A:7, or the corresponding provision of any recodification of such statute. Said appropriation shall be in an amount equal to all revenues, in excess of twenty five thousand dollars (\$25,000.), projected in the budget to be received by the City during such budgetary period from the so-called "current use change tax." In the event that the funds received by the City from the so-called "current use change tax" shall exceed the amount projected in the budget to be received from such source during such budgetary period, the City Manager shall, prior to the close of the fiscal year in question, present a supplemental appropriation in the amount of the excess receipts funds so received and identifying such excess receipts as the source of funding for such supplemental appropriation. The City Council shall act on such supplemental appropriation in the ordinary course. **[Amended 8-6-2002]**~~
- C All revenues collected related to Current Use Tax Warrants provided by RSA 79-A:7 shall be recorded in the Conservation Fund pursuant to RSA 79-A:25-Disposition of Revenues. The Finance Department shall provide to City Council by July 31st of each year the fund balance status of Conservation Fund, and prior fiscal year activity. City Council reserves the right to adjust percentages of future collected revenues placed in the Conservation Fund, or establish a not to exceed fund balance amount.

§ 7-65 Budget line items for merit salary increases or pay adjustments.

[Added 6-1-2004]

- A. Purpose. The purpose of this section is to implement the authority of the Mayor and City Council to take proper care that no money shall be paid from the City treasury unless previously granted and appropriated, and to secure a just and prompt accounting for expenditures made pursuant to appropriations as provided for in RSA 47:6, as well as to promote the well-being of the City in

FINANCE COMMITTEE

Monthly Financial Summary Report

Agenda Item Name: Monthly Financial Statements Summary – as of September 30, 2021

For the full detail report, click here: [September 2021 Financial Detail Report](#)

Name of Person Submitting Item: Mark Sullivan Deputy Finance Director

E-mail Address: mark.sullivan@rochesternh.net

Meeting Date Requested: October 12, 2021

Issue Summary Statement

Below are the revenues & expense highlights through September 30, 2021. Sept-21 represents approximately 25% completion of FY22.

GENERAL FUND NON PROPERTY TAX REVENUES

Motor Vehicle Registrations: Revenues remain strong at \$1,350,984, 28% collected.

Waste Management Host Fees: First FY22 payment received of \$1,406,135. School Department received an allocation of \$394,702 from this payment. Next quarterly payment due October-21

Building Permits: Revenues remain strong at \$166,157, 55% collected.

Interest Income: Remains soft, investment accounts only yielding .20% (2-tenths of 1%).

Interest on Delinquent Taxes: Collections steady at \$59,239, 17%.

State of NH Rooms & Meals: This revenue is typically received in December of each year.

Highway Block Subsidy: First FY22 payment received \$185,127. Next payment due November-21.

Cablevision: First FY22 quarterly payments due October-21/November-21.

Current Use Taxes: Current Use tax revenues are strong at \$102,581.

GENERAL FUND EXPENSES: First couple of months of fiscal year many purchases orders established for partial of full year expenses. Overall expenses are trending to budget at 30%. Salary & Benefits are at 24%

Police & Fire Over Time: Fire Department Overtime trending high at 55% expended, Police Overtime trending at 46% expended.

Welfare Direct Assistance: Continues to trend low at 16% expended.

WATER-SEWER SPECIAL REVENUE FUNDS:

Water-Sewer Funds: Water-Sewer User Fee revenues remain strong on each fund, with low delinquencies. FY22 Expenses trending slightly below budget.

Community Center: Expenses slightly elevated at 38%. Revenues are at 11% collected, but several intergovernmental transfers (School & Recreation) are pending and will be current in October-21.

Arena Special Revenue: Season is just beginning, too early to provide expense/revenue status. Forecasts for contracted ice sales are strong at \$320,000.