

**NOTICE of PUBLIC MEETING:
FINANCE COMMITTEE**

Meeting Information

Date: February 9, 2016
Time: 7:00 P.M.
Location: City Council Chambers
31 Wakefield Street
Rochester, New Hampshire

Agenda

Call to Order

1. Public Input
2. Unfinished Business
3. New Business
 - 3.1 Summer Lifeguard Program
 - 3.2 Arena Fund Budgeting
 - 3.3 CIP Projects & Debt Service
 - 3.4 Economic Development Budgeting
 - 3.5 Budget Development FY2017 Calendar
4. Finance Director's Report
5. Monthly Financial Statements
6. Other
7. Non-Public
8. Non-Meeting
9. Adjournment

Posted by: _____ Date: _____

Locations Posted: (1) _____ (2) _____

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: Lifeguards for City Pools

Date Submitted: January 26, 2016

Name of Person Submitting Item: Recreation Director Bowlen

E-mail Address: chris.bowlen@rochesternh.net

Meeting Date Requested: February 9, 2016

Issue Summary Statement:

Recreation Director Bowlen requests that the Recreation Department be put on the agenda for the February Finance Committee meeting to get permission to move forward on the summer pool lifeguard hiring process.

Recommended Action:

Grant permission to proceed with summer hiring of lifeguards before the FY2017 budget is adopted.

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: Arena Fund Transfer from General Fund

Date Submitted: February 3, 2016

Name of Person Submitting Item: Deputy City Manager Cox

E-mail Address: blaine.cox@rochesternh.net

Meeting Date Requested: February 9, 2016

Issue Summary Statement: The City Council during the fiscal year 2016 budget development process agreed to consider the transfer of funds from the General Fund to the Arena Fund to offset potential budgetary shortfalls in this enterprise fund. It was agreed that this would be re-visited once the fiscal year 2015 audit was completed. The Finance team will share with the Finance Committee the results of the FY2015 Audit with regard to the Arena Fund.

Recommended Action: Authorize the creation of the accounts necessary to execute the transfer of funds from the General Fund to the Arena Fund.

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: CIP Projects Funding & Debt Service

Date Submitted: February 3, 2016

Name of Person Submitting Item: Deputy City Manager Cox

E-mail Address: blaine.cox@rochesternh.net

Meeting Date Requested: February 9, 2016

Issue Summary Statement: At the January Public Works Committee meeting Public Works Director Storer presented a worksheet depicting his department's assessment of approved and proposed capital projects. The Public Works Committee directed the Deputy City Manager to have the Finance Department analyze the associated debt service implications. The Finance Department will present their findings.

Recommended Action: None.

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: Economic Development Fund Budgeting

Date Submitted: February 3, 2016

Name of Person Submitting Item: Deputy City Manager Cox

E-mail Address: blaine.cox@rochesternh.net

Meeting Date Requested: February 9, 2016

Issue Summary Statement: During the fiscal year 2016 budget development process, the Finance Department recommended a change in the manner of funding for the Economic Development Reserve Fund, the Economic Development Fund Operating Budget and the Economic Development Department Operating Budget. The Council agreed to consider these changes for the fiscal year 2017 budget process. The Finance Department will present this issue to the Finance Committee for discussion and consideration.

Recommended Action: Alter the funding process for the ED Reserve Fund, ED Fund O&M and ED Department O&M budgets.

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: Budget Development Calendar FY2017 (Draft)

Date Submitted: February 4, 2016

Name of Person Submitting Item: Deputy City Manager Cox

E-mail Address: blaine.cox@rochesternh.net

Meeting Date Requested: February 9, 2016

Issue Summary Statement: Please find attached a draft listing of dates for the City Council's work on developing the fiscal year 2017 budgets.

Recommended Action: Review & comment.

BUDGET DEVELOPMENT FY2017

Please find below a tentative **budget presentation** outline detailing dates involving the City Council.

- a. CDBG Action Plan Public Hearing & CDBG Action Plan 1st Reading: **April 1st** City Council Meeting
- b. CDBG Action Plan 2nd Reading & Adoption: **April 15th** Special City Council Meeting. City Manager makes formal presentation of FY2015 Proposed O & M and CIP Budgets to City Council: **April 15th** Council Workshop.
- c. Police & Communications, Fire: **April 29th** Council Committee of the Whole Budget Workshop.
- d. O&M Budget and CIP Budget 1st Reading: **May 6th** City Council Meeting.
- e. Public Works, Public Buildings, Community Center, Water & Sewer: April 29th Council; **May 13th** Council Committee of the Whole Budget Workshop
- f. School Department: **May 20th** Council Workshop
- g. Recreation & Arena, Library, Economic Development, Planning & BZLS: **May 27th** Council Committee of the Whole Budget Workshop.
- h. O&M Budget and CIP Budget Public Hearings: **June 3rd** City Council Meeting
- i. Tax Collector, Assessing, MIS & Gov't Channel, City Clerk & Elections, Business Office, City Council, City Manager and General Overhead: **June 10th** Council Committee of the Whole Budget Workshop.
- j. Council Budget Deliberations, O&M Budget and CIP Budget 2nd Reading & Adoption: City Council Special Meeting(s) **June 17th/ June 24Th.**

REPORT from FINANCE:

February 1, 2016

Finance Committee Meeting Information

Date: February 9, 2016
Time: 7:00 P.M.
Location: City Council Chambers
31 Wakefield Street
Rochester, New Hampshire

Items

1. Non-Union Wage Range Adjustment – All of the union contracts have language that automatically adjusts the pay ranges each year by the consumer price index. The non-union pay ranges can only be adjusted by City Council action. If the Council does not increase the non-union minimums/maximums for a second year, the non-union pay scale will be 2.4% behind the unionized groups (1.6% for FY2015 + 0.8% FY2016, November to November, Boston-Brockton-Nashua).
2. Viewpoint Software Update – The Viewpoint planning & permitting software system's soft "go live" was Tuesday, February 2, 2016. All affected departments were ready for the transition. BZLS is getting some final training on Feb 4th related to the View Inspect module and IPAD functions. Only two major items will remain after February 2nd: (1) implementation of the Compliance module and (2) Online Citizens Access. The implementation team intentionally left both of these pieces for last. We are working on the final set up details of the Compliance module with Viewpoint and then Viewpoint will have to provide some training. All of these tasks are targeted to be completed before the end of February. The Online Citizens access will come after BZLS and Planning are completely comfortable with the internal application and inspection processes, which will be a couple of additional months.

3. Fire Department Overtime Expense Report – The overtime pay expense year to date from the Fire Department can be found here: [Fire OT Rpt.](#)
4. Police Department Overtime Expense Report - The overtime pay expense year to date from the Police Department can be found here: [Police OT Rpt.](#)
5. Veterans' Tax Credit Follow Up – At the December Finance Committee meeting, Deputy Mayor Varney requested data regarding the veterans' tax credit. Chief Assessor Vincent has provided a response that can be found here: [Veterans' Tax Credit Memo.](#)
6. Electronic Time & Attendance (ETAS) Project Update – The FY2016 budget contains a CIP appropriation for the implementation of an electronic time and attendance system. A formal Request for Information (RFI) was sent out to several vendors last month to better inform City personnel on how these systems work and what functions they can perform. The project team working on this item is now drafting a formal Request for Proposals.
7. Codification Project Update – The FY2016 budget contains an appropriation for the formal codification of the City's Charter and General Ordinances. A Request for Proposals was issued last month and a pre-proposal meeting held last week.
8. 2008 Bond Refunding – The Finance team exploring ways to leverage the current low interest rate environment. We have already refunded several outstanding bonds saving the City considerable amounts in debt service. We are now working with our financial advisor to perform a refunding analysis for the City's 2008 bond issue. The initial analysis indicates a savings of \$500k-\$700k if we refund at today's rates. The 2008 bonds are not callable (eligible for early pay off) until February 15, 2018. As a result, we would have to create a refunding escrow account which would involve borrowing the payoff funds now at the low rates and placing these funds in the escrow account for two years until the 2008 bonds are callable. Once our analysis is completed, we will bring a proposal and resolution forward for Council consideration.

9. East Rochester School Construction Expense Update – Here is a breakdown of the funding of this project to date:

- Total Appropriation = \$13,100,000
- Amount Bonded to date = \$12,205,000
- Amount not yet bonded = \$ 895,000

- Expended to date = \$11,441,456.44
- Encumbered = \$841,110.51
- Amount Committed = \$12,282,566.95

In December, Business Administrator Casey reported: “At this point it is premature to state a final (project completion) figure. We still have painting that will be completed in the spring. We are currently going to report that our estimated figure for the ER project is \$12,205,000. It could potentially be \$200,000 less but we won't know that until the end of spring next year.”

10. Tax Increment Financing District Annual Reports – The Granite State Business Park Tax Increment Financing District Annual Report can be found here: [GSBP TIF RPT](#). The Granite Ridge Development District Tax Increment Financing District Annual Report can be found here: [GRDD TIF RPT](#). These reports are also available on the City's website under the Economic Development Department.

11. Rochester Industrial Development Fund Account - The Rochester Industrial Development Fund bank account was opened on May 4, 2004. The purpose of the fund was to facilitate a \$300,000 Economic Development "bridge" loan for Spaulding Composites Company. The loan appears to have been paid in full with an incoming wire of \$236,387.52 on February 11, 2005. This left a small account balance of \$26.19 as of February 28, 2005. The account accrued an additional \$0.48 in interest

through September 30, 2007. Since then no further interest has accrued to this account. On December 31, 2015 there were "Statement and Dormant Account" charges totaling \$8.00 which dropped the balance from \$26.67 to \$18.67. Since there has been no loan activity on this account since February 28, 2005 the auditor recommends that this account should be closed. The Council is requested to adopt a simple motion stipulating that this account be closed and that any remaining balance be credited to the General Fund general overhead miscellaneous revenue account.



FINANCE COMMITTEE

Agenda Item

Agenda Item Name: Monthly Financial Statements Summary

For the full detail report, click here: [JAN FINANCIALS DETAIL](#)

Revenues

ACCOUNT DESCRIPTION	ESTIMATED REVENUE	ACTUAL YTD REVENUE	% COLL
11011 ECONOMIC DEVELOPMENT REV	\$ -	\$ 125	100.0
11031 CITY CLERK REVENUE	\$ 106,420	\$ 46,516	43.7
11051 ASSESSORS REVENUES	\$ -	\$ 167	100.0
11061 BUSINESS OFFICE REVENUE	\$ 55,000	\$ 31,332	57.0
11062 BUSINESS OFFICE REVENUE	\$ 1,000	\$ -	0.0
11071 TAX COLLECTOR REVENUE	\$ 28,908,379	\$ 27,951,889	96.7
11081 GENERAL OVERHEAD REVENUE	\$ 4,196,465	\$ 2,192,083	52.2
11082 GENERAL OVERHEAD REVENUE	\$ 1,434,205	\$ 1,434,205	100.0
11091 PUBLIC BLDGS REVENUE	\$ -	\$ 7,470	100.0
11101 PLANNING	\$ 15,250	\$ 25,148	164.9
11201 REV LEGAL OFFICE	\$ 50,000	\$ 29,167	58.3
12011 POLICE CITY REVENUE	\$ 351,845	\$ 124,342	35.3
12021 FIRE CITY REVENUE	\$ 11,825	\$ 7,626	64.5
12022 FIRE STATE REVENUE	\$ 40,000	\$ 1,067	2.7
12031 DISPATCH CENTER	\$ 62,044	\$ 29,656	47.8
12041 CODE ENFORCEMENT REVENUE	\$ 323,125	\$ 353,093	109.3
13011 PUBLIC WORKS REVENUE	\$ 35,200	\$ 35,125	99.8
13012 STATE HIGHWAY SUBSIDY	\$ 591,229	\$ 354,737	60.0
14011 WELFARE REVENUE	\$ 8,500	\$ 4,638	54.6
14021 RECREATION REVENUE	\$ 129,800	\$ 114,994	88.6
14031 LIBRARY REVENUE	\$ 13,383	\$ 7,126	53.2
1000 TOTAL GENERAL FUND	\$ 36,333,670	\$ 32,750,504	90.1
	ESTIMATED REVENUE	ACTUAL YTD REVENUE	% COLL
5001 WATER ENTERPRISE FUND	\$ 5,468,531	\$ 1,607,781	29.4
	ESTIMATED REVENUE	ACTUAL YTD REVENUE	% COLL
5002 SEWER ENTERPRISE FUND	\$ 6,825,394	\$ 1,942,756	28.5
	ESTIMATED REVENUE	ACTUAL YTD REVENUE	% COLL
5003 ARENA ENTERPRISE FUND	\$ 586,067	\$ 293,171	50.0

Expenditures

ACCOUNT DESCRIPTION	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCE	AVAILABLE BUDGET	% USED
11000051 CITY MANAGER	\$ 278,414	\$ 163,208	\$ 4,178	\$ 111,028	60.10
11012351 ECONOMIC DEVELOPMENT	\$ 296,187	\$ 186,055	\$ 2,849	\$ 107,283	63.80
11020050 MUNICIPAL INFORMATION	\$ 444,691	\$ 228,522	\$ 10,806	\$ 205,363	53.80
11030051 CITY CLERK	\$ 293,290	\$ 152,014	\$ 15,584	\$ 125,692	57.10
11040050 ELECTIONS	\$ 44,016	\$ 19,229	\$ 5,845	\$ 18,942	57.00
11050070 ASSESSORS	\$ 387,319	\$ 242,940	\$ 3,855	\$ 140,524	63.70
11060051 BUSINESS OFFICE	\$ 515,644	\$ 293,860	\$ 6,142	\$ 215,642	58.20
11063151 HUMAN RESOURCES	\$ 127,107	\$ 82,554	\$ 5,383	\$ 39,170	69.20
11070070 TAX COLLECTOR	\$ 336,758	\$ 193,401	\$ 1,091	\$ 142,267	57.80
11080050 GENERAL OVERHEAD	\$ 705,267	\$ 532,604	\$ 101,208	\$ 71,455	89.90
11090050 PB CITY WIDE 50	\$ 561,764	\$ 347,641	\$ 5,307	\$ 208,817	62.80
11090051 PB CITY HALL 51	\$ 83,400	\$ 33,470	\$ 7,515	\$ 42,415	49.10
11090052 PB OPERA HOUSE 52	\$ 34,176	\$ 24,862	\$ 1,725	\$ 7,589	77.80
11090054 PB CENTRAL FIRE 54	\$ 33,523	\$ 31,628	\$ 814	\$ 1,081	96.80
11090055 PB GONIC FIRE 55	\$ 17,843	\$ 14,807	\$ 1,699	\$ 1,337	92.50
11090056 PB LIBRARY 56	\$ 21,170	\$ 14,475	\$ 3,719	\$ 2,976	85.90
11090057 PB DPW GARAGE 57	\$ 10,887	\$ 7,639	\$ 2,730	\$ 518	95.20
11090059 PB ER FIRE STATION 59	\$ 750	\$ 146	\$ -	\$ 604	19.50
11090061 PB HISTORICAL MUSEUM	\$ 1,600	\$ 240	\$ 600	\$ 760	52.50
11090063 PB HANSON POOL 63	\$ 5,005	\$ 630	\$ 63	\$ 4,312	13.80
11090064 PB GONIC POOL 64	\$ 2,880	\$ 273	\$ 60	\$ 2,547	11.60
11090065 PB EAST ROCHESTER POO	\$ 2,650	\$ 278	\$ 59	\$ 2,313	12.70
11090068 PB GROUNDS 68	\$ 8,950	\$ 629	\$ 4,800	\$ 3,521	60.70
11090069 PB DOWNTOWN 69	\$ 16,500	\$ 2,894	\$ 4,500	\$ 9,106	44.80
11090070 PB REVENUE BUILDING 7	\$ 20,860	\$ 10,685	\$ 2,150	\$ 8,025	61.50
11090071 PB PLAYGROUNDS 71	\$ 1,850	\$ 558	\$ -	\$ 1,292	30.20
11090075 PB NEW POLICE STATION	\$ 22,923	\$ 14,825	\$ 4,888	\$ 3,211	86.00
11102051 PLANNING	\$ 348,964	\$ 210,489	\$ 5,195	\$ 133,280	61.80
11200051 LEGAL OFFICE	\$ 559,899	\$ 272,896	\$ 3,742	\$ 283,261	49.40
12010053 PD ADMINISTRATIVE SER	\$ 1,868,416	\$ 1,073,465	\$ 56,308	\$ 738,643	60.50
12012453 PD PATROL SERVICES	\$ 4,525,429	\$ 2,684,353	\$ -	\$ 1,841,076	59.30
12012553 PD SUPPORT SERVICES	\$ 395,656	\$ 235,609	\$ -	\$ 160,047	59.50
12020054 FIRE DEPARTMENT	\$ 4,200,614	\$ 2,485,988	\$ 20,985	\$ 1,693,641	59.70
12020055 FIRE DEPT 55 GONIC SU	\$ 28,556	\$ 9,572	\$ -	\$ 18,984	33.50
12020754 CALL FIRE	\$ 29,926	\$ 4,668	\$ -	\$ 25,258	15.60
12022754 FOREST FIRES	\$ 861	\$ 106	\$ -	\$ 755	12.40
12030153 DISPATCH CENTER	\$ 735,861	\$ 432,515	\$ 2,419	\$ 300,927	59.10
12040051 CODE ENFORCEMENT	\$ 527,429	\$ 322,131	\$ 2,099	\$ 203,199	61.50
12050050 AMBULANCE	\$ 54,913	\$ 27,457	\$ 27,457	\$ -	100.00
13010057 PUBLIC WORKS	\$ 2,014,232	\$ 1,151,021	\$ 261,802	\$ 601,409	70.10
13010957 WINTER MAINTENANCE	\$ 463,666	\$ 190,764	\$ 47,053	\$ 225,849	51.30
13020050 CITY LIGHTS	\$ 257,500	\$ 133,231	\$ 1,925	\$ 122,344	52.50
14010051 WELFARE	\$ 451,998	\$ 217,384	\$ 4,147	\$ 230,467	49.00
14022072 RECREATION ADMINISTRA	\$ 550,335	\$ 340,891	\$ 9,690	\$ 199,754	63.70
14022150 RECREATION PLAYGROUND	\$ 81,451	\$ 69,455	\$ 842	\$ 11,153	86.30
14022250 RECREATION POOLS	\$ 72,790	\$ 51,469	\$ 418	\$ 20,903	71.30
14030056 LIBRARY	\$ 1,117,547	\$ 678,959	\$ 32,125	\$ 406,463	63.60
15000051 COUNTY TAX	\$ 5,980,421	\$ 5,980,421	\$ -	\$ -	100.00
17010051 TRANSFERS/PAYMENTS DE	\$ 4,535,036	\$ 2,684,574	\$ -	\$ 1,850,462	59.20
17030050 OVERLAY	\$ 225,203	\$ 64,479	\$ -	\$ 160,724	28.60
17040051 TRANSFER TO CIP & OTH	\$ 2,573,543	\$ 2,573,543	\$ -	\$ -	100.00
1000 TOTAL GENERAL FUND	\$ 35,875,670	\$ 24,495,506	\$ 673,778	\$ 10,706,386	70.20
	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCE	AVAILABLE BUDGET	% USED
5001 WATER ENTERPRISE FUND	\$ 5,468,531	\$ 2,305,061	\$ 112,668	\$ 3,050,802	44.20
	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCE	AVAILABLE BUDGET	% USED
5002 SEWER ENTERPRISE FUND	\$ 6,825,394	\$ 3,418,063	\$ 147,656	\$ 3,259,675	52.20
	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCE	AVAILABLE BUDGET	% USED
5003 ARENA ENTERPRISE FUND	\$ 586,067	\$ 303,420	\$ 7,475	\$ 275,172	53.00