

**Committee of the Whole Budget Workshop
April 27, 2021
Community Room
150 Wakefield Street and
Conducted Remotely via Microsoft Teams
6:37 PM**

COUNCILORS PRESENT

Councilor Abbott
Councilor Belken
Councilor Bogan
Councilor Gray
Councilor Hainey
Councilor Hamann
Councilor Hutchinson
Councilor Lachapelle
Councilor Rice
Councilor Walker
Deputy Mayor Lauterborn
Mayor McCarley

OTHERS PRESENT

Blaine Cox, City Manager
Katie Ambrose, Deputy City Manager
Terence O'Rourke, City Attorney
Mark Sullivan, Deputy Finance Director
Kyle Repucci, Superintendent
Linda Bartlett, School Administrator
Dave Toddy
Chief Toussaint, Rochester Police
Deputy Chief Boudreau, Police
Marie Lejeune, Library Director
Kelly Walters, City Clerk
Jonathan Rice, Chief Assessor
Doreen Jones, Tax Collector

Councilors excused/absent

Councilor Lachance

Minutes

1. Call to Order

Mayor McCarley called the Committee of the Whole Budget Workshop to order at 6:37 PM. She had read the following preamble prior to the Special Meeting, immediately preceding the Budget Workshop:

Good Evening, as Chairperson of the City Council, I am declaring that an emergency exists and I am invoking the provisions of RSA 91-A:2, III (b). Federal, state, and local officials have determined that gatherings of 10 or more people pose a substantial risk to our community in its continuing efforts to combat the spread of COVID-19. In concurring with their determination, I

also find that this meeting is imperative to the continued operation of City government and services, which are vital to public safety and confidence during this emergency. As such, this meeting will be conducted without a quorum of this body physically present in the same location.

a.) **Public Input:** Due to the ongoing situation with COVID-19, the City of Rochester will be taking extra steps to allow for public input, while still ensuring participant safety and social distancing. In lieu of attending the meeting, those wishing to share comments, when permitted, with the City Council (Public Hearing and/or Workshop settings) are encouraged to do so by the following methods:

- **Mail:** City Clerk/Public Input, 31 Wakefield Street, Rochester, NH 03867 (*must be received at least three full days prior to the anticipated meeting date*)
- **email** PublicInput@rochesternh.net (*must be received no later than 4:00 pm of meeting date*)
- **Voicemail** 603-330-7107 (*must be received no later than 12:00 pm on said meeting date in order to be transcribed*)

Please include with your correspondence the intended meeting date for which you are submitting. *All correspondence will be included with the corresponding meeting packet (Addendum).*

In addition to the above listed public access information, the City Council will be allowing the public to enter the Community Room and speak in person during the Public Input portion of this meeting. In an effort to adhere to CDC guidelines: enter only into the right side door on the Chestnut Hill Road entrance at the rear of the building and exit through the opposing door. Please adhere to 6-foot social distancing while inside. Hand sanitizer and facemasks will be available at the Community Room entrance. The public will be allowed to attend the meeting in-person. Please note, seating will be provided that is arranged such that 6 foot socially distancing can be maintained.

At this time, I also welcome members of the public accessing this meeting by phone. The public can call-in to the below number using the conference code. This meeting will be set to allow the public to "listen-in" only, and there will be no public comment taken via At this time, I also welcome members of the public accessing this meeting by phone. The public can call-in to the below number using the conference code. This meeting will be set to allow the public to "listen-in" only, and there will be no public comment taken via conference line during the meeting.

Phone number: 857-444-0744

Conference code: 843095

b.) **Roll Call:** Please note that all votes that are taken during this meeting shall be done by Roll Call vote.

Let's start the meeting by taking a Roll Call attendance. When each member states their name (and/or ward), also please state whether there is anyone in the room with you during this meeting, which is required under the Right-to-Know law. (Additionally, Council members are required to state their name and ward each time they wish to speak.)

Deputy City Clerk Cassie Givara had taken the roll prior to the Special Meeting immediately preceding the Workshop. The following Councilors were present in the Community Room: Councilors Belken, Gray, Hamann, Rice, Walker, Deputy Mayor Lauterborn, and Mayor McCarley. The following Councilors were connecting remotely and indicated that they were alone in the location from which they were connecting: Councilors Abbott, Hainey, Hutchinson, and Lachapelle. Councilor Bogan was excused.

2. Public Input

No correspondence was received and there was no one present to speak in person.

3. O&M Budget Presentations:

3.1. School (O&M and CIP)

Kyle Repucci, Superintendent of Schools, introduced Linda Bartlett to present the FY22 school budget. Ms. Bartlett stated that the total budget is \$68,610,769.00, which is a decrease of \$3,584,000.00 over the prior fiscal year. This was due to a one time appropriation of \$4,800,000.00 for the CTE tech center, and taking that into consideration, the school budget has actually increased \$1,200,000.00 or 1.8%.

Ms. Bartlett stated that in the previous fiscal year there was a one-time addition to adequacy aid of \$4.1 million. This year adequacy aid is decreasing \$90,000 due to free and reduced numbers which are currently just estimated. Councilor Gray reported that there is a senate bill which has the adequacy formula based on the higher of the two years; so the adequacy may not decrease unless the student population decreases.

Ms. Bartlett reviewed the tax cap calculations and the adjustments which had been made to portions of the budget to try to comply with the tax cap. Following the adjustments, the school budget remains \$261, 064 over the tax cap. Ms. Bartlett stated that in order to become tax cap compliant, there would need to be reductions to salary in the form of staff positions.

Dave Toddy, , detailed the school's proposed bonded CIP programs. Councilor Gray referenced inspections on the Middle School roof as well as the CTE roof which are supposed to occur due to the same type of failure which occurred with the Gonic school roof. Mr. Toddy reported that structural engineers would be coming tomorrow to complete one part of the three-part review protocol of these roofs.

Councilor Walker asked which lots are proposed to be fixed with the \$205,000 CIP request for "Paving, sealing, crack filling and striping." Mr. Toddy said the lot which is in the greatest need is the teacher's lot between the tech center and the High School. Councilor Walker recalled that there was already an appropriation for the work on this parking lot which had not been deauthorized. Mayor McCarley clarified that the Council had not authorized these funds to be used for the CTE lot paving. Councilor Walker said this would cause two appropriations for the same project. Mayor McCarley stated that the work on this parking lot needed to be completed; the school department had not been authorized by City Council to do the work with the previous request and they are simply trying to add the project into their budget in order to finish the work which needs to be done.

Councilor Walker asked which field equipment was being purchased with the \$30,000 bonded request. Mr. Toddy said it was the John Deere tractor replacement which does the grooming on the sports field. The current machine is 27-years old and no longer serviceable. Councilor Walker inquired why the school was bonding a purchase in this lower price range as opposed to paying cash. Ms. Bartlett clarified that in order to come closer to the tax cap, the school department had already cut many cash projects and there was no more room within the cash budget.

Councilor Rice inquired about the \$15,000 for Vehicle Replacement/Upgrade which was listed as \$30,000 in the budget book. Mr. Toddy said the original request which went to the school board was for \$30,000, but following the adjustments, the request was reduced to \$15,000. There was further discussion on the specifics of this vehicle and why it needed to be upgraded. Mr. Sullivan said that the cash CIPs would be reconciled versus the adjustments being made because they will impact the final budget resolutions being made.

Councilor Rice asked if the exterior painting project in the CIP budget would be completed by district employees or if they were looking for outside contractors. Mr. Toddy said they are looking for an outside contractor.

Ms. Bartlett presented the Rochester cost per pupil versus the state average; this has increase 7% over the past 7 years where the state average was an increase of 22%. Superintendent Repucci directed council to a comparison of Rochester's cost versus costs in several neighboring communities.

Councilor Gray asked for an update on the Wakefield agreement with the students being enrolled in Rochester schools from Wakefield. Superintendent gave some statistics and said he would provide a breakdown for Council.

Councilor Gray asked City Manager Cox about the transfer of the hospital from non-profit to profit; when they looked at the construction number, the transfer was not included so the school didn't get any benefit from the increase in property valuation in Rochester. City Manager Cox confirmed this was not included. Councilor Gray asked what the impact would be on the School budget if the hospital was considered new construction. City Manager Cox said that he could get this number, but clarified that is not how the net new-construction calculation works. Councilor Gray stated he felt that the school loses out in situations like this when a property which was not on the tax rolls is added to the tax rolls, yet the schools do not receive any of the benefit which they would if it were new construction. City Manager Cox stated that the City does not benefit from these situations either; it is the same impact for the city as it is for the schools, but the tax rate goes down for both.

Councilor Belken asked about the \$100,000 reduction in special education tuition and inquired which services would be decreased due to the reduction. Superintendent Repucci said that there is a forecast given yearly based on the current students in the program and their likelihood of continuing with these services. The assessment is made based on this current plans which are in place and is subject to change.

There was a discussion regarding keeping the budget tax cap compliant. It was stated that in order to keep the school budget under the tax cap without cutting and staff positions, they would need to request \$261,064.00 from the City.

3.2. Police

Chief Toussaint directed Council to O&M books pages 83-86 and

outlined the Police Department's FY22 budget, which came in at a total of \$8,582,997 which is an increase of \$615,797 or 7.7% over the prior fiscal year. He clarified that only \$30,038 is O&M lines and the rest was for salary and benefits. Chief Toussaint summarized the notable increases in the O&M budget.

Councilor Rice asked if the extended service contract for the cruiser camera was a one-time fee or if it would be an annual cost. Chief Toussaint responded that this will be an annual fee, and the department will look at replacing these in-cruiser units as the vehicles are replaced as opposed to current practice of taking the older units and placing them in the new vehicles.

Councilor Rice asked how much the online crime reporting which the Chief had referenced would cost. Chief Toussaint stated it would be approximately \$1100 per month.

Councilor Walker noted that there was a line item for "Mental Health Services" for \$8000 and asked for more information. Chief Toussaint reported that the department is trying to be proactive and is requiring all sworn officers to have at least one yearly consultation with a registered psychologist. He spoke about the increasing suicide rate amongst police officers nationally as well as the increased scrutiny in the media regarding poor behavior by officers. This program hopes to identify problems and head them off before they reach that level. It is also an opportunity for those officers to "check in" where they may not normally seek out these services.

Councilor Walker asked how many vacancies were currently at the police department. Chief Toussaint said there are 7 vacancies. He stated that when they do lose personnel, it takes approximately one year to get a new person trained, certified and up to speed for the position. Councilor Walker asked why there was a request to fund two additional officers if they currently had so many vacancies. Chief Toussaint gave an update on the new hires they have starting and training and stated that he felt that the only way to stop the turnover in the department was to decrease the workload for each officer which means spreading it out over more staff. He said that the department could use far more officers than have been requested and that they are spread too thin and getting burnt out which causes staff to go to other municipalities. Chief Toussaint said that he hopes to be at better staffing levels by January.

Councilor Belken asked for clarification on priority of calls 1, 2, and 3 as referenced in the presentation. Chief Toussaint explained that priority 1 calls need two officers to respond and typically are emergency situations or calls of an urgent nature. Priority 2 calls are not life threatening but are time sensitive in order to gather evidence or stop activity. Priority 3 are routine

calls such as theft and damage to property which may necessitate longer wait times. Councilor Belken asked about the increased prevalence of substance misuse and mental health issues which were referenced as one reason for the increase in police calls and whether or not the Chief felt that the police were the best option to handle these issues. Chief Toussaint said that he felt the police are not the best-suited to handle mental health crisis calls; however they are always available and accessible for crisis calls where there are not on-call mental health services which can respond. The police tend to be a "catch all" for mental health, homelessness, and substance use issues. Councilor Belken asked if the problem may be alleviated if they police department had a social worker on staff. Chief Toussaint said that it may be helpful, however cautioned that there would need to be multiple people hired to adequately fill these positions and be trained and that would be a significant financial cost.

Councilor Rice asked about the plan to fill the vacancies by January. Chief Toussaint spoke about the history of staffing issues with the department and said that he felt that although salary had been an issue in the past, this was no longer the case and it was primarily workload causing the issues. He spoke about having the current officers recruit through their networks to try to find new employees as well as reaching out to training programs for word of mouth recruitment. He reported that the profession as a whole is seeing a decrease in interest and new hires.

Councilor Rice inquired about the statistics on traffic stops and how many of them result in a second officer being called and whether or not that is necessary. Chief Toussaint said that this circumstance is very rare in Rochester and a second unit would only be called if backup is needed.

Chief Toussaint detailed the issues & options request for an additional part-time records clerks which would also help alleviate paperwork issues for the patrol officers and free up more of their time.

Councilor Belken asked if there was an estimate on the extent of increase for right-to-know requests if the department implemented body cameras. Chief Toussaint said he did not have an exact estimate, but it would likely be a significant increase.

3.3. Communications/Dispatch Center

Chief Toussaint directed Council to pages 87-88 and stated that the budget was not significantly changed. The increases are due to salaries and benefits for the CBA. Outside of the salary increases, the remainder is \$1200

for two portable radios for dispatchers assigned as tactical dispatchers for the county.

3.4. Library

Marie Lejeune, Rochester Public library, introduced herself to Council as the new Library Director and directed them to page 8 of the O&M book in reference to the library revenues. She stated that the revenues remain largely unchanged from the prior fiscal year. The total library budget for the year is \$1,404,829.00; up \$62,803, due largely to salary and benefits and the increase in NH retirement. Only \$4000 is non salary expenses.

Ms. Lejeune said the main increases are in electronic services such as databases. In the past year these services have become critical and have been used greatly during the pandemic. There is also an increase in collection development due to the increased cost in periodicals.

Ms. Lejeune detailed the issues and options request to increase the emerging technologies position from part-time to full-time. She stated that the request would be budget-neutral and would actually be a cost savings of \$4000 to the City.

3.5. City Clerk/Elections

Kelly Walters, City Clerk, directed Council to page 5 of the City Clerk revenues which she reported are fairly straightforward. The total budget for the City Clerk is \$351,977.00 which is an increase of approximately 5%. This increase is primarily from salaries and an increase to NH retirement.

On the elections side, the total budget is \$47,976.00 which is a decrease of almost 60% from the prior fiscal year. This large decrease was caused by the prior fiscal year having a presidential primary and general election while making adjustments for the pandemic. The cost for this fiscal year is for running a municipal election with the probability of a separate ballot for charter amendments.

Ms. Walters said the clerk's office does not have any issues and options request but gave an overview of the potential future use of "Poll Pads" for check-in and reporting at City Elections. Councilor Belken inquired about legislation regarding electronic poll books. Councilor Gray summarized pending legislation and explained how the trial process would need to work prior to the approval of specific equipment from the State. Councilor Rice asked about the anticipated cost of the poll books. Ms. Walters said that the poll books are approximately \$1200 apiece for a total cost of \$36,000 City-

wide. Ms. Walters stated that she had reached out to LHS to see if Rochester could take part in the pilot program for the poll books in the upcoming November municipal election.

Councilor Walker asked about the current state of ballot machines and whether or not they need replacement. Ms. Walters stated that there is one City ward that has frequent issues with their ballot machine. There was a spare machine purchased for use in case one of the machines has problems; however it would not be a bad idea to look into purchasing another machine at a cost of \$7000. Councilor Gray stated that the State has not made any determinations on use of other ballots machines and the currently State-authorized machines are aging and becoming no longer serviceable. It may not be an option to get a new machine but rather to continue using the maintenance contract with LHS to receive service on the machines Rochester uses.

3.6. Assessing

Jonathan Rice, Chief Assessor, directed Council to page 59-60 in the O&M book. He said that there is a 6.9% increase in salary and benefits. The proposed budget is actually slightly below what was approved in the prior fiscal year.

Councilor Walker asked for clarification on the \$1000 included in the travel line. Mr. Rice said that the department has always had this expense included in the budget, although it was removed last year due to COVID. He stated the item is included mainly for training, courses, and conferences. Councilor Walker asked for an update on the CAMA software conversion. Mr. Rice said the department is working to fix the final issues and although it is going well, there is still a considerable amount of work to do. There was a brief discussion on the ongoing issue with the bridge between the new Patriot software and the Munis financial software in order to send out the first issue tax bills without delays.

3.7. Tax Collector

Doreen Jones, Tax Collector, referred to page 5-6 for revenues and expenditures on page 67. She stated that operating expenses had increased 1% and said it was due to the fee for mortgagee services for tax liens being increased. Salaries had also increased slightly with a part-time position being increased to full time.

3.8. Finance

Katie Ambrose, Finance Director, reviewed the finance O&M budget and gave clarification on some changes which had been made after the budget books had been printed.

Director Ambrose discussed the Issues and Options request for the non-union classification and compensation plan. The request is for the funding piece tied to that plan if it's adopted by Council. If it is not adopted, there would need to be an adjustment made. She stated it doesn't tie to a specific line in the O&M but rather throughout the various departments under their salaries line items. Mayor McCarley stated that the Finance Committee had voted for this plan unanimously.

Director Ambrose summarized the other Issues & Options request for part-time assistance in HR. This would allow for the retiring director of HR to assist in the training and transitioning of the department as well as documentation and SOPs.

3.9. General Overhead

Finance Director Ambrose directed Council to revenues which are reduced by 8.7% due to one-time municipal aid from the State. Host community fees have been adjusted based on trends and payment in lieu of taxes have been adjusted based on data from assessing. Rooms and meals tax increased based on State data to be level funded for this year.

Director Ambrose stated that the City Manager's proposed bottom line is an overall decrease of \$111,301. She pointed out the reduction in "other professional services" due to the lack of FY22 bond issues which would necessitate these additional services. Contingency has been decreased for FY22 after being increased the prior year for COVID, but has been adjusted based on projections. Director Ambrose noted the annual transfer to Conservation Commission in relation to the actuals received in FY21; there is \$10,000 budgeted for this transfer annually from what is collected, but there was over \$10,000 collected in FY21.

Councilor Walker asked how long the current auditor has been working with the City of Rochester. Finance Director Ambrose said that the current auditor has been with the City entering into the 6th year and the standard is five years; it is time for the City to go to bid for a new auditor.

3.10. Council & City Manager

Director Ambrose stated that the budget has increase by 2.96% due mainly to salaries and benefits. There have been personnel changes with a

full-time positions became vacant and a new full-time position being instated which wouldn't require overtime. The overtime line was eliminated and the full time salary adjusted.

There was one excluded Issues & Options under the City Manager's Budget. Celeste Plaia, Government Channel Coordinator, directed Council to page 3. She said there is a requested increase of the camera operator position line. This was last increased in 2016. The last camera operator was lost in 2019 and they have not been able to fill the position and find qualified applicants which she suspects is in large part to the pay grade.

Ms. Plaia directed Council to page 10 for the Government Channel CIP request for installation of PEG access from the Comcast grant. These funds are for Public, Educational, and Government television. Rochester currently has two channels; Educational and Government, and the funds would be split evenly between them. Ms. Plaia said that in the past, the Government Channel has used funds for replacement of larger items like camera system and video servers.

Councilor Rice inquired about the Government Channel issues and options which shows and increase from \$7,200 to \$8,730 for a difference of \$1,530. He said that the way it appears makes it look like \$8,730 is being denied when it is actually only the \$1,500 increase. Mark Sullivan said the Government channel is currently budgeted at \$7,400 and they are asking to increase to \$8,730. It is this \$1,330 increase which is not included in the budget.

4. Other

No Discussion.

5. Adjournment

Mayor McCarley **ADJOURNED** the City Council Committee of the Whole Budget Workshop at 8:53 PM.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk