

CITY OF ROCHESTER
NOTICE of PUBLIC MEETING:
FINANCE COMMITTEE

Meeting Information

Date: February 13, 2024
Time: 6:00 P.M.
Location: City Council Chambers
31 Wakefield Street
Rochester, New Hampshire

Agenda

1. **Call to Order**

2. **Acceptance of Minutes:** January 9, 2024. Pg 2

3. **Public Input**

4. **Unfinished Business: None**

5. **New Business: None**
 - 5.1.1 Community Center Bleachers Replacement-Supplemental Appropriation. Pg. 5
 - 5.1.2 Opioid Committee-Review of Opioid Fund Proposals. Pg. 6

Reports from Finance & Administration

- 5.2.1 Monthly Financial Report Summary-December 31, 2023. Pg.11

- 6 **Other**

- 7 **Adjournment**

Finance Committee

Meeting Minutes

Meeting Information

Date: January 9, 2024

Time: 6:00 P.M.

Location: 31 Wakefield Street

Committee members present: Mayor Callaghan, Councilor Fitzpatrick, Councilor Sullivan, Councilor Turner, Councilor Walker, and Deputy Mayor Hamann

City staff present: City Manager Katie Ambrose. Finance Director Mark Sullivan. Cassie Givara, Deputy City Clerk.

Others Present:

Agenda & Minutes

1. Call to Order

Mayor Callaghan called the Finance Committee meeting to order at 6:00 PM.

Deputy City Clerk Cassie Givara took the roll call attendance. Councilors Fitzpatrick, Sullivan, Turner, Walker, Deputy Mayor Hamann, and Mayor Callaghan were all present.

2. Acceptance of Minutes: November 14, 2023

Councilor Hamann **MOVED** to **ACCEPT** the minutes of the November 14, 2023, Finance Committee meeting. Councilor Walker seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

3. Public Input

No members of the public came forward to speak.

4. Unfinished Business:

4.1.1 Waste Management Reserve Fund Draft – Review

Mark Sullivan, Finance Director, gave a brief overview of the reserve fund that the City has proposed to establish in anticipation of the Waste Management closure in 2034. The closure of the landfill will cause the host community fees to cease, and the City will experience a loss of assessed value as well

as fees necessitated from local resident waste needing to be transported to outside locations. Director Sullivan explained that the FY24 operating budget included \$4.6 million in host fee revenue and is anticipated to increase this year.

Director Sullivan explained the draft ordinance and the process that it has been through thus far in the Finance Committee. There had been some clarification requested within the ordinance regarding how the funds could be spent and what the triggers would be for expenditure. The fund would be established with a minimum amount of \$1 million being placed in the fund annually; with the interest, there could be approximately \$25-\$26 million by the end of the 10-year period. This money could be used to offset non-property tax revenue during the annual budget process.

Director Sullivan directed the committee to a revised draft ordinance as well as charts showing the growth of the account between 2024-2034, building the reserve balance. He explained that he was looking to answer questions in preparation for sending the revised ordinance to Codes and Ordinances for further review.

Councilor Walker asked if the goal of this reserve account is to offset the tipping fees in the annual budget. Director Sullivan confirmed that this is the intent; to ease the transition when this large non-property tax revenue is no longer collected and to avoid large increases in property tax in the year of the landfill closure. Councilor Walker questioned how long this fund would assist with offsetting these revenues. Director Sullivan clarified that these funds are not expected to be a replacement in perpetuity. He gave an overview of how this money would be invested and used in the budget.

Councilor Hamann stated that when the landfill closes, there will be costs to both the City and its residents to have trash transported out of the City; this would be a heavy impact if there is not a reserve fund set up ahead of time.

Councilor Fontneau asked if the funds would be “frozen,” or if there would be an option for Council to access those funds within the 10-year period at their discretion if there was need elsewhere. Councilor Fontneau also asked if there would be a cap put on the fund with a maximum balance in the instance that the landfill stays open beyond the expected closure date. Director Sullivan stated that there are conditions listed within the ordinance which would trigger the use of these funds. The intent is to narrow the use of the funds and disallow the use for the type of circumstance posited by Councilor Fontneau. Director Sullivan stated there is no cap on the fund, however Council could take a closer look at this if desired. City Manager Ambrose clarified that City Council would be voting annually on the allocation into this fund and reviewing the projections for the fund at the same time. Rather than setting a cap, Council could potentially opt to allocate a lesser amount if desired.

Mayor Callaghan asked if the Trustees of the Trust fund would have some flexibility to place this allocation into a higher interest account as needed. Director Sullivan stated that this conversation would occur with the Trustees when the fund was established, directing them to invest the fund in long-term, higher interest instruments.

Councilor Walker **MOVED** to send the Waste Management Reserve Fund to the Codes and Ordinances Committee. Councilor Hamann seconded the motion. The MOTION CARRIED by a unanimous voice vote.

5. New Business: None

Reports from Finance & Administration

5.2.1 Monthly Financial Report Summary-December 31, 2023

Director Sullivan stated that the financial reports, at 50% through fiscal year 2024, are trending well. Motor Vehicle registrations are at 51% of budget, Host Community fees are at 49% of the \$4.6 million. Building permits are slightly behind, but as mentioned at past Finance meetings, winter is a slow season for building and development. He summarized the remainder of the revenues and stated expenses are trending to budget.

6. Other

No Discussion.

7. Adjournment

Mayor Callaghan **ADJOURNED** the Finance Committee meeting at 6:18 PM.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: Gymnasium Bleacher Replacement Supplemental Funding Request

Date Submitted: 1/29/24

Name of Person Submitting Item: Lauren Krans Director of Recreation

E-mail Address: lauren.krans@rochesternh.gov

Meeting Date Requested: February 13, 2024

Issue Summary Statement: The two banks of gymnasium bleachers are integral components to Recreation and School Department operations. Both banks of bleachers are original to the 1976 Community Center. Funding to replace the 16-tier bank of bleachers was adopted in FY24. The second, 20-tier set of bleachers has an outdated power system with failing motors, a 40-year-old understructure, are not ADA compliant and have surpassed their life expectancy. A November 2023 bleacher inspection indicated that for these reasons, the 20 tier should be replaced. Replacing both sets of bleachers at the same time will reduce future cost and greatly decrease the impact to gym operations. Supplemental funding of \$250,000 is requested to replace the 20-tier set of bleachers at the same time.

Finance Comments- Finance approves of this request. Recommended source of funding General Fund Unassigned Fund Balance.

Recommended Action: Recommend Approval to Full Council

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: Opioid Committee-Review of Proposed Opioid Fund Expenditures

Date Submitted: 2-8-24

Name of Person Submitting Item: Mark Sullivan-Director of Finance

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

Meeting Date Requested: 2-13-24

Issue Summary Statement: On January 16, 2024 Nicole Rodler, member of the Opioid Committee, presented to City Council proposed uses of the Opioid Funds. Request is for Finance Committee to review and consider the proposals.

Recommended Action: Review-Recommend Use of Funds



City of Rochester Formal Council Meeting

AGENDA BILL

NOTE: Agenda Bills are due by 10 AM on the Monday the week before the City Council Meeting.

AGENDA SUBJECT Opioid Abatement Committee Presentation

COUNCIL ACTION ITEM <input type="checkbox"/> INFORMATION ONLY <input checked="" type="checkbox"/>
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FUNDING REQUIRED? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> * IF YES ATTACH A FUNDING RESOLUTION FORM
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RESOLUTION REQUIRED? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
--

FUNDING RESOLUTION FORM? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
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AGENDA DATE	January 16, 2024		
DEPT. HEAD SIGNATURE	Signature on file		
DATE SUBMITTED			
ATTACHMENTS YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	* IF YES, ENTER THE TOTAL NUMBER OF PAGES ATTACHED	2	

COMMITTEE SIGN-OFF

COMMITTEE	
CHAIR PERSON	

DEPARTMENT APPROVALS

DEPUTY CITY MANAGER	
CITY MANAGER	Katie Ambrose

FINANCE & BUDGET INFORMATION

FINANCE OFFICE APPROVAL	
SOURCE OF FUNDS	
ACCOUNT NUMBER	
AMOUNT	
APPROPRIATION REQUIRED YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	Will be required at next meeting

LEGAL AUTHORITY

City Charter

SUMMARY STATEMENT

The Opioid Abatement Committee will be providing an update on their work and presenting recommendations on uses and appropriations of the opioid settlement funds (\$ 160,233 received to date). A vote on their funding recommendations will be scheduled for the February 6th Regular City Council meeting.

The group's mission statement includes the following:

- Review the New Hampshire Attorney's Letter dated June 7, 2022
- Review NH laws and NH RSA's 126-A:83-86 for the use of these funds
- Review NH RSA 126-A:84, IV for mandatory reporting requirements.
- Begin a "self-directed" review and information collection phase:
 - Host an open public meeting to solicit input from other stakeholders and the greater community, additional meetings as deemed beneficial (employ the use of a trained facilitator for these, such as Rochester Listens)
 - Conduct any other activities and analyses deemed beneficial by the Committee
 - Develop a draft list of Action Items and Next Steps, with projected implementation dates which the Committee will then present to the City Council and City Manager
 - Complete any financial analysis needed regarding funding or revenue that any action item may need/generate
 - Specifically, address the "best practices" use of these funds for abatement purposes.
- Although a specific time frame for the Committee's work is not defined, it is directed that (1) a status update be provided to the City Council and City Manager at least every three months until the group completes its work and (2) summary meeting minutes are provided to the City Clerk's Office of every meeting of the group.

RECOMMENDED ACTION

Discussion

In September 2021, Rochester and the State of NH joined state's across the country in the Opiate Abatement litigation award. NH established 126-A:83 Opioid Abatement Trust Fund of which the City of Rochester will receive award dollars to supplement city-wide efforts to combat the opiate crisis. These funds will continue to trickle into the City of Rochester for the next 18 years minimally. The funds are to be distributed under specific strategies in efforts to prevent, intervene and assist with recovery.

The Opiate Abatement Committee has met since the funds started coming in to develop a city-wide strategy and have developed the following request for funding to be approved by the Council:

Schedule A:

1.) Category E Expansion of Warm Hand-Off Programs and Recovery Services

- A. **\$16,000 for transportation needs: \$6,000 for multiple HS students transportation** to Seacoast Youth Services Day treatment program and **\$10,000 for adult's transportation** needs to medical appts/ service providers
- B. **\$6,000 for Willand Warming Center** to expand services to provide case management and other needs not being met in off-hours- hire extra Staffing to provide services
- C. **\$60-70,000 for Rochester's transitional housing services** to help cover gap funding (before Welfare and Other funding sources kick in, to access housing rather than staying out on the street)

2.) Category G Prevention programs

- A. **\$3,500 for 3rd Millenium Online Curriculum HS/MS**
 - 1.) *Research has repeatedly shown that students who have taken a prevention education course spend less time under the influence. This leads to increased academic achievement and less violations interfering with schoolwork.*
 - 2.) *If and when violations **do** happen, you can replace suspension or detention with an online behavior-change intervention.*
 - 3.) *Administrators can assign students our **hyper-personalized** courses to students to do on their own time. These self-paced courses are convenient for you and your students, and our evidence-based strategies are proven to change attitudes and behaviors.*
 - 4.) *Topics include: vaping & nicotine, anger management, alcohol, cannabis & THC, bullying, parental guidance, prescription & illicit drugs, hazing and more!*

- B. **\$5,000 Choose Love City-wide Initiative** introductory session with Scarlett Lewis presenting to Rochester School District and local interested business leaders February 7th

Choose Love is proudly aligned with the new Character and Social Emotional Development Standards (CSED) which include BOTH Character.org and CASEL standards. PLUS, our Choose Love programs include Growth Mindset, Neuroscience, Mindfulness, Positive Psychology, Post-Traumatic Growth, and Emotional Intelligence components to create a solution that is both preventative and proactive.

These branches of knowledge, and the essential principles highlighted within our programming, have decades of scientific and qualitative research supporting their effectiveness. In addition, each of the character values in the Choose Love Formula (Courage + Gratitude + Forgiveness + Compassion-in-Action), which are at the heart of the Choose Love Movement, have strong evidence supporting their many benefits.

Schedule B

1.) Category B Support People in Treatment and Recovery

- A. **\$50,000 for oral health care** to provide reimbursement or direct payment to dentist or individuals that present bill for care

National Library of Medicine: "access to dental services for persons afflicted with SUD could play a critical role in improving their quality of life, their recovery, and their reintroduction into society."

Total ask from Opiate Abatement Funds= \$145,500

Current Balance in disbursement \$160,233

FINANCE COMMITTEE

Monthly Financial Summary Report

Agenda Item Name: Monthly Financial Statements Summary – as of January 31, 2024

For the full detail report, click here: [January 31 2024 Financial Detail Report](#)

Name of Person Submitting Item: Mark Sullivan Deputy Finance Director

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

Issue Summary Statement

Below are the revenues & expense highlights through January 31, 2024, which represents approximately 58% completion of FY24.

GENERAL FUND NON PROPERTY TAX REVENUES

	FY24			
	ADOPTED	RECEIVED	PERCENT	NOTES
Motor Vehicle Registrations	\$5,500,000	\$3,313,546	60%	
Waste Management Host Fees	\$4,600,000	\$2,938,981	64%	City-\$3,722,000 School-\$878,000
Building Permits	\$550,000	\$267,066	49%	
Interest Income	\$750,000	\$868,312	116%	
Interest on Delinquent Taxes	\$360,000	\$199,552	55%	
State of NH Rooms & Meals	\$2,867,759	\$3,101,285	108%	Payment December-23
Highway Block Grant	\$635,000	\$517,161	81%	Quarterly cycles
Cablevision Franchise Fees	\$235,000	\$68,802	29%	Quarterly cycles
Recreation Programs	\$122,400	\$124,761	102%	

ENTERPRISE FUNDS REVENUES

Water	\$7,544,084	\$2,137,645	28%
Sewer	\$11,744,213	\$2,663,809	23%

SPECIAL REVENUE FUNDS REVENUES

Arena	\$413,290	\$264,081	64%
Community Center	\$894,759	\$509,715	57%

	FY24 ADOPTED	EXPENDED	ENCUMBERED	PERCENT
GENERAL FUND EXPENSES	\$59,790,934	\$42,181,082	\$1,787,057	74%
OVERTIME & WINTER MAINTENANCE				
Police	\$111,546	\$109,680		98.33%
Dispatch	\$44,000	\$108,646		246.92%
Fire	\$240,000	\$326,036		135.85%
Public Works Winter Maintenance	\$541,218	\$178,093	\$33,034	39%
ENTERPRISE FUNDS EXPENSES				
Water	\$7,544,084	\$3,039,106	\$113,629	42%
Sewer	\$11,744,213	\$5,905,878	\$250,384	52%
SPECIAL REVENUE FUNDS EXPENSES				
Arena	\$413,290	\$249,778	\$44,330	71%
Community Center	\$894,759	\$474,781	\$106,203	65%