

CITY OF ROCHESTER
NOTICE of PUBLIC MEETING:
FINANCE COMMITTEE

Meeting Information

Date: November 15, 2022
Time: Immediately following the City Council Public Hearings to be held at
6:00 P.M.
Location: City Council Chambers
31 Wakefield Street
Rochester, New Hampshire

Agenda

1. **Call to Order**
2. **Acceptance of Minutes:** October 11, 2022. Pg.2
3. **Public Input**
4. **Unfinished Business:**
 - 4.1.1 School Department Capital/Non Capital Reserves Presentation. Pg. 10
5. **New Business-**
 - 5.1.1 Exemptions & Veteran Tax Credits Mayoral Ad-Hoc Committee
Recommendations Pg. 15

Reports from Finance & Administration

 - 5.2.1 Monthly Financial Report Summary-October 31, 2022, Pg. 38
6. **Other**
 - 6.1.1 Councilor Beaudoin Request to Discuss Surplus Property
7. **Adjournment**

Finance Committee

Meeting Minutes

Meeting Information

Date: October 11, 2022

Time: 6:00 P.M.

Location: 31 Wakefield Street

Committee members present: Mayor Callaghan, Deputy Mayor Lachapelle, Councilor Beaudoin, Councilor Gray, Councilor Hainey, Councilor Larochelle, and Councilor Hamann.

City staff present: Deputy Finance Director Mark Sullivan. Deputy City Manager Katie Ambrose. Kyle Repucci, Superintendent of Schools. Sarah Harrington, Vice Chair of School Board. Lauren Krans, Director of Recreation and Arena.

Others present: Tom Kaczynski, resident. Ray Barnett, resident.

Agenda & Minutes

1. Call to Order

Mayor Callaghan called the Finance Committee meeting to order at 6:00 PM. All Councilors were present. Mayor Callaghan asked Councilor Beaudoin to lead the Pledge of Allegiance.

2. Acceptance of Minutes: September 13, 2022

Councilor Lachapelle **MOVED** to **ACCEPT** the minutes of the September 13, 2022 Finance Committee meeting. Councilor Beaudoin seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

3. Public Input

Tom Kaczynski, resident, addressed the Committee regarding agenda item 5.1.3 relating to the Public Works facility office modifications.

Ray Barnett, resident, spoke to the Committee regarding the veteran's tax exemptions as well as the proposed office modifications at the Department of Public Works.

4. Unfinished Business:

4.1.1 Assessing Property Tax Exemptions

Katie Ambrose, Finance Director, directed the Committee to the revised spreadsheet in the packet comparing Rochester to other local communities. She explained that upon review, it had been discovered that some of the numbers in the original document were inverted and these numbers had been corrected. This revision caused Rochester to move up to number two in the rankings.

Director Ambrose said that if further changes to the exemptions/credits were recommended, the Committee needed to be cognizant that the process of qualification for these exemptions occurs in January through the Assessing department. She recommended that any changes be made with adequate time to alert residents who may qualify under the new provisions.

Councilor Beaudoin expressed that this discussion needed more attention and suggested there be a mayoral ad hoc committee formed to review and make recommendations on these exemptions. Mayor Callaghan stated that he was prepared to form an ad hoc committee with Councilor Larochelle as the Chair. He asked Councilor Beaudoin and Councilor Hainey to serve on the committee as well. He agreed that the committee would need to work quickly in order to make recommendations for action to come to full Council prior to the previously mentioned January assessing process. There was a discussion on the timeline, with recommendations coming to the Finance Committee in December for potential Council approval in January.

Councilor Larochelle asked if there would be City staff support provided towards the Committee's work. Director Ambrose stated that there would be staff support to assist with the process and adhere to the tight timeline. Councilor Larochelle inquired about having a City staff member, ideally with a financial background, appointed as a member of the committee. Mayor Callaghan stated that he would discuss this with the City Manager, who would have the authority to appoint staff if needed.

5. New Business-

5.1.1 School Department Capital/Non Capital Reserves Presentation

Kyle Repucci, Rochester Superintendent of Schools, explained that the School Department was coming before the Finance Committee in regards to establishing two separate funds; a facilities apparatus capital reserve fund and an Unanticipated Special Education costs non-capital reserve fund.

Superintendent Repucci stated that, prior to COVID, there were numerous occasions where the School Department needed to freeze their budget due to unanticipated special education costs caused by students with IEPs moving into the community or being placed in the school system by the courts. These placements can greatly affect the school budget resulting in a budget freeze.

Superintendent Repucci reported that such a freeze causes a lack of confidence from staff, who are unsure if their jobs could be at stake. This potentially causes the younger staff to seek alternate employment options. The establishment of an unanticipated special education costs fund would allow the School Department to take immediate action for these students without having to freeze the budget or needing to wait for the approval process to pass through various committees and City Council.

Superintendent Repucci discussed the potential funding sources for these funds; he said that the School Department hoped to utilize a portion of the surplus funds which are normally returned to the City, but also wanted to look into the option of using TIF funds or Waste Management tipping fees. He gave background on the need for the apparatus replacement capital reserve fund and the type of equipment that would be covered, explaining that the intention was to set it up similarly to the Fire Apparatus fund.

Sarah Harrington, Vice Chair of the School Board, reiterated that these student placements were typically unanticipated and caused financial issues due to the supplemental appropriation process through the City often taking up to 3 months for approval. She suggested that a potential solution would be for the School Department to retain 50% of their end-of-year surplus to split between these proposed funds instead of returning the surplus to the City in its entirety.

Councilor Gray expressed concern with the funding mechanism being the utilization of year-end surplus and speculated that it could cause the School Department to not be fiscally responsible in order to retain a larger surplus. He spoke in favor of the method used for the Fire apparatus capital reserve fund, in which a set dollar amount was allocated each year. Superintendent Repucci clarified that the surplus percentage was just an example of a potential solution, but the School Department is open to ideas and further discussion.

Councilor Gray stated that his understanding is that out-of-district students with IEPs coming into the City would have their costs covered for the first year by the community from which they were transferring because “catastrophic aid” does not begin in Rochester until the second year. Superintendent Repucci stated that this not factual; Rochester is responsible for these costs from the day the student begins, including implementation of IEPs and transportation of said students. Councilor Gray asked for information on when this requirement was enacted. Superintendent Repucci stated that he would have this information sent to Councilor Gray.

Councilor Gray recalled that during his time on Council, each time the School had requested a supplemental appropriation for catastrophic aid it had been approved. He felt that this proposal for establishing funds would jeopardize the process already in place. Ms. Harrington confirmed that the Council has always approved these appropriations; however the entire process from request to approval takes several months, and by that time the budget may have potentially been frozen. This approach of establishing the funds would be a long-term planning approach to avoid the need for budget freezes and supplemental appropriation requests. Additionally, she stated that the Rochester School Department maintains a very conservative budget, which doesn’t leave much wiggle room. She clarified that she suggested a percentage of the surplus being retained as opposed

to a dollar amount because the surplus varies from year to year and they are not able to predict how much they may be able to use.

Mayor Callaghan stated that the School Department had not come back to the City to request a supplemental appropriation during the prior year, nor had they needed to freeze the budget. He inquired what had been done differently during the past fiscal year. Superintendent Repucci stated that for the past two years, the district had been receiving federal funds; however, these would not continue. Councilor Gray added that there had been an increase in State aid, which helped. Mayor Callaghan expressed concern that using the surplus for these funds could be perceived as a way to get around the tax cap. Superintendent Repucci likened these funds to an insurance policy; although it is not desired, it is a necessity that is beneficial to have when needed. It would be a long range financial planning tool to assist with specific issues while avoiding affecting the tax base and to provide budget stability moving forward.

Councilor Beaudoin paraphrased RSA 34:1 regarding capital reserve funds and said that the law requires that funds are put aside for a specific purpose and, if a change in purpose were desired, the change would need to be approved by Council. He questioned whether the School Department was able to be that specific in their use of the funds. Superintendent Repucci clarified that the proposed Unanticipated Special Education fund is a non-capital reserve fund. He stated that it would be used solely for federally mandated IEP requirements.

Mayor Callaghan inquired how expenditures from this fund would work. Deputy Finance Director Sullivan stated that he envisioned this working similarly to the newly established Economic Development non-capital reserve fund. He stated that with that particular fund, there had been restrictions written into the policy to require the Economic Development Commission to come before Council for approval of expenditures. He said that the School's non-capital reserve fund could be set up in a similar manner with similar restrictions, depending on the desire of the City. Mayor Callaghan asked what the difference would be between the School Department needing to come before Council to expend money from this proposed fund versus the process of requesting a supplemental appropriation. Deputy Director Sullivan stated that if this fund is established, it might be a quicker process for the School to receive funds and there would be cash already designated and held by the Trustees of the Trust Fund for the purpose in question. Director Ambrose said that much of these questions would be clarified based on how the resolution is drafted and the establishing language for the funds. She clarified that if the School Board is designated as the expending agent for the fund, they would not come before Council for approval but rather they would appear before the School Board for these expenditures. She added that part of the longer timeline for supplemental appropriations, as referenced by Ms. Harrington, is the requirement for a public hearing.

Councilor Beaudoin **MOVED** that this item be kept in committee. Councilor Gray seconded the motion. He stated that there needed to be more detailed language drafted explaining the funding source and how expenditures would be handled. Superintendent Repucci requested that the committee develop a "to do" list, including funding mechanism for these funds as well as amounts to be allocated. Councilor Lachapelle stated that it would be helpful for the School Department to

provide a clearer picture of what they are looking for regarding the apparatus capital reserve fund and how much money they anticipate needing. Director Ambrose stated that, similar to the City's other equipment capital reserve funds, it would be helpful to have a replacement schedule. Councilor Hainey asked for a draft resolution for each fund. Superintendent Repucci stated they had draft language for the special education fund and they envisioned the apparatus fund being modeled on the City's Fire Apparatus fund. The **MOTION CARRIED** by a unanimous voice vote.

5.1.2 Recreation Department Lilac Family Fun Festival Funding 2023

Lauren Krans, Director of Recreation and Arena, explained that the department has already begun the planning process for the next year's Lilac Family Fun Festival. She stated that she was coming to the Committee for guidance on not only the level of financial commitment they were looking to contribute, but also to seek guidance on how this funding should be requested annually moving forward. Director Krans outlined the three options of funding levels and detailed what would be included with each option. She clarified that regardless of the option chosen, there are increased costs expected with both the fireworks and the amusements vendor who supplied the free kids' rides. She addressed some of the feedback from patrons of the event last year, such as long lines and waits for the rides and food vendors, and fireworks being too low and the duration of the show not being long enough. An increase in the budget for the event would allow the purchase of additional, more varied fireworks and would also allow the rental of more rides.

Councilor Lachapelle asked if the \$43,000 for option 3 was above and beyond the \$25,000 which the City had already supported. Director Krans clarified that the fireworks were funded with the \$9,000 remainder of a special event non-lapsing fund and an additional \$1,000 from the Recreation O&M budget. However; the event ended up expanding into the Lilac Family Fun Festival as opposed to just the fireworks display, at which point there was a request for supplemental appropriation from Council for an additional \$10,000. Councilor Lachapelle recalled that Council had already set up a special event fund for such activities in the past. Deputy Director Sullivan confirmed that there had been a multi-year fund previously established. He explained the issues encountered with this type of fund; the planning of any summer events starts early and crosses fiscal years. Vendors also may require advanced deposits, which can lead to supplemental appropriation requests. He explained how committing this money ahead of time would allow the Recreation Department better ability to budget and plan. He detailed how the process would work and the restrictions that could be enacted to ensure some Council control over the funding.

Ms. Krans requested that, if approved, this funding be inclusive of the cost of the entire event in order to make the budgeting more straightforward and to avoid taking funding from the operating budget, which may affect other department projects and events. She explained that with the increased funding allocation for option 3, she hoped to bring in more structured entertainment options such as magicians to keep families with young children and various age groups engaged and remaining at the event longer. She clarified that any unexpended funds would be rolled over into the next year's budget. Deputy Director Sullivan said that the money would be budgeted for in the current year with a resolution from unassigned fund balance with the funds designated for the Recreation special event fund.

Mayor Callaghan inquired if there had been any revenue generated from the event. Director Krans indicated that there was a \$40 application fee charged to vendors, resulting in approximately \$1200 in revenue.

Councilor Gray stated that, if this \$43,000 were approved, he would expect to see an additional \$43,000 included in the budget for the following year's event so the department would not need to come back to Council for approval. Deputy Finance Director Sullivan confirmed that the intention is to have the request presented each year through the budget cycle.

Councilor Beaudoin inquired about an issue that had been experienced with some vendors related to the requirement for liability insurance. Director Krans acknowledged this practice, which had been based upon how other communities handled their events. She stated that there had been revisions to the requirements based upon the type of activity the vendor would be providing.

Councilor Lachapelle **MOVED** to recommend option C for \$43,000 to the full Council. Councilor Hamann seconded the motion. The **MOTION CARRIED** by 5 to 2 roll call vote with Councilors Hamann, Lachapelle, Hainey, Gray, and Mayor Callaghan voting in favor and Councilors Beaudoin and Larochelle voting opposed.

5.1.3 Public Works Facility – Office Modifications

Finance Director Ambrose explained that these modifications are related to the two new deputy positions at the Department of Public Works and the need for office space for these positions. The requested \$65,000 includes not only the framing, flooring, and construction of the office spaces themselves, but also the furnishings and the HVAC modifications into the existing system. Director Ambrose stated that the original DPW facility project has a surplus of \$560,000, which will be coming to Council for deauthorization in the near future. She summarized an issue being experienced with the sidewalks at the new facility, which is currently being reviewed with the contractor in order to come to a conclusion as well as a cost sharing agreement to rectify the issue. The deauthorization will not come forward until the City cost on this sidewalk issue is determined.

Director Ambrose stated that due to the timeline involved for posting to hire these new positions along with the availability of the contractor for construction of the office spaces, the Department of Public Works is requesting that this request go through sooner rather than waiting for the aforementioned deauthorization on the project. She explained that the \$65,000 could be deauthorized from bonding with the funding source changed to cash, reducing the surplus by this amount. Alternately, the Committee could give a consensus to move forward with the project now without going to full Council, with the understanding that the deauthorization is occurring in the near future

Councilor Lachapelle questioned why, when this new facility was built, the impending need for these offices was not anticipated. Councilor Gray **MOVED** to send this discussion to the Public Works Committee for further review of the needs and potential alternatives for the proposed project. He

stated that until there was more information and detail provided, he could not support this proposal. Councilor Lachapelle seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Reports from Finance & Administration

5.2.1 Monthly Financial Report Summary-September 30, 2022

Deputy Director Sullivan reported that revenues continue to be strong and collected to budget, with some exceeding budget at this point, 25% into the fiscal year. He stated that the City has received its first quarter Waste Management Host fee payment, which is slightly lower than is normally received. Expenses are trending to budget. He referenced the addition of the police and fire department overtime budget line item, which are both exceeding budget.

Deputy Director Sullivan pointed out that he had removed the line in the report relating to the unassigned fund balance because it had caused some confusion; it was not a summary of the entire fund balance but rather an illustration of additional money which had been committed from the fund in the current fiscal year. He clarified that the Unassigned Fund Balance activity report would remain in the monthly reports.

Councilor Hamann inquired if it would potentially save the City money in the long run if there were additional firefighters hired instead of continuously paying overtime. Director Ambrose stated that there would need to be analytics reviewed to determine if this would address the issue. She suggested that this could be more of a budgeting matter and the Department may need to consider budgeting to the actual expenditures during the next budget cycle. She acknowledged that additional staffing could be considered, but it may not alleviate the issue. There was further discussion in committee regarding how both Fire and Police report their monthly overtime and how these numbers will be reported moving forward.

5.2.2 FY23 Use of General Fund Unassigned Fund Balance-Sept-30-22

Deputy Director Sullivan explained that this is a summary of the estimated amount of where the account will end for FY22, taking into consideration the significant portion of the account on the City side in FY22. He summarized the data points contained within the report, which will be covered monthly.

6. Other

Director Ambrose announced that Darcy Freer, Deputy Assessor, will be serving as the interim Chief Assessor while the position is being required.

Director Ambrose reported that the auditors had recently completed the FY21 single audit (which had a deadline extension until September 30, 2022). The single audit covers federal expenditures and is separate from the City's annual audited financial statements. She stated that

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this audit typically tests 20% of the City’s federal expenditures due to the City’s low risk status. In this particular audit, three school programs were tested and there was a finding relative to Title I in which a certification was not on file for an employee. Following this finding, the School took corrective action and demonstrated that they had been in compliance prior to this one incident and had in compliance following the incident. However, as a result, this incident was deemed a “significant deficiency,” moving the City out of the low risk category for single audits. Moving forward, the City will need to have 40% of federal expenditures audited. This will necessitate additional time for the auditors and, in turn, increased cost to the City. She stated that there is a potential that this finding will affect the City’s bond rating, although that is uncertain at this time.

Councilors Gray reported that he had received the court’s decision on a redistricting audit regarding State Senate and Executive Council. He stated that much of the information cited in the decision is relevant to the current lawsuit on redistricting with which Rochester is involved. He stated that he had forwarded this information to the City Manager and City Attorney for review before more City funds are expended toward this current redistricting audit.

7. Adjournment

Mayor Callaghan **ADJOURNED** the Finance Committee meeting at 7:01 PM.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: School Finance Committee - Capital Reserve Fund Presentation

Name of Person Submitting Item: Katie Ambrose, Deputy City Manager/Director of
Finance & Administration

E-mail Address kathryn.ambrose@rochesternh.gov

Meeting Date Requested: November 15, 2022

Issue Summary Statement: Representatives from the School Finance Committee and Superintendent Repucci will be presenting on Capital Reserve Funds and needs regarding special education and facilities. Discussion on the potential for establishing new funds will follow the presentation.

Recommended Action: Discussion

Resolution Pursuant to RSA 34:1 Establishing a School Department Facilities Apparatus Replacement Capital Reserve Fund and Supplemental Appropriation of \$1,000,000 in Connection Therewith

BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF ROCHESTER, AS FOLLOWS:

By adoption of this Resolution, the City Council establishes a Capital Reserve Fund pursuant to RSA 34:1 for the purpose of replacing school department apparatus. The name of such fund shall be the School Department Facilities Apparatus Replacement Capital Reserve Fund.

Further, the City Council hereby appropriates One Million Dollars (\$1,000,000) to said Fund with the entirety of the said appropriation being derived from the General Fund Unassigned Fund Balance.

Pursuant to RSA 34:6, the Trustees of Trust Funds shall have custody of all capital reserves transferred to the School Department Facilities Apparatus Replacement Capital Reserve Fund until such time as the City Council names an agent(s) to carry out the purpose of said Fund. The Trustees of the Trust Fund will hold the monies appropriated to the School Department Facilities Apparatus Replacement Capital Reserve Fund in a separate investment account. Appropriations made to the School Department Facilities Apparatus Replacement Capital Reserve Fund will be submitted to the Trustees of the Trust Fund within the same fiscal year of the appropriation.

The School Board at the beginning of a fiscal year, may make a request to the City Council to replenish any previous withdrawals to maintain a balance of \$1,000,000. Payments into the fund will be made in accordance with NH RSA 34:3.

The City Council may dissolve the School Department Facilities Apparatus Replacement Capital Reserve Fund at its sole discretion. Upon dissolution of any portion of said fund any surplus shall be recorded in the General Fund as unanticipated revenue.

To the extent not otherwise provided for in this Resolution, the Finance Director is hereby authorized to designate and/or establish such accounts and/or account numbers as necessary to implement the transactions contemplated by this Resolution.

Attach replacement schedule for School Department Facilities Apparatus

School Apparatus Fund Considerations

Item	Approx. Current Value	Life Cycle	Funding Mechanism
20 Vehicles	\$945,000	15 years	Cash CIP
180 Cameras	\$900,000	10-15 years	Grants
58 Access Control Points	\$580,000	15-20 years	Grants
19 Medium Boilers	\$1,900,000	25 years	Bonded CIP
2 Large Boilers	\$2,000,000	25 years	Bonded CIP
38 HVAC Units	\$1,140,000	15-25 years	Bonded CIP
TOTAL	\$7,465,000	10-25 years	

Resolution Establishing a School Department Unanticipated Special Education Costs Special Reserve Fund and Supplemental Appropriation of \$2,000,000 in Connection Therewith

BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF ROCHESTER, AS FOLLOWS:

By adoption of this Resolution, the City Council establishes a Special Reserve Fund for the purpose of funding unanticipated special education programs for identified students of the school department under the provisions of RSA 35:1. The name of such fund shall be the School Department Unanticipated Special Education Costs Fund.

Further, the City Council hereby appropriates Two Million Dollars (\$2,000,000) to said Fund with the entirety of the said appropriation being derived from the General Fund Unassigned Fund Balance.

Pursuant to RSA 34:6, the Trustees of Trust Funds shall have custody of all capital reserves transferred to the School Department Unanticipated Special Education Costs Special Reserve Fund until such time as the City Council names an agent(s) to carry out the purpose of said Fund. The Trustees of the Trust Fund will hold the monies appropriated to the School Department Unanticipated Special Education Costs Special Reserve Fund in a separate investment account. Appropriation made to the School Department Unanticipated Special Education Costs Special Reserve Fund will be submitted to the Trustees of the Trust Fund within the same fiscal year of the appropriation.

The School Board at the beginning of a fiscal year, may make a request to the City Council to replenish any previous withdrawals to maintain a balance of \$2,000,000. Payments into the fund will be made in accordance with NH RSA 34:3.

The City Council may dissolve the School District Unanticipated Special Education Costs Special Reserve Fund at its sole discretion. Upon dissolution of any portion of said fund any surplus shall be recorded in the General Fund as unanticipated revenue.

To the extent not otherwise provided for in this Resolution, the Finance Director is hereby authorized to designate and/or establish such accounts and/or account numbers as necessary to implement the transactions contemplated by this Resolution.

Attach Special Education Supplemental Appropriation history

Fiscal Year	Supplemental Description	Supplemental Amount	Tax Cap Override Amount	Fund Source
FY22	School Capital Reserve	\$844,000		Transfer from School Capital Reserve
FY22	School Capital Reserve	\$1,296,285		Transfer to School Capital Reserves
FY21	No Supplemental Appropriations	\$0		
FY20	Special Education Expenses	\$1,335,993		GF Unassigned Fund Bal & State Education Increase
FY19	School Tax Cap Override	\$0	\$1,710,218	Adopted Budget-Local School Property Tax
FY18	School Capital Reserve	\$824,762		GF Unassigned Fund Balance
FY18	Special Education Expenses	\$1,200,000		GF Unassigned Fund Balance
FY18	Gonic School Roof Trusses	\$1,419,435		Bond & GF Unassigned Fund Balance
FY18	School Capital Reserve	\$173,504		GF Unassigned Fund Balance
FY17	School Capital Reserve	\$796,326		GF Unassigned Fund Balance
FY16	No Supplemental Appropriations	\$0		
FY15	No Supplemental Appropriations	\$0		
FY14	Deauthorization & Repurpose	(\$829,669)		Deauthorized FY10 District Wide Security-LGC Funding
FY14	Special Education Expenses	\$700,000		LGC Return of Surplus from FY10
FY14	Return of Health Surplus to Employees	\$100,385		LGC Return of Surplus from FY10
FY14	District Wide Security Upgrade	\$29,284		LGC Return of Surplus from FY10
FY14	William Allen School-Entrance	\$173,783		GF Unassigned Fund Balance
FY14	District Wide Security Upgrade	\$1,210,684		GF Unassigned Fund Balance
FY13	No Supplemental Appropriations	\$0		
FY12	No Supplemental Appropriations	\$0		
FY11	No Supplemental Appropriations	\$0		
FY10	District Wide Security Upgrade	\$829,669		LGC Return of Surplus
FY10	Return of Health Surplus to Employees	\$193,580		LGC Return of Surplus
FY09	No Supplemental Appropriations	\$0		
FY08	Athletics Field Acquisition-Hillsdale	\$125,000		GF Unassigned Fund Balance
FY07	No Supplemental Appropriations	\$0		

FINANCE COMMITTEE

Agenda Item

Agenda Item Name: Exemptions & Veteran Tax Credits Mayoral Ad-Hoc Committee
Recommendations

Name of Person Submitting Item: Katie Ambrose, Deputy City Manager/Director of
Finance & Administration

E-mail Address kathryn.ambrose@rochesternh.gov

Meeting Date Requested: November 15, 2022

Issue Summary Statement: The Exemptions & Veterans Tax Credits Mayoral Ad-Hoc Committee met on October 26th and 31st and made the following recommendations.

1. 20% increase to the asset limitation for Elderly, Disabled and Blind exemptions. This would increase the current asset limitation from \$100,000 to \$120,000.
2. 10% increase on single and married income limitations for Elderly, Disabled and Blind exemptions as previously discussed by the Finance Committee. This would increase the Single Income Limitation from \$35,000 to \$38,500 and the Married Income Limitation from \$50,000 to \$55,000.
3. Increase the Elderly Exemption amount for the 65-74 age bracket from \$75,000 to \$90,000, the 75-79 age bracket from \$100,000 to \$120,000 and the 80+ category from \$125,000 to \$150,000.
4. Adopt the All Veterans' Tax Credit at the Optional Veterans Tax Credit amount of \$300.
5. Allow the Ad-Hoc committee to remain formed and reconvene after the next revaluation (2024).

Recommended Action: Discussion and make any recommendations to full Council.

CITY OF ROCHESTER

Exemptions & Veteran Tax Credits Mayoral Ad-Hoc Committee Draft - Meeting Minutes

Meeting Information

Date: October 26, 2022
Time: 4:00 P.M.
Location: Cocheco Room
Annex Building, Second Floor
33 Wakefield Street
Rochester, New Hampshire

Committee members present: Steven Beaudoin, John Larochelle, Laura Hainey.

City staff present: Deputy City Manager Katie Ambrose

Agenda and Minutes

1. Call to Order

Chair Larochelle called the meeting to order at 4:04 PM. All members were present.

2. Review data from New Hampshire Department of Revenue Administration (NH DRA) for the Veteran's Tax Credit

Chair Larochelle distributed the 2020 and 2021 NH DRA data for eighteen municipalities including Rochester, which included 2020 Census Data and calculations for the average, median, and mode of the tax credit amounts per year.

3. Comparison with reference municipalities

Chair Larochelle listed the eighteen communities as follows: Barrington, Dover, Farmington, Milton, Rochester, Somersworth, Concord, Derry, Durham, Keene, Lee, Manchester, Merrimack, Nashua, Portsmouth, Salem, Londonderry and Bedford. He asked if any of these municipalities should be removed from the analysis. Councilor Hainey and Councilor Beaudoin agreed to include all eighteen in the analysis and discussion.

Councilor Beaudoin asked if the average or the median should be used in the comparison. All members agreed to utilize the average data in the methodology rather than median data. Chair Larochelle recommended an objective to set Rochester's income and asset limitations and exemption amounts within 20% of the previous year's average of the comparison communities. Councilors Hainey and Beaudoin agreed.

4. Presentation of any additional data, charts, tables, or graphs

Deputy City Manager Ambrose distributed additional information on HB 1667, which went into effect July 26, 2022, and expanded the definition of veteran for standard, optional, and all veterans' tax credits.

5. Consideration of the basis for setting the amounts granted and qualifications required for Veteran's Tax Credits and Elderly Exemptions.

Exemption income and asset limitations were reviewed and Elderly Exemption amounts were reviewed by age categories. Chair Larochelle stated that assets under the asset limitation exclude primary residences. Councilor Beaudoin asked if vehicles are included in the asset limitation. Deputy City Manager Ambrose read the definition of assets and the documentation requirements contained within the application, which includes motor vehicle registrations as required documentation.

Deputy City Manager Ambrose asked if the committee's data analysis reflects the recent Finance Committee recommendation to increase single and married income limitations by 10% for Elderly, Disabled, and Blind exemptions. Chair Larochelle stated that the data does not reflect a 10% income limitation increase for Rochester. When considering that recommendation, Rochester is closer to the reference municipalities and would meet the 20% objective.

Councilor Hainey **MOVED** to recommend a 20% increase to the asset limitation, which meets the stated criteria. Councilor Beaudoin seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Councilor Beaudoin **MOVED** to recommend a 10% increase on single and married income limitations as previously discussed by the Finance Committee. Councilor Hainey second the motion. The **MOTION CARRIED** by a unanimous voice vote.

Chair Larochelle asked if the committee should consider an annual increase for these recommendations. Deputy City Manager Ambrose stated that the approach has been to review the data after a full statistical revaluation has been completed, and then consider increasing the exemption amounts proportionately. All members agreed that they would like to maintain this approach. Chair Larochelle suggested that they request allowing the Ad-Hoc committee to remain formed and to reconvene after the next revaluation.

The committee discussed the Elderly Exemption amounts and Chair Larochelle stated the average for the 65-74 age category is \$105,000 and Rochester is \$75,000, the average for the 75-79 age category \$138,000 and Rochester is \$100,000, and the average for the 80+ category is \$180,000 and Rochester is \$125,000.

Councilor Beaudoin **MOVED** to increase the Elderly Exemption amount for the 65-74 age bracket to \$90,000, the 75-79 age bracket to \$120,000 and the 80+ category to \$150,000. Councilor Hainey seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

The committee discussed the Veterans' Credit and the uncertainty on the impact of the new law. Councilor Hainey stated that they should wait one year in order to analyze the impact of HB 1667 and how many new qualifying applications come forward as a result of the expanded definition. Chair Larochelle and Councilor Beaudoin agreed that the discussion should stay in committee.

6. If needed, determine what additional information is required for the next meeting.

Deputy City Manager Ambrose stated that she would provide disabled and blind exemption amounts for the established comparison communities at the next meeting on October 31.

7. Other

No discussion

8. Adjournment

Mr. Chair Larochelle **ADJOURNED** the meeting at 5:12PM

Respectfully Submitted,

Katie Ambrose
Deputy City Manager

CITY OF ROCHESTER

Exemptions & Veteran Tax Credits Mayoral Ad-Hoc Committee Draft - Meeting Minutes

Meeting Information

Date: October 31, 2022
Time: 4:00 P.M.
Location: Cocheco Room
Annex Building, Second Floor
33 Wakefield Street
Rochester, New Hampshire

Committee members present: Steven Beaudoin, John LaRochelle.
Laura Hailey excused.

City staff present: Deputy City Manager Katie Ambrose

Agenda

1. Call to Order

Chair LaRochelle called the meeting to order at 4:00 PM.

2. Acceptance of Minutes: October 26, 2022

Councilor Beaudoin **MOVED** to accept the minutes of October 26th. Chair LaRochelle seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

3. Review additional information, data, etc.

Chair LaRochelle displayed 2021 Strafford County Exemptions & Credits data obtained from the NH Department of Revenue Administration's website.

Chair LaRochelle asked about the differences between the Veterans' Tax Credit and the All Veterans' Tax Credit. Deputy City Manager Ambrose explained the differences between NH RSA 72:28 and NH RSA 72:28-b, and that the credit amount granted is the same between the two but the All Veterans' Tax Credit expands the qualifications. Chair LaRochelle and Councilor Beaudoin noted that Rochester's \$300 credit amount is approximately 60% compared to the comparison communities.

If the recommended changes to the Elderly exemption are adopted, and the Blind Exemption and Disabled Exemption are included, the benefits given by Rochester will exceed the benefits given by the average municipality in Strafford County.

Deputy City Manager Ambrose reviewed the estimated impact of the recommended amendments to Elderly Exemptions made at the October 26th meeting based on 2021 and 2022 data. The estimated tax impact of the increased exemption amounts based on 2022 data is \$100,000, which is an estimated \$0.032 impact on the tax rate. Ms. Ambrose also distributed and reviewed statewide veterans' data from the NH Department of Military Affairs & Veterans Services.

Chair LaRoche reviewed 2021 Blind and Disabled exemption data for Strafford County. Not all comparison communities have disabled and blind exemptions, and Councilor Beaudoin agreed that the data demonstrates that no changes should be recommended at this time.

Chair LaRoche noted that the City of Rochester adopted a Solar and Wind Energy Systems exemption back in 2006 but that these systems have not been assessed a value. Since there is no value assessed there is no need for the exemption, but it remains in place in the event this changes in the future. Deputy City Manager Ambrose added that the Assessing web page on the city's website will be updated to note the existence of the exemption and the practice regarding value.

4. Determine values and qualifications for the Veterans' Tax Credit and Elderly Tax Exemptions

Chair LaRoche suggested that rather than increase the credit amount for the current Optional Veterans' Tax Credit, they should consider adopting the All Veterans' Tax Credit. This would subsequently increase the number of veterans that qualify for the tax credit. Councilor Beaudoin stated that the impact of the All Veterans' Tax Credit could be reviewed after one year and the exemption amount could be revisited.

Councilor Beaudoin **MOVED** to adopt the All Veterans' Tax Credit at the Optional Veterans Tax Credit amount of \$300. Chair LaRoche seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Councilor Beaudoin noted that the committee has met its charge and that with these recommendations, Rochester will rank well.

5. State basis of the recommendation for the values

Chair LaRochelle reiterated that the basis of the committee's recommendations are to stay within 20% of the average of the comparison communities and to expand the number of veterans that qualify for the Veterans' Tax Credit rather than increase the credit amount itself. It is recommended to reassess the data after one year of implementation.

6. Other

No discussion

7. Adjournment

Chair LaRochelle adjourned the meeting at 4:47 PM

Respectfully Submitted,

Katie Ambrose

Deputy City Manager



City of Rochester, New Hampshire

ASSESSING DEPARTMENT

19 Wakefield Street, Rochester, NH 03867

(603) 332-5109 Assessor@rochester.net

www.rochesternh.net

MEMORANDUM

TO: Finance Committee

FROM: Jonathan Rice, Chief Assessor 

DATE: June 6, 2022 (*Revised 8/9/2022)

SUBJECT: Property Tax Exemptions & Credits

Listed below are the most recent changes to the Standard and Optional Veterans' Tax Credit under RSA 72:28 and the Elderly, Disabled and Blind Exemptions under RSA's 72:37, 72:37-b, and 72:39-a.

The Standard Veterans' Tax Credit is \$50 and the Optional Veterans' Tax Credit is \$51-\$750. A resolution authorizing an increase to the Optional Veterans' Tax Credit from \$250 to \$300 was adopted March 6, 2018 for the 2018 tax year. We currently have 1,375 Veterans' that qualify for this tax credit.

IMPORTANT LEGISLATIVE UPDATE:

HB1667, adopted May 24, 2022, effective July 26, 2022 defines a qualifying Veteran as follows: (Matter added to current law in ***bold italics***). Every resident of this state who ***is a veteran, as defined in RSA 21:50, and*** served not less than 90 days on active service in the armed forces of the United States of any qualifying war or armed conflict listed in this section, and ***continues to serve or*** was honorably discharged or an officer ***who continues to serve or*** was honorable separated from service; or the spouse of surviving spouse of such resident, provided that training for active duty by a member of the national guard or reserve shall be included as service under this subparagraph:

It is very realistic that this will increase the number of Veterans that will qualify for the Veterans' Tax Credit. However, there is no way to accurately forecast the anticipated increase.

How does Rochester's \$300 Veterans' Tax Credit compare?

Farmington, Milton, Somersworth	\$500
Barrington	\$650
Dover	\$750



City of Rochester, New Hampshire

ASSESSING DEPARTMENT

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How does Rochester's Elderly, Disabled & Blind Exemption compare?

Barrington

Income Limitations – (Single) \$36,000, (Married) \$50,000

Asset Limitations – \$125,000

Elderly – (65-74) \$85,000, (75-84) \$127,500, (80+) \$161,500

Dover (*Revised)

Income Limitations – (Single) \$47,000, (Married) \$64,000

Asset Limitations – \$186,100

Elderly – (65-74) \$166,000, (75-84) \$234,000, (80+) \$300,000

Farmington

Income Limitations – (Single) \$30,000, (Married) \$60,000

Asset Limitations – \$75,000

Elderly – (65-74) \$75,000, (75-84) \$95,000, (80+) \$125,000

Milton

Income Limitations – (Single) \$30,000, (Married) \$40,000

Asset Limitations – \$75,000

Elderly – (65-74) \$42,500, (75-84) \$64,000, (80+) \$85,000

Somersworth

Income Limitations – (Single) \$35,000, (Married) \$50,000

Asset Limitations – \$100,000

Elderly – (65-74) \$65,000, (75-84) \$80,000, (80+) \$90,000

Exemptions & Veterans Credit Analysis-Ranking by Community

Municipality	Total Taxable AV	Veterans Credits		Elderly Exemption			Disabled Exemption			Blind Exemption			Total Exemp & Credits	Total % of TT AV	Rank
		Number	Taxes	Number	Exempt Amt	Taxes	Number	Exempt Amt	Taxes	Number	Exempt Amt	Taxes			
Farmington	562,027,636	327	290,250	105	9,597,500	224,293	-	-	-	4	60,000	1,402	515,945	0.092%	1
Rochester	2,814,722,128	1,556	694,625	359	26,955,742	664,459	99	5,429,500	133,837	19	1,259,300	31,041	1,523,962	0.054%	2
Milton	501,922,971	268	174,800	56	3,691,689	84,392	-	-	-	2	30,000	685	259,877	0.052%	3
Nashua	10,267,308,340	2611	1,482,960	724		3,178,844	63	8,539,866	198,295	45	3,775,900	87,676	4,947,775	0.048%	4
Dover	4,472,310,130	1,115	1,030,750	211	35,782,800	776,486	45	5,175,000	112,297	15	1,725,000	37,432	1,956,965	0.044%	5
Barrington	1,390,626,360	524	387,550	88	9,021,300	175,915	42	2,047,500	39,926	1	15,000	292	603,683	0.043%	6
Lee	729,919,551	190	98,600	52		196,400	-	-	-	2	30,000	653	295,653	0.041%	7
Derry	3,621,174,466	849	526,167	217		654,320	-	-	-	12	460,000	11,389	1,191,876	0.033%	8
Somersworth	1,116,699,095	384	238,500	65	3,560,700	98,026	-	-	-	2	50,000	1,376	337,902	0.030%	9
Manchester	13,128,827,277	2206	1,306,658	566		2,047,813	81	11,024,100	194,906	30	4,140,300	73,200	3,622,577	0.028%	10
Merrimack	4,902,353,163	1226	817,080	223		398,381	35	2,619,300	44,973	4	60,000	1,030	1,261,464	0.026%	11
Keene	2,201,301,020	662	373,700	102		141,904	18	519,700	16,256	15	270,000	8,445	540,305	0.025%	12
Durham	1,252,334,006	193	122,500	23		116,524	1	110,000	3,070	5	150,000	4,186	246,280	0.020%	13
Concord	5,103,909,256	924	265,625	204		572,803	-	-	-	33	3,691,752	92,736	931,164	0.018%	14
Portsmouth	6,398,641,017	781	521,416	104		378,691	7	1,445,200	21,271	11	225,000	3,381	924,759	0.014%	15

CHAPTER 121
HB 1667 - FINAL VERSION

22-2612
05/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT relative to the standard and optional veterans' tax credits and the all veterans' tax credit.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 121:1 Standard and Optional Veterans' Tax Credit. Amend RSA 72:28, IV to read as follows:

2 IV. The following persons shall qualify for the standard veterans' tax credit or the optional
3 veterans' tax credit:

4 (a) Every resident of this state who ***is a veteran, as defined in RSA 21:50, and*** served not
5 less than 90 days on active service in the armed forces of the United States in any qualifying war or
6 armed conflict listed in this section, and ***continues to serve or*** was honorably discharged or an officer ***who***
7 ***continues to serve or was*** honorably separated from service; or the spouse or surviving spouse of such
8 resident, provided that [Title 10] training for active duty by a member of [a] ***the*** national guard or reserve
9 shall be included as service under this subparagraph;

10 (b) Every resident of this state who was terminated from the armed forces because of
11 service-connected disability; or the surviving spouse of such resident; and

12 (c) The surviving spouse of any resident who suffered a service-connected death.

13 121:2 All Veterans' Tax Credit. Amend RSA 72:28-b, IV to read as follows:

14 IV. A person shall qualify for the all veterans' tax credit if the person is a resident of this state who
15 ***is a veteran, as defined in RSA 21:50, and*** served not less than 90 days on active service in the armed
16 forces of the United States and ***continues to serve or*** was honorably discharged or an officer ***who***
17 ***continues to serve or was*** honorably separated from service; or the spouse or surviving spouse of such
18 resident, provided that [Title 10] training for active duty ***or state active duty*** by a member of [a] ***the*** national
19 guard or reserve shall be included as service under this paragraph; provided however that the person is
20 not eligible for and is not receiving a credit under RSA 72:28 or RSA 72:35.

121:3 Effective Date. This act shall take effect 60 days after its passage.

Approved: May 27, 2022
Effective Date: July 26, 2022

Vet Tax Crdt

2020 – 2021 Veterans Tax Credit

Municipality	Census Data 2020	Veteran's Tax Credit		County
		2020	2021	
1 Barrington	9,326	\$450	\$550	Strafford
2 Dover	32,741	\$660	\$750	Strafford
3 Farmington	6,722	\$500	\$750	Strafford
4 Milton	4,482	\$500	\$500	Strafford
5 Rochester	32,492	\$300	\$300	Strafford
6 Somersworth	11,855	\$500	\$500	Strafford
7 Concord	43,976	\$150	\$150	Merrimack
8 Derry	34,317	\$500	\$500	Rockingham
9 Durham	15,490	\$500	\$500	Strafford
10 Keene	23,047	\$225	\$300	Cheshire
11 Lee	4,520	\$500	\$500	Strafford
12 Manchester	115,644	\$500	\$500	Hillsborough
13 Merrimack	26,632	\$500	\$500	Hillsborough
14 Nashua	91,322	\$500	\$500	Hillsborough
15 Portsmouth	21,956	\$500	\$500	Rockingham
16 Salem	30,089	\$500	\$500	Rockingham
17 Londonderry	25,826	\$500	\$500	Rockingham
18 Bedford	23,322	\$500	\$500	Hillsborough
	Average	\$452	\$487	
	Median	\$500	\$500	
	Mode	\$500	\$500	

2021 Tax Exemptions Census in Progress JHL 10-26-22 .ods

2021 Tax Credit and Exemption Data

Municipality	Census Data	Blind Exemption	Veteran's Tax Credit		County
	2020		2020	2021	
Barrington	9,326	\$15,000	\$450	\$550	Strafford
Dover	32,741	\$115,000	\$660	\$750	Strafford
Farmington	6,722	\$15,000	\$500	\$750	Strafford
Milton	4,482	\$15,000	\$500	\$500	Strafford
Rochester	32,492	\$75,000	\$300	\$300	Strafford
Somersworth	11,855	\$25,000	\$500	\$500	Strafford
Concord	43,976	\$120,234	\$150	\$150	Merrimack
Derry	34,317	\$40,000	\$500	\$500	Rockingham
Durham	15,490	\$30,000	\$500	\$500	Strafford
Keene	23,047	\$18,000	\$225	\$300	Cheshire
Lee	4,520	\$15,000	\$500	\$500	Strafford
Manchester	115,644	\$156,000	\$500	\$500	Hillsborough
Merrimack	26,632	\$15,000	\$500	\$500	Hillsborough
Nashua	91,322	\$94,000	\$500	\$500	Hillsborough
Portsmouth	21,956	\$25,000	\$500	\$500	Rockingham
Bedford	23,322	\$35,000	\$500	\$500	Hillsborough
Salem	30,089	\$90,000	\$500	\$500	Rockingham
Londonderry	25,826	\$50,000	\$500	\$500	Rockingham
	Average	\$52,680	\$452	\$487	
	Median	\$32,500	\$500	\$500	

2021 Tax Credit and Exemption Data

Municipality	Census Data 2020	Disabled Exemption	Income Limit		Asset Single
			Single	Married	
Barrington	9,326	\$50,000	\$36,000	\$50,000	\$125,000
Dover	32,741	\$115,000	\$42,000	\$57,000	\$169,000
Farmington	6,722 -	-	-	-	
Milton	4,482 -	-	-	-	
Rochester	32,492	\$75,000	\$35,000	\$50,000	\$100,000
Somersworth	11,855 -	-	-	-	
Concord	43,976 -	-	-	-	
Derry	34,317 -	-	-	-	
Durham	15,490	\$110,000	\$38,000	\$52,000	\$155,000
Keene	23,047	\$33,000	\$32,000	\$43,000	\$61,000
Lee	4,520 -	-	-	-	
Manchester	115,644	\$156,000	\$41,000	\$55,000	\$100,000
Merrimack	26,632	\$75,000	\$50,000	\$675,000	\$200,000
Nashua	91,322	\$194,000	\$50,000	\$50,000	\$150,000
Portsmouth	21,956	\$235,000	\$43,928	\$60,400	\$175,000
Bedford	23,322	\$52,000	\$51,040	\$68,960	\$150,000
Salem	30,089	\$24,000	\$36,150	\$48,200	\$72,400
Londonderry	25,826	\$123,625	\$40,800	\$50,300	\$137,000
	Average	\$103,552	\$41,327	\$104,988	\$132,867
	Median	\$92,500	\$40,900	\$51,150	\$143,500

Limit	Veteran's Tax Credit		County
	Married	2020	
\$125,000	\$450	\$550	Strafford
\$169,000	\$660	\$750	Strafford
-	\$500	\$750	Strafford
-	\$500	\$500	Strafford
\$100,000	\$300	\$300	Strafford
-	\$500	\$500	Strafford
-	\$150	\$150	Merrimack
-	\$500	\$500	Rockingham
\$155,000	\$500	\$500	Strafford
\$87,000	\$225	\$300	Cheshire
-	\$500	\$500	Strafford
\$130,000	\$500	\$500	Hillsborough
\$200,000	\$500	\$500	Hillsborough
\$150,000	\$500	\$500	Hillsborough
\$175,000	\$500	\$500	Rockingham
\$150,000	\$500	\$500	Hillsborough
\$72,400	\$500	\$500	Rockingham
\$137,000	\$500	\$500	Rockingham
\$137,533	\$452	\$487	
\$143,500	\$500	\$500	

2021 Tax Credit and Exemption Data

Municipality	Census Data	Elderly Exemption			Income Limit	
	2020	65-74	75-79	80+	Single	Married
Barrington	9,326	\$85,000	\$127,500	\$161,500	\$36,000	\$50,000
Dover	32,741	\$115,000	\$162,000	\$207,000	\$42,000	\$57,000
Farmington	6,722	\$75,000	\$95,000	\$125,000	\$30,000	\$60,000
Milton	4,482	\$42,500	\$64,000	\$85,000	\$30,000	\$40,000
Rochester	32,492	\$75,000	\$100,000	\$125,000	\$35,000	\$50,000
Somersworth	11,855	\$50,000	\$65,000	\$75,000	\$32,000	\$50,000
Concord	43,976	\$73,000	\$119,000	\$203,000	\$34,300	\$47,200
Derry	34,317	\$85,000	\$125,000	\$165,000	\$35,000	\$45,000
Durham	15,490	\$125,000	\$175,000	\$225,000	\$38,000	\$52,000
Keene	23,047	\$33,000	\$45,000	\$60,000	\$32,000	\$43,000
Lee	4,520	\$174,000	\$210,000	\$270,000	\$46,500	\$59,400
Manchester	115,644	\$156,000	\$210,000	\$280,000	\$41,000	\$55,000
Merrimack	26,632	\$75,000	\$100,000	\$125,000	\$45,000	\$60,000
Nashua	91,322	\$194,000	\$224,000	\$280,000	\$50,000	\$50,000
Portsmouth	21,956	\$235,000	\$285,000	\$335,000	\$43,928	\$60,400
Bedford	23,322	\$90,100	\$96,000	\$141,600	\$51,040	\$68,960
Salem	30,089	\$82,000	\$122,900	\$163,800	\$36,150	\$48,200
Londonderry	25,826	\$123,652	\$154,500	\$206,000	\$40,800	\$50,300
	Average	\$104,903	\$137,772	\$179,606	\$38,818	\$52,581
	Median	\$85,000	\$123,950	\$164,400	\$37,075	\$50,150

Asset Limit		Veteran's Tax Credit		County
Single	Married	2020	2021	
\$125,000	\$125,000	\$450	\$550	Strafford
\$169,000	\$169,000	\$660	\$750	Strafford
\$75,000	\$75,000	\$500	\$750	Strafford
\$75,000	\$75,000	\$500	\$500	Strafford
\$100,000	\$100,000	\$300	\$300	Strafford
\$100,000	\$100,000	\$500	\$500	Strafford
\$95,000	\$95,000	\$150	\$150	Merrimack
\$150,000	\$150,000	\$500	\$500	Rockingham
\$200,000	\$200,000	\$500	\$500	Strafford
\$61,000	\$87,000	\$225	\$300	Cheshire
\$222,500	\$222,500	\$500	\$500	Strafford
\$100,000	\$130,000	\$500	\$500	Hillsborough
\$200,000	\$200,000	\$500	\$500	Hillsborough
\$150,000	\$150,000	\$500	\$500	Hillsborough
\$175,000	\$175,000	\$500	\$500	Rockingham
\$150,000	\$150,000	\$500	\$500	Hillsborough
\$72,400	\$72,400	\$500	\$500	Rockingham
\$137,000	\$137,000	\$500	\$500	Rockingham
\$130,939	\$134,050	\$452	\$487	
\$131,000	\$133,500	\$500	\$500	

DUTY STATE / COUNTRY	ACTIVE DUTY						NATIONAL GUARD / RESERVE							APF DOD CIVILIAN					GRAND TOTAL		
	ARMY	NAVY	MARINE CORPS	AIR FORCE SPACE FORCE	COAST GUARD	TOTAL	ARMY GUARD	ARMY RESERVE	NAVY RESERVE	MARINE CORPS RESERVE	AIR GUARD	AIR FORCE RESERVE	COAST GUARD RESERVE	TOTAL	ARMY	NAVY	MARINE CORPS	AIR FORCE		4TH ESTATE (DOD)	TOTAL
NEW HAMPSHIRE	46	931	52	26	111	1,166	1,620	845	285	142	1,097	0	6	3,995	461	19	2	258	167	907	6,068

2021 Elderly Exemptions		
	Max Possible	Actual Value
65-74		
Current Exmpt Amounts	9,150,000	6,929,900
Proposed Exmpt Amount	10,980,000	7,927,100
75-79		
Current Exmpt Amounts	8,600,000	6,017,142
Proposed Exmpt Amount	10,320,000	6,707,742
80+		
Current Exmpt Amounts	18,875,000	14,008,700
Proposed Exmpt Amount	22,650,000	15,862,300
Total Dollar Increase of Exmpt From Current to Proposed	7,325,000	3,541,400

2022 Elderly Exemptions		
	Max Possible	Actual Value
65-74		
Current Exmpt Amounts	8,400,000	6,517,800
Proposed Exmpt Amount	10,080,000	7,497,500
75-79		
Current Exmpt Amounts	7,400,000	5,290,200
Proposed Exmpt Amount	8,880,000	6,119,900
80+		
Current Exmpt Amounts	19,125,000	14,175,142
Proposed Exmpt Amount	22,950,000	16,087,642
Total Dollar Increase of Exmpt From Current to Proposed	6,985,000	3,721,900



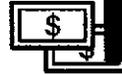
New Hampshire's Veterans

POPULATION

2,649 National Guard **4,097 Reservists**
757 Active Duty **99,249 Veterans**

Veteran Population _{1,2}		New Hampshire
Number of Veterans		99,249
Percent of Adult Population that are Veterans		8.5%
Number of Women Veterans		7,370
Percent Women Veterans		7.9%
Number of Military Retirees ₃		9,584
Percent of Veterans that are Military Retirees ₃		10.78%
Number of Veterans Age 65 and Over		49,357
Percent of Veterans Age 65 and Over		52.9
Age Distribution ₄		New Hampshire
75 years and over		25.3%
65 to 74 years		27.2%
65 to 74 years		19.8%
35 to 54 years		20.3%
18 to 34 years		7.3%
Period of Service ₅		New Hampshire
World War II		2.1%
Korean War		6.5%
Vietnam era		37%
Gulf War I		17.0%
Gulf War II		18.5%
Household Income ₆		New Hampshire
200k or more		6.0%
100k to 199.9k		25.0%
50k to 99.9k		34.0%
25k to 49.9k		23.0%
less than 25k		12.0%
Educational Attainment ₇		New Hampshire
Some college or Associate degree		32.1%
Bachelor's or higher		30.6%
VA Healthcare and Benefits ₈		New Hampshire
Number of Veterans Receiving Disability Compensation		20,243
Number of Veterans Receiving Pension		834
Number of Dependency & Indemnity Comp Beneficiaries		1,641
Number of Education Beneficiaries		10,234
Number of Enrolls in VA Healthcare System		45,100
Number of Unique Patients Treated		30,748

Sources of data: Veterans Data Central, www.veteransdata.info
 US Dept of Veterans Affairs, Veterans Experience Office, www.va.gov/vetdata/stateSummaries.asp
 US Census Bureau, <https://data.census.gov/cedsci/>
 DoD Defense Manpower Data Center, 9/3/17
 2019 Home Mortgage Disclosure Act Data
 2020 HUD Point in Time Homeless Estimates
 This handout was updated 8-6-21.



ECONOMIC WELL BEING

2.9%

Veteran unemployment rate in NH is below the national average of 4.3%.

\$68,900

Median household income of NH Veterans. Median income of all NH households is \$76,768. 65% of Veterans make more than \$50,000/year.



HOUSING & HOMELESSNESS

113

Out of the 113 Veterans experiencing homelessness in NH, 106 are sheltered in emergency or transitional housing. 7 remain unsheltered.*

*2020 HUD Point in Time Homeless Estimate

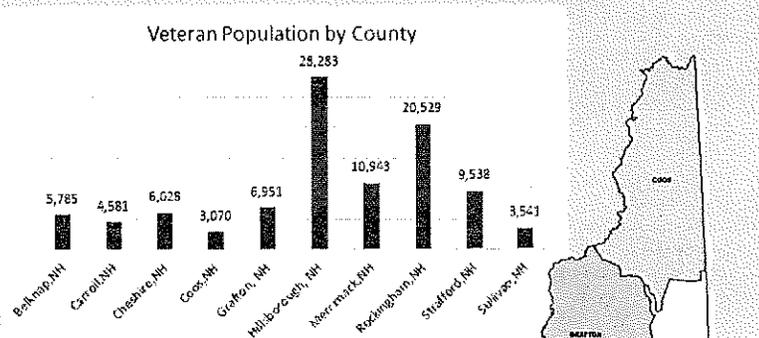
77.5%

Homeownership rate of NH Veterans.

17,311

Approximately 17,311 NH Veterans live in homes with one or more major problems of quality, crowding or cost. Housing affordability is the greatest housing problem among NH Veterans.

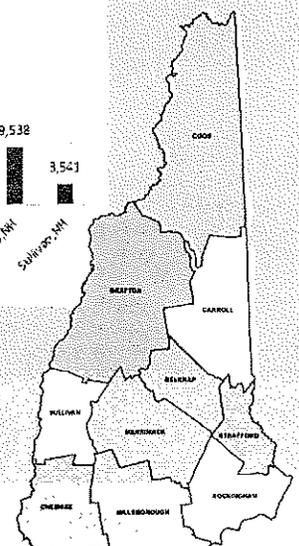
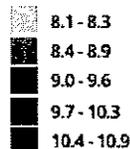
VETERAN DISTRIBUTION



DENSITY BY COUNTY

Counties

Percent Veteran Population





Supporting New Hampshire's Veterans

STATE GOVERNMENT

DEPT OF MILITARY AFFAIRS & VETERANS SERVICES

Division of Veterans Services
Division of Community Based Military Programs
NH State Veterans Cemetery
State Veterans Council
NH Military Leadership Team

NH VETERANS HOME

Located in Tilton, NH, the NH Veterans Home strives to provide the best quality of life for NH Veterans with dignity, honor & respect.

NH SUICIDE PREVENTION COUNCIL-- MILITARY & VETERANS COMMITTEE

This committee merged with the NH Governor's Challenge to Prevent Suicide among SMVF team. Committee is co-chaired by Amy Cook.

GOVERNOR'S COMMISSION ON ALCOHOL & OTHER DRUGS-JOINT MILITARY TASK FORCE

Major General Mikolaities, Committee Chair
Funding has been authorized by the Commission to provide services for military and Veterans.

INITIATIVES & NEEDS

Initiatives

Suicide Prevention
NH Veteran-Friendly Businesses
ATQ: Ask, Link, Collaborate
Military/Veteran Family Support

Needs

Coordinated/centralized resource & referral assistance with customized support
Affordable housing
In-home aging services
Increase VA enrollment



VETERANS AFFAIRS

VA Medical Centers

Manchester VA Medical Center

White River Junction VA Medical Center

- VAMC Directors are members of the NH Military Leadership Team.
- Community Based Outpatient Clinics: Conway, Keene, Littleton, Portsmouth, Somersworth, Tilton
- Wide variety of specialists available. VA care has positive health outcomes and is often more accessible.

Veterans Benefit Administration

- \$417,784,000 into NH Veterans pockets in 2020
- VBA Director is member of the NH Military Leadership Team.



COMMUNITY PARTNERS & RESOURCES

There are a variety of groups, coalitions and organizations serving Veterans statewide to meet needs in a variety of areas. The Department of Military Affairs & Veterans Services has representation on, involvement in and/or a partnership with the following:

- State Veterans Advisory Committee
- Vet Centers (Berlin, Manchester)
- North Country Veterans Committee
- Seacoast Veterans Committee
- Justice Involved Veterans Task Force
- Legislative Committee on PTSD & TBI
- Manchester Mayor's Challenge Team
- NH Veteran-Friendly Business Program Advisory Panel
- Lakes Region Veterans Coalition
- Community Behavioral Health Association
- Governor's Commission on Housing Stability
- Alliance for Healthy Aging
- NH Military Interstate Compact Commission (MIC3)
- Servicelink
- 2-1-1



2021 Strafford County Exemptions and Tax Credits

Municipality	Veterans' Tax Credits					Elderly Exemption							Blind Exemption		Disabled Exemption					
	RSA 72:28	RSA 72:28-b	RSA 72:28-c	RSA 72:29-a	RSA 72:35	RSA 72:39-a							RSA 72:37		Disabled Exemption Adopted	RSA 72:37-b				
	Veterans' Tax Credit	All Veterans' Tax Credit	Combat Service Tax Credit	Surviving Spouse Tax Credit	Tax Credit for Service-Connected Total Disability	Elderly Exemption 65-74	Elderly Exemption 75-79	Elderly Exemption 80+	Single Income Limit	Married Income Limit	Single Asset Limit	Married Income Limit	Blind Exemption Adopted	Blind Exemption	Disabled Exemption	Single Income Limit	Married Income Limit	Single Asset Limit	Married Income Limit	
Barrington	\$550	\$550	\$0	\$2,000	\$3,050	\$85,000	\$127,500	\$161,500	\$36,000	\$50,000	\$125,000	\$125,000	Yes	\$15,000	Yes	\$50,000	\$30,000	\$50,000	\$75,000	\$75,000
Dover	\$750	\$750	\$0	\$2,000	\$4,000	\$115,000	\$162,000	\$207,000	\$42,000	\$57,000	\$169,800	\$169,800	Yes	\$115,000	Yes	\$115,000	\$42,000	\$57,000	\$169,800	\$169,800
Durham	\$500	\$0	\$0	\$2,000	\$2,500	\$125,000	\$175,000	\$225,000	\$38,000	\$52,000	\$200,000	\$200,000	Yes	\$30,000	Yes	\$110,000	\$38,000	\$52,000	\$155,000	\$155,000
Farmington	\$750	\$0	\$0	\$2,000	\$2,000	\$75,000	\$95,000	\$125,000	\$30,000	\$60,000	\$75,000	\$75,000	Yes	\$15,000	No	\$0	\$0	\$0	\$0	\$0
Lee	\$500	\$500	\$0	\$700	\$1,400	\$174,000	\$210,000	\$270,000	\$46,500	\$59,400	\$222,500	\$222,500	Yes	\$15,000	No	\$0	\$0	\$0	\$0	\$0
Madbury	\$500	\$0	\$0	\$700	\$2,000	\$90,000	\$110,000	\$130,000	\$40,000	\$50,000	\$180,000	\$180,000	Yes	\$15,000	No	\$0	\$0	\$0	\$0	\$0
Middleton	\$400	\$0	\$0	\$700	\$2,000	\$20,000	\$25,000	\$30,000	\$30,000	\$40,000	\$75,000	\$75,000	Yes	\$15,000	No	\$0	\$0	\$0	\$0	\$0
Milton	\$500	\$500	\$0	\$700	\$2,500	\$42,500	\$64,000	\$85,000	\$30,000	\$40,000	\$75,000	\$75,000	Yes	\$15,000	No	\$0	\$0	\$0	\$0	\$0
New Durham	\$500	\$500	\$0	\$700	\$1,400	\$45,000	\$65,000	\$90,000	\$26,000	\$35,000	\$60,000	\$60,000	Yes	\$15,000	Yes	\$13,400	\$26,000	\$35,000	\$60,000	\$60,000
Rochester	\$300	\$0	\$0	\$2,000	\$2,000	\$75,000	\$100,000	\$125,000	\$35,000	\$50,000	\$100,000	\$100,000	Yes	\$75,000	Yes	\$75,000	\$35,000	\$50,000	\$100,000	\$100,000
Rollinsford	\$500	\$0	\$0	\$1,400	\$1,400	\$50,000	\$75,000	\$100,000	\$32,000	\$36,000	\$100,000	\$100,000	Yes	\$15,000	No	\$0	\$0	\$0	\$0	\$0
Somersworth	\$500	\$0	\$0	\$2,000	\$2,000	\$50,000	\$65,000	\$75,000	\$32,000	\$50,000	\$100,000	\$100,000	Yes	\$25,000	No	\$0	\$0	\$0	\$0	\$0
Strafford	\$200	\$0	\$0	\$700	\$700	\$30,000	\$40,000	\$50,000	\$30,000	\$40,000	\$75,000	\$75,000	No	\$0	Yes	\$30,000	\$20,000	\$30,000	\$35,000	\$35,000
Average	\$496	\$215	\$0	\$1,354	\$2,073	\$75,115	\$101,038	\$128,731	\$34,423	\$47,646	\$119,792	\$119,792		\$28,077		\$30,262	\$14,692	\$21,077	\$45,754	\$45,754
Median	\$500	\$0	\$0	\$1,400	\$2,000	\$75,000	\$95,000	\$125,000	\$32,000	\$50,000	\$100,000	\$100,000		\$15,000		\$0	\$0	\$0	\$0	\$0
Mode	\$500	\$0	\$0	\$2,000	\$2,000	\$75,000	\$65,000	\$125,000	\$30,000	\$50,000	\$75,000	\$75,000		\$15,000		\$0	\$0	\$0	\$0	\$0

2021 Strafford County Exemptions and Tax Credits

The Statistics Below DO NOT include any data above entered as "\$0"

Municipality	Veterans' Tax Credits					Elderly Exemption							Blind Exemption		Disabled Exemption					
	RSA 72:28	RSA 72:28-b All Veterans' Tax Credit	RSA 72:28-c Combat Service Tax Credit	RSA 72:29-a Surviving Spouse Tax Credit	RSA 72:35 Tax Credit for Service-Connected Total Disability	Elderly Exemption 65-74	Elderly Exemption 75-79	Elderly Exemption 80+	RSA 72:39-a Single Income Limit	Married Income Limit	Single Asset Limit	Married Income Limit	RSA 72:37 Blind Exemption Adopted	Blind Exemption	Disabled Exemption Adopted	Disabled Exemption	RSA 72:37-b Single Income Limit	Married Income Limit	Single Asset Limit	Married Income Limit
Barrington	\$550	\$550		\$2,000	\$3,050	\$85,000	\$127,500	\$161,500	\$36,000	\$50,000	\$125,000	\$125,000	Yes	\$15,000	Yes	\$50,000	\$30,000	\$50,000	\$75,000	\$75,000
Dover	\$750	\$750		\$2,000	\$4,000	\$115,000	\$162,000	\$207,000	\$42,000	\$57,000	\$169,800	\$169,800	Yes	\$115,000	Yes	\$115,000	\$42,000	\$57,000	\$169,800	\$169,800
Durham	\$500			\$2,000	\$2,500	\$125,000	\$175,000	\$225,000	\$38,000	\$52,000	\$200,000	\$200,000	Yes	\$30,000	Yes	\$110,000	\$38,000	\$52,000	\$155,000	\$155,000
Farmington	\$750			\$2,000	\$2,000	\$75,000	\$95,000	\$125,000	\$30,000	\$60,000	\$75,000	\$75,000	Yes	\$15,000	No					
Lee	\$500	\$500		\$700	\$1,400	\$174,000	\$210,000	\$270,000	\$46,500	\$59,400	\$222,500	\$222,500	Yes	\$15,000	No					
Madbury	\$500			\$700	\$2,000	\$90,000	\$110,000	\$130,000	\$40,000	\$50,000	\$180,000	\$180,000	Yes	\$15,000	No					
Middleton	\$400			\$700	\$2,000	\$20,000	\$25,000	\$30,000	\$30,000	\$40,000	\$75,000	\$75,000	Yes	\$15,000	No					
Milton	\$500	\$500		\$700	\$2,500	\$42,500	\$64,000	\$85,000	\$30,000	\$40,000	\$75,000	\$75,000	Yes	\$15,000	No					
New Durham	\$500	\$500		\$700	\$1,400	\$45,000	\$65,000	\$90,000	\$26,000	\$35,000	\$60,000	\$60,000	Yes	\$15,000	Yes	\$13,400	\$26,000	\$35,000	\$60,000	\$60,000
Rochester	\$300			\$2,000	\$2,000	\$75,000	\$100,000	\$125,000	\$35,000	\$50,000	\$100,000	\$100,000	Yes	\$75,000	Yes	\$75,000	\$35,000	\$50,000	\$100,000	\$100,000
Rollinsford	\$500			\$1,400	\$1,400	\$50,000	\$75,000	\$100,000	\$32,000	\$36,000	\$100,000	\$100,000	Yes	\$15,000	No					
Somersworth	\$500			\$2,000	\$2,000	\$50,000	\$65,000	\$75,000	\$32,000	\$50,000	\$100,000	\$100,000	Yes	\$25,000	No					
Strafford	\$200			\$700	\$700	\$30,000	\$40,000	\$50,000	\$30,000	\$40,000	\$75,000	\$75,000	No		Yes	\$30,000	\$20,000	\$30,000	\$35,000	\$35,000
Average	\$496	\$560		\$1,354	\$2,073	\$75,115	\$101,038	\$128,731	\$34,423	\$47,646	\$119,792	\$119,792		\$30,417		\$65,567	\$31,833	\$45,667	\$99,133	\$99,133
Median	\$500	\$500		\$1,400	\$2,000	\$75,000	\$95,000	\$125,000	\$32,000	\$50,000	\$100,000	\$100,000		\$15,000		\$62,500	\$32,500	\$50,000	\$87,500	\$87,500
Mode	\$500	\$500		\$2,000	\$2,000	\$75,000	\$65,000	\$125,000	\$30,000	\$50,000	\$75,000	\$75,000		\$15,000						
Rochester	\$300	\$0		\$2,000	\$2,000	\$75,000	\$100,000	\$125,000	\$35,000	\$50,000	\$100,000	\$100,000	Yes	\$75,000	Yes	\$75,000	\$35,000	\$50,000	\$100,000	\$100,000
Proposed Rochester	\$300	\$0		\$2,000	\$2,000	\$90,000	\$120,000	\$150,000	\$38,500	\$55,000	\$120,000	\$120,000	Yes	\$75,000	Yes	\$75,000	\$35,000	\$50,000	\$100,000	\$100,000
Proposed %	60%	0%		148%	96%	120%	119%	117%	112%	115%	100%	100%		247%		114%	110%	109%	101%	101%
Dover %	151%	134%		148%	193%	153%	160%	161%	122%	120%	142%	142%		378%		175%	132%	125%	171%	171%
Farmington	151%	0%		148%	96%	100%	94%	97%	87%	126%	63%	63%		49%		0%	0%	0%	0%	0%
Rochester	60%	0%		148%	96%	120%	119%	117%	112%	115%	100%	100%		247%		114%	110%	109%	101%	101%

FINANCE COMMITTEE

Monthly Financial Summary Report

Agenda Item Name: Monthly Financial Statements Summary – as of October 31, 2022

For the full detail report, click here: [October 31, 2022 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 October 31, 2022, which represents approximately 33% completion of FY23. A “Pending” designation means no revenues for that category were received by October 31, 2022.

GENERAL FUND NON PROPERTY TAX REVENUES

Motor Vehicle Registrations: FY23 Adopted \$5,100,000: \$1,990,851 collected, 39%.

Waste Management Host Fees: First & Second payments received, total \$2,379,807; **Note:** FY23 City Adopted Budget \$3,300,000, School Budget \$878,127-Total \$4,178,127.

Building Permits: FY23 Adopted \$350,000: \$293,823 collected, 84%.

Interest Income: FY23 Adopted \$50,000: \$190,742 collected, 382%- Interest rates increased to almost 2% on investment accounts.

Interest on Delinquent Taxes: FY23 Adopted \$360,000: \$233,547 collected, 65%- Tax Year 2021 Tax Lien Notices submitted 9-30-22.

State of NH Rooms & Meals: FY23 Adopted \$2,296,678: Pending- Revenues typically received in December of each year.

Highway Block Subsidy: FY23 Adopted \$617,000: \$381,236 collected, (two quarterly payments), 62%.

Cablevision: Pending- First quarterly payments related to FY23 not received until December.

Recreation-Summer/Fall Programs: FY23 Adopted \$115,550: \$94,432 collected, 82%.

GENERAL FUND EXPENSES: FY23 overall expenses are slightly below budget at 30%-Allocation 26% Expended, 4% Encumbered.

Police Patrol Overtime: FY23 Adopted \$108, 546: Expended \$72,546, 67%

Fire Overtime: FY23 Adopted \$240,000: Expended \$118,215, 49%

WATER-SEWER SPECIAL REVENUE FUNDS:

Summary Water-Sewer Funds:

Water Fund FY23 Adopted Revenues/Expenses \$7,686,468: Revenues 14%, Expenses 15%.

Sewer FY23 Adopted Revenues/Expenses \$10,524,422: Revenues 11%, Expenses 34%.

Note: Water & Sewer revenues decreased approximately 4% from August-31, 2022 Financial Report. This was due to a fiscal year end accrual reclassification of revenues received in FY23 that belonged in FYE22.

Community Center: FY23 Adopted Revenues/Expenses \$941,071,66: Revenues 30% collected, Expenses 33 %

Arena Special Revenue: FY23 Adopted Revenues/Expenses \$431,66: Revenues 11% collected Expenses 47%.