

**City Council Public Hearing  
June 2, 2015  
COUNCIL CHAMBERS  
7:00 PM**

**COUNCILORS PRESENT**

Councilor Bogan  
Councilor Collins  
Councilor Gates  
Councilor Gray  
Councilor Hamann  
Councilor Keans  
Councilor Lachapelle  
Councilor Larochelle  
Councilor Lauterborn  
Councilor Torr  
Councilor Varney  
Councilor Walker  
Mayor Jean

**OTHERS PRESENT**

City Manager Fitzpatrick  
Deputy City Manager Cox  
Attorney O'Rourke  
Fred Leonard, Resident  
Gregg DeNobile, Resident  
Thomas Kaczynski, Resident,  
and State Representative  
for District 22  
Dan Harkinson, Resident and  
Chair of School Board  
Molly Meulenbroek, Resident  
Chair of the Historic District  
Commission

**MINUTES**

**1. Call to Order**

Mayor Jean called the City Council Public Hearing to order at 7:00 PM. Kelly Walters, City Clerk, took a silent roll call. All Councilors were present.

Mayor Jean gave a brief overview of the City's budget resolutions and invited the public to come forward and address the City Council.

**2. **AB 143** Resolution Approving the 2015 – 2016 Operating Budget for the City of Rochester**

**RESOLUTION APPROVING 2015-2016 OPERATING BUDGET  
FOR THE CITY OF ROCHESTER**

**BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER:**

That a twelve (12) month operating budget for the City of Rochester be, and hereby is, approved and appropriated for the period beginning July 1, 2015 and ending June 30, 2016 in the amounts and for the purposes more

particularly set forth in the City of Rochester, Proposed Budget, Fiscal Year 2016 (July 1, 2015 - June 30, 2016), as amended, the provisions of which are incorporated herein by reference thereto by attached **Exhibit A**.

This budget may be reconsidered before the tax rate is set if City, School and/or County revenues are changed by the State of New Hampshire or by the Federal Government. The budget appropriations contained in this Resolution are predicated upon projected revenues as more particularly set forth in the City of Rochester, Proposed Budget, Fiscal Year 2016 (July 1, 2015 - June 30, 2016), as amended, the provisions of which are incorporated herein by reference thereto. **CC FY 15 AB 143**

***Exhibit A Can be found attached to this set of minutes***

- 3. AB 144 Resolution Authorizing and Approving 2015-2016 Capital Budget for the City of Rochester and Authorizing Borrowing in Connection Therewith**

**RESOLUTION AUTHORIZING AND APPROVING 2015-2016 CAPITAL BUDGET FOR THE CITY OF ROCHESTER AND AUTHORIZING BORROWING IN CONNECTION THEREWITH**

**BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER:**

That the capital budget for the City of Rochester for the July 1, 2015 to June 30, 2016 fiscal year in the total amount specified in **Exhibit A** annexed hereto, be, and hereby is, authorized and appropriated, and, in accordance with the provisions of RSA 33:9, the City Treasurer, with the approval of the City Manager, is hereby authorized to arrange borrowing to finance a portion of said capital budget appropriation as identified on Exhibit A annexed hereto.

The aforementioned borrowing is authorized subject to compliance with the provisions of RSA 33:9 and Section 45 of the Rochester City Charter. The useful lives of the capital projects for which borrowing is authorized by this resolution shall be more particularly set forth in the "City of Rochester, New Hampshire, Proposed CIP Budget, Fiscal Year 2016 (July 1, 2015 –June 30, 2016), as amended. **CC FY 15 AB 144**

***Exhibit A Can be found attached to this set of minutes***

Fred Leonard, resident, addressed the City Council concerning some of the CIP Budget items. He noted that the downtown area has not

changed much in the past twenty-four years since he moved here. He said businesses are not successful in the downtown area and jobs are not being created for the residents of Rochester.

Mr. Leonard spoke against the Granite State Business Park Bus Stop/Sidewalk Project, the Way Finding Signage Project, as well as the Granite State Business Park Water Loop Project.

Mr. Leonard said there is a CIP item for a folder inserter. It is unclear if the cost is \$8,000 or \$24,000 because the cost is divided between several departments.

Mr. Leonard questioned the need to spend twenty-four million dollars on a new Public Works Building.

Mr. Leonard recommended holding off on making a final decision on the Annex Project at this time.

Mr. Leonard stated that the Waste Water Treatment Plant is also in the CIP Budget. This would triple the sewer rates. He said the City should be fighting the EPA as another state has done successfully.

Mr. Leonard talked about the number of CIP Arena Projects. He said if the Arena is no longer a self-sustaining entity, then why is the City still funding it.

Mr. Leonard said there is an Opera House Handicap Ramp Project proposed in the budget. He questioned if the Opera House would contribute anything toward the cost.

Mr. Leonard said there is no growth in the City outside of the manufacturing within the Granite State Business Park. He thanked the City Council for its time.

Gregg DeNobile, resident, addressed the City Council concerning the budget. He still does not see a long term financial plan in place for the City of Rochester. He talked about the increase in the budget over the past many years. He said the budget is up to \$112,000,000. This is unbelievable.

Mr. DeNobile talked about the right-to-know request policy. He said most of the information requested should be readily available and not need to fall under the right-to-know laws.

Mr. DeNobile talked about the spending in the City. He understood the benefits of creating a TIF District; however, the taxpayers would not reap the benefits of these districts for many years to come. He urged the City Council to consider a long term financial plan.

Mr. DeNobile thanked the City Council for its time and consideration.

Dan Harkinson, resident, addressed the City Council as a member of the School Board, but not on behalf of the School Board. He thanked the City Council for the long-time financial support. He said the School Budget is approximately \$60,000,000.

Mr. Harkinson said the School Board has turned back substantial amounts of money each year. He said the Special Education costs have increased above the amount of money allowed by the tax cap. This has had a direct impact on the regular education budget. This has resulted in cutting thirty-five certified positions throughout the district. This issue must be addressed by the School Board and City Council.

Mr. Harkinson said the School Board is presenting a budget that falls within the Tax Cap and asked for the City Council's full support.

Thomas Kaczynski, resident, and State Representative [Ward 1 and 6] addressed the City Council. He talked about the tax cap. It seems each year it is treated like a charge card and maxed out to the limit; however, he recommended that the budget be level funded this year. He asked when was the last time the City Council passed a budget with a tax decrease. He thought it may have been back in the year 2000.

Mr. Kaczynski talked about the salaries and benefits for the City of Rochester. He noted that one gentleman spoke well at the May 19, 2015, Budget Workshop and brought up some legitimate points.

Mr. Kaczynski noted that the Arena budget discussion left a lot of questions unanswered. It sounded like the Arena fund is in the red by \$140,000. This was supposed to be an enterprise fund and the taxpayers cannot afford the Arena if it is not self-sustaining. He added that the government should not take on the responsibility of recreation in the City.

Mr. Kaczynski talked about the local government spending. He said what technology is really needed to register dogs and pay taxes.

Mr. Kaczynski stated that not everyone is in support of the East Rochester School. He said most citizens will not address the City Council

at the podium; however, every citizen who speaks at the podium represents other taxpayers, as well.

Molly Meulenbroek, Historic District Commission, addressed the City Council. She supports the City Hall Annex Project and urged the City Council not to tear down this historic building. It should be preserved even if it cannot be rehabilitated at this time.

Mayor Jean closed public input at 7:51 PM.

#### **4. Adjournment**

Councilor Lachapelle **MOVED** to **ADJOURN** the Public Hearing at 7:51 PM. Councilor Walker seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Respectfully submitted,

Kelly Walters  
City Clerk

2015-2016 City of Rochester Operating Budget Resolution-Exhibit A

<b>Operations</b>	<b>FY16 Mgr Proposed</b>
General Fund	
City Operations	\$22,711,610
County Taxes	\$6,077,984
Debt Service	\$4,735,036
Capital Projects Transfer	<u>\$1,658,400</u>
<b>Total City General Fund Operations</b>	<b>\$35,183,030</b>
School	\$58,649,913
School State Education Tax	\$4,935,450
City Grants & Special Rev Funds	\$610,562
School Grants & Special Rev Funds	\$4,860,000
Community Center	\$779,937
<b>Total Operating Budgets</b>	<b><u>\$105,018,892</u></b>
Enterprise Funds	
Water Fund	\$5,414,066
Sewer Fund	\$6,828,247
Arena Fund	\$592,653
<b>Total Enterprise Operating Budgets</b>	<b><u>\$12,834,966</u></b>
<b>Total Operations all Funds</b>	<b><u>\$117,853,858</u></b>

**FY 16 PROPOSED**

## 2015-2016 CAPITAL IMPROVEMENTS REVENUE SUMMARY-RESOLUTION EXHIBIT A

	PROJECT AMOUNT	BOND PROCEEDS	O&M CASH	FUND BAL RET EARN	DED REVENUE	OTHER SOURCES	GRANTS
<b><u>GENERAL FUND</u></b>							
CITY*	15,476,830	13,258,430	1,658,400	0	0	0	560,000
SCHOOL	1,093,400	901,000	192,400	0	0	0	0
<b>TOTAL GENERAL FUND</b>	<b>16,570,230</b>	<b>14,159,430</b>	<b>1,850,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>560,000</b>
<b><u>ENTERPRISE FUNDS</u></b>							
WATER	3,942,000	3,850,000	92,000	0	0	0	0
SEWER	6,658,000	6,500,000	158,000	0	0	0	0
ARENA	860,000	850,000	10,000				
<b>TOTAL ENTERPRISE FUNDS</b>	<b>11,460,000</b>	<b>11,200,000</b>	<b>260,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ALL CIP</b>	<b>28,030,230</b>	<b>25,359,430</b>	<b>2,110,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>560,000</b>

\* Includes Community Center Cash CIP

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