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Finance Committee
Meeting Minutes

Meeting Information

Date: January 11, 2022

Time: 6:00 P.M.

Location: Council Chambers, 31 Wakefield Street, Rochester, NH

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

City staff present: Deputy City Manager Katie Ambrose. Deputy Finance Director Mark Sullivan. Police Chief Gary Boudreau. Assistant Director of Economic Development Jenn Marsh. Interim Fire Chief Perry Plummer.

Others present: Riverwalk Committee Chair, David Walker.

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. All Councilors were present, as noted above.

2. Acceptance of Minutes: October 12, 2021

Councilor Lachapelle **MOVED** to **ACCEPT** the minutes of the October 12, 2021 Finance Committee meeting. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

3. Public Input

Deputy City Manager Katie Ambrose read an email from Bill Elwell, resident, in regards to agenda item 5.1.3 discussing Fire Department overtime. *(This email is included as an addendum to the packet online)*

4. Unfinished Business

No discussion.

5. New Business-

5.1.1 Police Department- Body Cameras Competitive Bid Waiver

Finance Director Ambrose explained that the Police Department had requested a bid waiver due to the pricing structure of the project diverging from what had been presented and approved by Council during the previous budget cycle.

Chief Boudreau reiterated that the body camera purchase project had been approved by Council for FY22. At that time, it was presented that the request was \$150,000 with the anticipated upfront fees being \$125,000 followed by yearly fees of approximately \$40,000 for licensing and software. However, once the department started researching and discussing options with vendors, it was realized that most of the major manufacturers operate using a subscription service without a large initial fee. The subscription service would require a 5-year contract with an upfront cost of \$15,000, along with an annual subscription fee of \$50,000. Chief Boudreau stated that the department already uses in-cruiser cameras from the manufacturer WatchGuard, and has had these in place for the past decade. The department is looking for cameras that will work seamlessly with these in-car cameras. WatchGuard manufactures body cameras as well, which would integrate with the products the police department already has in use. The overall cost of the WatchGuard product was also the least of all the manufacturers reviewed. The Police Department is requesting a waiver to avoid the bid process and instead go directly with the WatchGuard product, entering into a 5-year subscription contract. He stated that the initial \$150,000 is already approved in the CIP, but as they enter into the latter part of the contract, they will need to add the additional costs into the O&M budget.

Councilor Lachapelle asked if this contract would be for the purchase of 50 total body cameras. Chief Boudreau stated that the purchase would be for 60 cameras; the department has 63 sworn officer positions (not all of which are currently filled) and 50 cameras would cover the frontline officers.

Councilor Hainey asked for clarification on the total cost. Chief Boudreau stated that the \$150,000 already approved would cover the first three years of the contract. He outlined the remainder being requested for the total project cost of \$254,000.

Councilor Larochelle asked if the purchase through WatchGuard would reduce the amount of training needed. Chief Boudreau responded that all officers do already have familiarity with the WatchGuard software due to the use of the in-car cameras, so there would likely be less time needed to familiarize with the body cameras.

Councilor Beaudoin asked if the contract covered maintenance on the equipment. Chief Boudreau responded that while the units are under contract they can be sent back to the manufacturer for service or replaced at no additional cost if there are any issues.

Mayor Callaghan inquired why there was a body camera being ordered for each individual officer as opposed to ordering fewer and distributing them per shift. Chief Boudreau reported that the manufacturer recommends one camera per officer to allow for proper charging time and data upload to the cloud-based service in between shifts.

Mayor Callaghan asked for a brief explanation of the benefits of body camera use. Chief Boudreau stated that these devices protect both officers and the citizens they serve, and monitor behavior on both ends. It has also been shown to reduce complaints regarding officer conduct.

Councilor Beaudoin inquired about the security of using cloud-based storage. Chief Boudreau said that the storage solution is regulated by stringent federal guidelines and only authorized personnel would have access.

Councilor Hamann inquired about the average useful life of the body cameras. Chief Boudreau stated that there is the potential, depending on how technology advances, to replace these cameras at the end of the 5-year contract. He also stated that in year 3 of the contract, the department would be allowed to replace batteries and cameras if needed.

Councilors Lachapelle **MOVED** to recommend to full Council to approve the bid waiver for the police department body camera purchase as well as the changes to funding. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

5.1.2 Economic Development Dept- Riverwalk Funding-Discussion

Finance Director Ambrose gave a brief background on the Riverwalk funding. She stated that the Committee funds their activities through a donation account. When the fund was created, there was a \$5000 annual cap established for fundraising and community donations. She said the Riverwalk Committee is looking to increase this cap. Finance Director Ambrose stated that the Finance Committee could consider whether to increase that threshold on donations or to recommend the Riverwalk Committee fund their activities through Economic Development budget appropriations

Jenn Marsh, Assistant Director of Economic Development, stated that the Riverwalk Committee had some upcoming activities planned that are not eligible for grant funding. There are also several projects that will require very small costs. It would be tedious to have to come before Council to ask for approval for such nominal amounts. Ms. Marsh stated that the Riverwalk Committee is requesting that their fund can be adjusted to allow for the acceptance of more funding beyond the current cap. They are also looking for the ability to expend funds without having to come to full Council for approval for these smaller cost projects. Ms. Marsh gave a brief overview of a couple projects the Riverwalk Committee is looking to undertake in the near future.

Ms. Marsh said that the Riverwalk Committee has not done a large amount of fundraising in the past due to the time and energy involved for staff and the Finance department. Therefore, she suggested having a line item in the O&M budget through the Economic Development department in the amount of \$5000 which could be expended for small projects and activities.

Councilor Beaudoin asked for clarification on the \$5000 cap referenced. Ms. Marsh stated that when the fund was established, this cap was put in place which prevented the Committee from raising more than this amount.

Councilor Hamann **MOVED** to remove the \$5000 cap from the Riverwalk fundraising account. Councilor Lachapelle seconded the motion. Councilor Hamann stated that it would be to the City's benefit if the Committee was able to raise money to fund their own projects and activities. Deputy Finance Director Mark Sullivan discussed the concerns with fundraising from a Finance perspective. He stated that the City is not equipped to deal with fundraising activities, which have different accounting rules, regulations, reporting requirements, and burden of proving donor intent. He suggested instead that the Committee be given a small operating budget using a multi-year fund that does not expire.

Councilor Beaudoin referenced NH RSA 34, which regulates Capital Reserve Funds and monies taken in trust. He questioned whether the fundraised money was taken in trust and if it follows the requirements of the RSA, which he stated would limit the abilities of the Finance Committee to recommend change. Councilor Beaudoin requested a legal opinion on the matter before moving forward.

Councilor Gray stated that if the previous motion were rescinded, he move to make \$2500 from contingency available to the Riverwalk Committee and to direct the City Manager to make a proposal later in year requesting additional funding if needed to be added to the budget. Councilor Hamann **WITHDREW** his motion. Councilor Lachapelle **WITHDREW** his second to the motion. Councilor Gray **MOVED** to appropriate \$2500 from contingency to the Riverwalk Committee and to direct the City Manager as noted above. Councilor Lachapelle seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

David Walker, Riverwalk Chair, asked for clarification on whether the \$5000 cap was still in effect. Finance Director Ambrose confirmed the cap was still in place. Mr. Walker inquired, if the Committee were to be given a large donation, if they would be able to accept it due to this cap. He said that he preferred the suggestion of removing the cap entirely to allow for larger donations. Deputy Finance Director Sullivan clarified that there are two issues being discussed; the fundraising activity, which is what he had concerns regarding, and the second issue is grants and donations. Mr. Sullivan said that if someone did come forward with a larger donation, it could be placed in the Riverwalk fund and Council could approve appropriations from that fund as needed and the cap would not affect acceptance of these funds.

Councilor Beaudoin inquired, if the cap were removed, if the Riverwalk Committee could expend funds without Council approval. It was confirmed that this is the case. Deputy Finance Director Sullivan reiterated that currently, each time the Riverwalk Committee needs to spend any funding, they need to come to Council for approval, which is why he was suggesting a small operating budget.

Councilor Beaudoin suggested advancing money to the Riverwalk Committee for fundraising

DRAFT

activities, with these funds then being replaced with money raised through said fundraising. Councilor Gray stated that the previous motion passed would accomplish the same thing, with \$2500 going to the Riverwalk Committee to use as they deem appropriate and directing the City Manager to come back to the Finance Committee for additional funding requests if needed. Councilor Beaudoin withdrew his suggestion.

5.1.3 Fire Department- Firefighter Overtime Summary Memo-Discussion

Interim Fire Chief Perry Plummer directed the Committee to the informational memo contained in the packet. He stated that the Fire Department had been underfunded in the overtime budget. There were expenses due to employee raises and promotions, as well as callbacks and holdovers for employees being significantly increased. He reported that military deployments were a large contributing factor. The department is required to maintain 8-person minimum staffing, so hires are made to maintain the minimum level when other employees are deployed. However, the deployed staff members are not receiving City salaries while they are away from the department, and this is taken into consideration.

Councilor Beaudoin referenced the passage in the memo that stated that 3 staff members were returning from deployment in March, which would reduce the need for overtime. He asked if this was factored into the information included in the memo. Chief Plummer stated that this had been factored into the numbers given.

Reports from Finance & Administration

5.2.1 Monthly Financial Report Summary-December 31, 2021

Deputy Finance Director Sullivan stated that at 50% through the FY22 budget, non-property tax revenues remain strong. He reported that the City received \$728,399 over the budget in State of NH Rooms and Meals Tax revenue. This surplus was used to offset the DRA 2021 final property tax rate, which caused a reduction in the tax rate of approximately \$.25 cents per thousand. Expenses are trending to budget. Mr. Sullivan stated that the Community Center special revenue fund and the Arena fund are slightly elevated.

6. Other

No discussion.

7. Adjournment

Mayor Callaghan **ADJOURNED** the Finance Committee meeting at 6:30 PM.

Respectfully Submitted,
Cassie Givara
Deputy City Clerk