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Finance Committee  
Meeting Minutes

Meeting Information

Date: October 13, 2020

Time: 6:30 P.M.

Location: Council Chambers, 31 Wakefield Street & Remotely via Microsoft Teams

**Committee members present:** Mayor McCarley, Deputy Mayor Lauterborn, Councilor Bogan, Councilor Gray, Councilor Hamann, Councilor Lachance, and Councilor Walker.

**Others present:** Deputy City Manager Katie Ambrose. City Clerk Kelly Walters. Superintendent of Schools Kyle M. Repucci. School Board Chair Paul Lynch. Rochester School Department Director of Facilities David Totty.

Agenda & Minutes

**1. Call to Order**

Mayor McCarley called the Finance Committee meeting to order at 6:30 PM and read the following preamble:

Good Evening, as Chairperson of the Finance Committee, I am declaring that an emergency exists and I am invoking the provisions of RSA 91-A:2, III (b). I also find that this meeting is imperative to the continued operation of City government and services, which are vital to public safety and confidence during this emergency. As such, this meeting will be conducted without a quorum of this body physically present in the same location.

At this time, I also welcome members of the public accessing this meeting remotely. The public can call-in to phone number: 857-444-0744 using conference code: 843095. This meeting will be set to allow the public to “listen-in” only, and there will be no public comment taken via conference line during the meeting.

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

Let’s start the meeting by taking a Roll Call attendance. When each member states their name and ward, also please state whether there is anyone in the room with you during this meeting, which is required under the Right-to-Know law.

Deputy City Manager Katie Ambrose took the roll call. The following Committee Members were physically present: Mayor McCarley, Deputy Mayor Lauterborn, Councilor Gray, Councilor Lachance, and Councilor Walker. The following Committee Members participated remotely and

alone at the location from which they were connecting remotely: Councilor Bogan, Councilor Hamann (joined the meeting at 6:34 PM).

## **2. Public Input**

Deputy City Manager Ambrose read public input submitted by resident Ray Barnett, which addressed the committee regarding the School Department's purchasing practices and procedures. *\*Added as an addendum to the agenda packet*

## **3. Unfinished Business-None**

No discussion.

## **4. New Business-**

### **4.1 School Department COVID-19 Expenses & Discussion**

Superintendent Repucci noted that all School purchasing policies and normal business practices were followed in procuring COVID-19 supplies. He identified School Board policy DJF which states special arrangements may be made for ordering emergency supplies, and policy DJC which states: the Superintendent may waive bid requirements during an emergency, an emergency would include an event that could delay school, close school, or create a safety hazard or potential safety hazard, the School Board Chair shall be notified immediately and the School Finance Committee shall be notified of emergency purchases at the next regularly scheduled meeting. Superintendent Repucci added that their business practice of going to the board & committees was not followed because he invoked these two policies, and welcomed any questions on the expense report.

Councilor Walker asked how many purchases on the expense report were made before the School Department requested a supplemental appropriation. Superintendent Repucci responded that the cloth masks and dividers were purchased due to supply chain issues and that the School Board Chair & Vice Chair were in communications with staff throughout the process. Councilor Walker inquired if three quotes were obtained or if they were purchased through one vendor. Superintendent Repucci responded that they went through one vendor due to the lead time in ordering which the policies allow.

Councilor Walker noted that the pricing in what was presented to City Council (when requesting the supplemental appropriation) appeared to be overpriced and referenced hand sanitizer as an example. Director Totty explained that hand sanitizer was purchased through pre-approved cleaning supply vendors and is of higher quality at 75% alcohol. He added that the total purchase includes dispensers and close to 400 pump stations for rooms. Before the School had purchased any hand sanitizer directly they did reach out to existing vendor Citron to expand their contract to supply hand sanitizer but their prices were too high, other vendors had access to hand sanitizer but there was no guarantee that they could deliver. Now that the School Department has these supplies which will last a while, there is time to put some future purchases out to bid. Back when these were purchased it was very difficult to obtain these supplies so they had to

change vendors based on availability. Director Totty added that some of the hand sanitizer that was on the market was produced using methyl alcohol which is toxic, and the hand sanitizer that was purchased is 75% ethyl alcohol so it is a quality and trusted product.

Councilor Walker noted in the expense report that hand sanitizer is listed as 36 cases with 4 gallons per case and asked how much it cost per case. He has heard the figure \$119/gallon when the cost appears to actually be \$119/case which contains 4 gallons, and would like to clarify for the public that the School did not pay \$119/gallon. Superintendent Repucci stated that the cost was \$29.75 per gallon.

School Board Chair Lynch thanked Councilor Walker for pointing out that clarification and noted that the timeline between when the Department of Education released information and when students would be returning to school was very short, so the schools needed to move quickly to get what was needed in order for students to be safe. Everything was done legally and there was a real sense of urgency to obtain what was necessary to get students back in the buildings safely.

Councilor Walker asked School Board Chair Lynch if it was normal or standard procedure for him to have not obtained a vote from the full board. Chair Lynch answered that it was brought to the board's attention at the next full board meeting, and that the superintendent has the authority under policy to proceed in this type of circumstance and had been in communications that the orders needed to be made.

Councilor Walker inquired how much has been spent to date on COVID-19 supplies. Superintendent Repucci noted the total in the expense report as \$336,898.12 and added that the cost for consumables (masks, gloves, gowns etc.) is approximately \$2,800 a week.

Councilor Gray stated that the School and School Board have control of their budget and can purchase what they need now. In his opinion It is too early for a supplemental appropriation and Council can indicate support at an upcoming meeting, but the supplemental appropriation should be passed later. The School is responsible for purchasing what they need and City Council is responsible to ensure that it is funded.

Councilor Lauterborn noted that there may be additional CARES Act funding for education later in the year which could impact the amount requested for a supplemental appropriation.

Councilor Gray agreed and stated that it is too early to determine what is needed for a supplemental appropriation. He added that the School is conservative with their spending at that they typically return unexpended appropriations to the General Fund at year end. Superintendent Repucci stated that the School Department returned approximately \$1.8 million for FY20.

School Board Chair Lynch inquired if the Finance Committee would like to receive this expense report on a monthly basis.

Mayor McCarley asked that the committee be updated if something arises outside of the normal course of business, and added that in her individual opinion the relationship with the

School Board is very positive and that while City Council only has bottom line authority, the School Board and School Department put a lot of time into the budget that they provide to City Council and in estimating their expenditures. She was comfortable moving forward with the supplemental appropriation when it was requested and is concerned about setting a precedent otherwise. Mayor McCarley added that the School has notified the City that once they have finished the required additional assessments for special education students that they will probably need to request a supplemental appropriation for the cost of those assessments, which may or may not coincide with any additional federal aid. This request will be coming sometime in December.

Councilor Walker stated that the issue with the first supplemental appropriation request was the supporting information and detail, and now that we have answered those questions and concerns we can move on.

Mayor McCarley agreed and clarified that she finds the encouragement given to the School at the time of the request to spend what they have first and to come back later a troubling approach for their budget.

School Board Chair Lynch stated that they will continue to run the COVID-19 supply expense report moving forward and if committee members have any questions they can reach out. He agrees that there is a good working relationship with the City Council and agrees with Councilor Walker's approach to ask clarifying questions on the numbers to address misperceptions. They were not doing anything misleading, but it is important to break the numbers down so everyone can see what the School Department and School Board sees.

Mayor McCarley asked the committee to address item **6.0 Other** at this time since there is a School-related item. Finance Committee members received a resolution that the School Board had passed regarding Governor Sununu directing CARES Act funding towards private schools and vouchers for private schools. *\*Added as an addendum to the agenda packet*

School Board Chair Lynch commented that resolution was crafted by School Board Vice Chair Matt Pappas, and is meant to ask that the funding be shared by schools subject to the same requirements. He stated that private schools and charter schools are funded differently and do not have to meet the same requirements as public schools. The letter is asking that the Governor take this into consideration and the School Board wanted to make the Finance Committee aware that they had voted on this and plan to submit.

Councilor Gray stated that part of CARES Act funding is to support businesses and some of these private schools are businesses. The letter makes a distinction on the amount of funds directed to public vs. private schools, but it is important to consider what revenues a school is not going to get that they would have otherwise received and what expenses are they going to have that would not normally be covered by their budget. The state has provided millions of dollars of additional aid to public schools over the past few years, some of which was used for construction projects for Rochester Schools and to offset debt for the CTE Center. It is difficult to try and compare the amount of aid between schools and there are lots of options and choices for education.

Councilor Lachance requested an example of a standard that a public school has to adhere to that a private school is not required to meet. School Board Chair Lynch referenced differences in reporting requirements and will follow up with further details.

#### **42 City Clerk – Election Update & Discussion**

City Clerk Kelly Walters gave an update on the new satellite location at the Community Center for absentee ballots. There is adequate distancing and it has been very successful. They have mailed 3,080 ballots so far and they are keeping up with mailing the ballots each day. Additional signage is going up to help locate the back parking lot. The state is reimbursing approximately \$12,000 for the absentee ballots that were processed in the Primary Election through state election aid, and COVID-19 contingency funding is being utilized as needed for additional election purchases such as tents and printers. Plans will be finalized with moderators later this week including processing plans to accommodate absentee ballot requests received close to the election.

Councilor Walker asked if there is a deadline when absentee ballots are no longer mailed out.

City Clerk Walters answered that the deadline to return the ballot is 5pm on the day of the election and it is up to the voter to return it. If they request a ballot the day before the election we will mail them a ballot, but the deadline to return the ballot is by 5pm on election day.

Councilor Gray stated that ballots do not get mailed out on election day but can get mailed out the day prior, and if they are received via mail on election day then it could be returned that day in person by 5pm.

Mayor McCarley inquired about potential post office delays and if ballots were being sent to Manchester to be processed and then returned to Rochester for delivery.

City Clerk Walters replied that if the ballots are staying in Rochester that they are supposed to be separated and processed in Rochester. The Clerk's Office hand delivers the ballots to the local post office to be mailed and they have found them to be very helpful and timely. Staff at the local post office were running ballots over on the day of the last election to ensure that they were received on time.

Councilor Gray added that political mail receives a special tag to ensure that it receives priority in processing.

City Clerk Walters stated that they have received 1,300 absentee ballots already, so voters are doing a great job of returning them quickly.

Mayor McCarley inquired if there is adequate staffing for workers at the polls.

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City Clerk Walters answered that the moderators have been facilitating poll worker coverage and she has heard positive feedback that there are a lot of poll workers this year. She encourages anyone interested in volunteering to call.

Councilor Gray stated that you only have to be 17 years old to volunteer at the polls.

## **5. Reports from Finance & Administration**

### **5.1 Monthly Financial Report Summaries September 30, 2020**

#### **5.1 (a) September 30, 2020 Revenues**

#### **5.1 (b) September 30, 2020 Expenses**

Deputy City Manager Ambrose stated that the Waste Management Host Community Fees trended slightly lower than prior quarters but that was expected since they represented the April to June 2020 period, and the fees collected overall trended to budget. Now that the Rochester Neck Road has been accepted the increase to \$3.50 a ton will take effect on November 1<sup>st</sup> and those revenues will be reflected not in the next payment but the following payment.

## **6. Other**

Addressed under item # 4.1.

## **7. Adjournment**

Mayor McCarley **ADJOURNED** the Finance Committee meeting at 7:11 PM.

Respectfully Submitted,

Katie Ambrose, Deputy City Manager