

City of Rochester 2018 Annual Report

for the reporting period of
July 1, 2017 - June 30, 2018

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Chapter

1

In this Chapter:

Introduction
Employee Recognition and Achievements

Introduction

Our City Council

Our City Council consists of the Mayor and twelve (12) City Councilors. Rochester is divided into six (6) wards of as equal as practicable population, each ward having two (2) council representatives.

Our Mission

Our mission is to provide services which contribute to a sense of community and the overall quality of life.

Our Principles

As a City Council we will demonstrate our commitment for our city by seeking to adhere to the principles of:

- City Charter
- General Ordinances of the City of Rochester

Our Community

Our community, including residents, visitors and ratepayers, consists of the following:

- Business and investors
- Local service providers
- Community groups
- State and federal government agencies, and other local governments
- Professional organizations including industry

Our City Vision


Rochester's commitment to economic development has spurred major growth of manufacturing and high-tech companies. The City continues to diversify, strengthen and grow as business and industrial expansions attract new residents to the area.

Excellent educational advantages are available to residents. The Richard W. Creteau Regional Technology Center trains students for well-paid positions and assures companies in the area of a skilled workforce.

Shopping in Rochester provides residents in the city and surrounding communities with an attractive downtown area and several malls and plazas. Antiques, footwear, appliances, pharmacies, restaurants and a variety of services are found in downtown Rochester and small boutiques to large department and grocery stores are found at several plazas and malls located throughout the City.

Cultural and recreational activities include plays at the Rochester Opera House, theater, the Rochester Country Club golf course, ball fields, hiking, walking paths, rivers, ponds and lakes.

Combined with its natural beauty, easy access and many opportunities, Rochester is The Place To Be.



\$119.4m

Rochester City Council Budget
2017-2018

Our History

Originally inhabited by Abenaki Indians of the Pennacook tribe, the town was granted to settlers by Colonial Governor Samuel Shute. It was officially incorporated in 1722, named in honor of the Earl of Rochester. Actual settlement of Rochester was delayed until 1728 because of conflict with the Indian tribes.

Traditions of strong family values, strong work ethic and inspiring community spirit sustain the lasting pride among residents and businesses in Rochester. Awareness of Rochester's many natural assets and its recent industrial growth contributes to that pride. A great sense of volunteerism exists that is second to none. Whatever the need, whether for an individual or organization, Rochester opens its heart each and every time to help with a worthwhile cause.



74.33°F

average temperature May - October



199 sunny days

average days that are predominantly sunny

Our Location

Rochester, New Hampshire, known as the Lilac City, is located in Strafford County, with a population of almost 30,000. Rochester is one of the largest cities in New Hampshire, encompassing over 44 square miles of rolling hills and rivers. Conveniently located only a short distance from New Hampshire's famous Lakes Region, the White Mountains with its ski resorts and the Seacoast with its superb beaches. Only 32 miles NE of Manchester, New Hampshire and 65 miles N of Boston, Massachusetts.

Whether covered with its famous lilacs in the spring, flowers blooming in the summer, spectacular autumn foliage or fresh-fallen snow, the Rochester area is a scenic delight.

Our Environment

Rochester enjoys many of the conveniences of a prospering city combined with the delights of small-town New England traditions. Due to the restoration of the historic Rochester Opera House, cultural and civic activities are offered to residents in the area. Rochester celebrates annual fun family festivals in the spring and summer, over 120 years of the Rochester Fair (an old-fashioned agricultural fair) held in the fall, and a holiday parade in the winter.

One of Rochester's many attributes is its excellent air, highway, rail and water transportation connections. Major highways include routes 11, 108, 125, 202 and the Spaulding Turnpike (Route 16), a four lane, limited access highway with six exits to the City. This expressway provides easy access to Interstate 95, the Pease International Tradeport, Boston's Logan Airport, Manchester International Airport, the Portland International Jetport and the Port of Portsmouth. The New Hampshire Northcoast rail line and Skyhaven Airport also serve Rochester.

Employee Recognition

2017

New Employees

Henri Chretien - Library
Cindy Lamie - Recreation
Sonja Gonzalez - IT
Peter Nourse - Public Works
Mark Klose - Fire Dept.
Delores Mondou - Building, Zoning
Jonathan Rice - Assessing
Michele Grant - City Clerk
Catherine Givara - City Clerk
Nicole Garcia - Legal
Kevin Banks - Fire Dept.
Joshua Biron - Fire Dept.
Matthew Woodbury - Fire Dept.
Duane Marsh - Fire Dept.
Curt Fitton - Fire Dept.
Julie Perron - Police Dept.
Andrea Pumar - Police Dept.
Ellen Spicer - Police Dept.
Kayla McVay - Police Dept.
Matthew Bailey - Police Dept.
William Robinson - Police Dept.
Jason Plumb - Police Dept.
Joseph Oswalt - Police Dept.
Alexander Turgeon - Police Dept.
Ian Watt - Police Dept.
Mitchell Brooks - Police Dept.
Jacob Nance - Police Dept.
Kyle Danie - Police Dept.
Cory Krochmal - Police Dept.
Thomas Seager - Police Dept.
Dawn Maskell - Public Works
Ryan Cryer - Public Works
Christopher Vaillancourt - Public Works
Joseph Sanborn - Public Works
Thomas Martineau - Public Works
Nate Mears - Public Works

35 Years

Gail Galloway - Welfare

30 Years

Kristen Henderson - Public Works
Roland Connors - Finance
Angie Gray - Finance
Diane Hoyt - Human Resources

25 Years

Mark Avery - Fire Dept.
Theresa Hervey - Assessing

20 Years

Jamey Balint - Police Dept.
Gary Boudreau - Police Dept.
Jeffrey Comeau - Fire Dept.
Patrick Couch - Fire Dept.
Donna Hynes - Library
Suzanne Paradis - Police Dept.
Brian Snyder - Fire Dept.

15 Years

Mark Dixon - Public Works
Michael George - Fire Dept.
Andrew Jackson - Police Dept.
Keith Mackenzie - Police
Steven Wheeler - Public Works

10 Years

Kathleen Mallat - Library
Traci McMath-Hlavac - Library
Alphonse Plante - Public Works
Mark Sullivan - Finance

Retirees

Melissa Ayers - Fire Dept.
Karen Grenier - Building, Zoning
Norm Sanborn - Fire Dept.
Bruce Snyder - Fire Dept.
Marcia Roddy - City Clerk

Employee of the Year

Matt Furtney - Fire Dept.

Employee of the Month

January

Julia Libby - Building, Zoning

February

Ken Brisson - Public Works

March

Michelle Mears - Planning

April

Marc Cilley - Police Dept.

May

Christopher Mangum - Police Dept.

June

Sarah Bailey - Police/Communications

July

Tobey Magoon- Public Works

August

Tiffany Pearce - Police/Communications

September

Matt Furtney - Fire Dept.

October

Eric Babine - Police Dept.

November

Shane Tufts - Public Works

December

Kaitlin Taatjes - Fire Dept.

2018

New Employees

Kate Drew - Police/Communications
Tyler Thurber - Fire Dept.
David Levesque - Fire Dept.
Brandt Berry - Fire Dept.
Rye Morrill - Fire Dept.
James Martino - Fire Dept.
Jessica Gray - Fire Dept.
Daniel White - IT
Elliana Martel - Library
Thomas Butcher - Police Dept.
Timothy Costin - Police Dept.
Kendall Decost - Police Dept.
Jonathan Labosier - Police Dept.
Hattie Johnson - Police Dept.
Jacquelyn Tarr - Public Works
Cory Laflower - Public Works
Christopher Goodwin - Public Works
Brian Mitchell - Public Works
Jeremy Whitehouse - Public Works
Daniel Proulx - Public Works
Debra Rodney - Welfare

35 Years of Service

Marc St. Pierre - Public Works

30 Years of Service

Joseph Burns - Fire Burns
Clifford Richey - Public Works

25 Years of Service

Rhonda Young - Police Dept.
David Silvia - Public Works.

20 Years of Service

Kenneth Briand - Public Works
Sheila Hall - Public Works
Shane Tufts - Public Woirks
Michael Mundy - Police Dept.
Dennis Dube - Fire Dept.
Steven Plante - Fire Dept.
Richard Dunton - Public Works

10 Years

Pauline Roseberry - Tax Collector
Paul Michaud - Public Works
Tobey Magoon - Public Buildings
Nancy Poulin - Welfare
Lisa Melone - Library
Gerald McKay - Fire Dept.
Elizabeth Nerbonne - Library
Brandon Turcotte - Public Works

Retirees

Daniel Fitzpatrick - City Manager
Mark Dupuis - Fire Dept.
James Jacques - Fire Dept.
Paul Laclair - Fire Dept.
Cynthia Potts - Fire Dept.
Jamey Balint - Police Dept.
Steven Bourque - Police Dept.
Christopher Mangum - Police Dept.
Alphonse Plante - Public Works
Bill Prentice - Public Works
Gail Galloway - Welfare

January

Joe Devine - Building, Zoning

February

Zeke Lapierre - Public Works

March

Don Tibbetts - Public Works

April

Owen Friend-Gray - Public Works

May

Jimmy Jacques - Fire Dept.

June

Steve Vincent - Public Buildings
Ken Brisson - Public Works

July

Sara Smith - Library

August

Steve Trepanier - Recreation/Arena

September

Dawn Maskell - Public Works

October

Jennifer Murphy-Aubin - Econ. Dev.

November

Sarah Ward - Recreation/Arena

December

Jessica Gray - Fire Dept.

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Chapter

2

In this Chapter:

Our City Council
City Council Committees
Other Elected Boards and Commissions
Appointed Boards and Commissions

CITY COUNCIL STANDING COMMITTEES (2016-17)

APPOINTMENTS COMMITTEE

Sandra Keans, Chair
James Gray, Vice-Chair
Donna Bogan
Thomas Abbott
Ray Barnett

COMMUNITY DEVELOPMENT COMMITTEE

Elaine Lauterborn, Chair
Donna Bogan, Vice-Chair
A. Raymond Varney
Ray Barnett
Thomas Abbott

CODES & ORDINANCES COMMITTEE

Peter Lachapelle, Chair
Elaine Lauterborn, Vice-Chair
Thomas Abbott
Robert Gates
Donna Bogan

FINANCE COMMITTEE

Mayor Caroline McCarley, Chair
A. Raymond Varney, Vice-Chair
Ralph Torr
Sandra Keans
Elaine Lauterborn
Donald Hamann
James Gray

PUBLIC SAFETY COMMITTEE

Donald Hamann, Chair
Peter Lachapelle, Vice Chair
James Gray
Robert Gates
Ray Barnett

PUBLIC WORKS COMMITTEE

Ralph Torr, Chair
A. Raymond Varney, Vice-Chair
Sandra Keans
Donald Hamann
Thomas Willis

CITY COUNCIL STANDING COMMITTEES (2018-19)

APPOINTMENTS COMMITTEE

Sandra Keans, Chair
James Gray, Vice-Chair
Donna Bogan
Thomas Abbott
Robert Gates

COMMUNITY DEVELOPMENT COMMITTEE

Elaine Lauterborn, Chair
Donna Bogan, Vice-Chair
James Gray.
Tom Abbott
Jeremy Hutchison

CODES & ORDINANCES COMMITTEE

Peter Lachapelle, Chair
Elaine Lauterborn, Vice-Chair
Tom Abbott
Robert Gates
Donna Bogan

FINANCE COMMITTEE

Mayor Caroline McCarley, Chair
A. Raymond Varney, Vice-Chair
Ralph Torr
Sandra Keans
Elaine Lauterborn
David Walker
James Gray

PUBLIC SAFETY COMMITTEE

David Walker. Chair
Peter Lachapelle, Vice Chair
Robert Gates
Geoff Hamann
Jeremy Hutchison

PUBLIC WORKS COMMITTEE

Ralph Torr, Chair
A. Raymond Varney, Vice-Chair
Sandra Keans
David Walker
Geoff Hamann

City council appointment of regular member to the
Planning Board: David Walker

OTHER ELECTED OFFICIALS BOARDS AND COMMISSIONS

POLICE COMMISSION

Ward 1 & 2

David Stevens

Ward 3 & 4

Lucien Levesque, Chairman

Ward 5 & 6

Bruce Lindsay

SCHOOL BOARD

At Large

Thomas T.J. Jean

Ward 1

Jenn Bryant

Ward 2

Amy Malone

Ward 3

Julie Brown

Ward 4

Travis D. Allen

Ward 5

Karen I. Stokes

Ward 6

Thomas O. Connor, MSW

Ward 1

Audrey Stevens

Ward 2

Raymond Turner

Ward 3

Matthew S. Pappas

Ward 4

Nichole Guptel

Ward 5

Paul Lynch

Ward 6

Robert J. Watson

APPOINTED BOARDS AND COMMISSIONS

ARTS & CULTURE COMMISSION

Matt Wyatt, Chairman
Angela Mills
Elaine Lauterborn
Amy Marie Regan
Katie O'Connor
Elizabeth Tonkins-Agea
Beth Wittenberg

BOARD OF ASSESSORS

Robert S. Goldstein, Chairman
Gabrielle M. Nadeau

BOARD OF HEALTH

Thomas Moon
Jackie Fitzpatrick
Toni Mclellan
Jocelyn Caple

CONSERVATION COMMISSION

Kevin Sullivan
Michael Kirwan
Mark E. Jennings
Barabra Soley
John "Jack" W. Hackett
Michael Dionne, Chairman
Meredith "Merry" Lineweber
Alternates
Keith Johnson
Beth Wittenberg

HISTORIC DISTRICT COMMISSION

Marilyn Jones
Molly Meulenbroek, Chairman
Peter J. Bruckner
Nancy Dibble
Martha Wingate
Sandra B. Keans
Alternates
Matt Wyatt

LIBRARY TRUSTEES

Amy Y. Lemelin
Steven Maimes, Vice Chairman
Susan C. "Candy" Bailey
Lori-Jean Chick
Pamela J. Hubbard, Chairman
John P. Roese
Nathaniel Goodspeed

PLANNING BOARD

Lionel "Nel" Sylvain, Chairman
Robert May
Tim Fontneau
Matthew Kozinski, Secretary
David Walker, Vice-Chairman
Mark Sullivan
Thomas H. Willis
Alternates
James P. Gray
Terese Dwyer
Jeremy Hutchinson
Kyle Starkweather

RECREATION & ARENA COMMISSION

Joan Cadorette-Strogen

Paul Roberts

Nancy Carignan

Kevin Barry

Regan Dowe

Dale Bickford

David Anctil, Co-Chairman

Robert W. Brown

Richard Clough

David Colson

Sheila Colson, Co-Chairman

Julie Brown

Peter Lachapelle



2016-2018 City Council - Front row, from left to right: Councilor Ralph Torr, Councilor Donna Bogan, Mayor Caroline McCarley, Councilor Elaine Lauterborn, Councilor Sandra Keans
Back row, from left to right: Deputy Mayor Raymond A. Varney, Councilor Thomas Willis, Councilor Ray Barnett, Councilor Peter Lachapelle, Councilor Donald Hamann, Councilor Robert Gates, Councilor Thomas Abbott, Councilor James Gray



2018-2019 City Council - Front row, from left to right: Councilor David Walker, Councilor Elaine Lauterborn, Mayor Caroline McCarley, Councilor Peter Lachapelle, Councilor Donna Bogan, Councilor Sandra Keans, Councilor Jeremy Hutchinson
Back row, from left to right: Councilor Ralph Torr, Councilor Thomas Abbott, Councilor James Gray, Councilor Geoffrey Hamann, Deputy Mayor Raymond A. Varney, Councilor Robert Gates

Ch

Chapter

3

In this Chapter:

Organizational Chart
Department Leadership

DEPARTMENT LEADERSHIP

Assessing Department

City Assessor

603.332.5109

Building, Zoning & Licensing Services

Jim Grant - Director

603.335.3508

City Clerk's Office

Kelly Walters - City Clerk

603.335.2130

City Manager's Office

Daniel Fitzpatrick - City Manager

Samantha Rodgerson - Sr. Admin. Asst.

603.332.1167

Economic Development Department

Karen Pollard - Manager

603.335.7522

Finance & Business Office

Blaine Cox - Deputy City Manager

603.335.7609

Fire Department

Norman Sanborn, Jr. - Chief

Mark Dupuis - Assistant Chief

603.335.7545

Human Resources

Diane Hoyt - Manager

603.335.7503

Library

Brian Sylvester - Director

603.332.1428

Information Services

Dennis Schafer - Supervisor

603.335.7588

Planning Department

Jim Campbell - Director

603.335.1338

Police Department

Paul Toussaint - Chief

Gary Boudreau- Deputy Chief

Becky Warburton - Chief's Secretary

603.330.7127 (Dispatch)

603.330.7128 (Dispatch-Non Emergency)

Public Works Department

John Storer- Director

603.332.4096

Recreation & Arena

Chris Bowlen - Director

603.332.4120

Tax Collector's Office

Doreen Jones - Tax Collector

603.332.1136

Utility Billing

603.332.3110

Wastewater Plant

David Green - Chief Operator

603.332.8950

Water Treatment Plant

Ian Rohrbacher - Chief Operator

603.335.4291

Welfare

Todd Marsh - Director

603.332.3505



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In this Chapter:

Reports from the following:

Assessing
Building, Zoning & Licensing Services
City Clerk
Economic & Community Development
Fire Department
Information Services
Legal Department
Library
Planning Department
Police Department
Public Works Department
Recreation & Arena
School Department
Tax Collector
Welfare Department

ASSESSING DEPARTMENT

REPORT OF THE ASSESSOR'S OFFICE

2017-2018

ASSESSOR'S VALUATION

Land

Current Use	\$1,091,114
Residential	\$348,550,217
Commercial/Industrial	\$189,776,683



Buildings

Residential	\$1,259,998,917
Commercial/Industrial	\$358,621,283
Manuf. Housing	\$129,677,300

Public Utilities Land & Buildings	\$92,243,400
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Total of Taxable Properties **\$2,349,704,561**

EXEMPTIONS

	Granted	Amount Used
Blind	26	\$1,576,300
Elderly	349	\$24,194,353
Disabled	94	\$4,507,100
Total	469	\$30,227,753

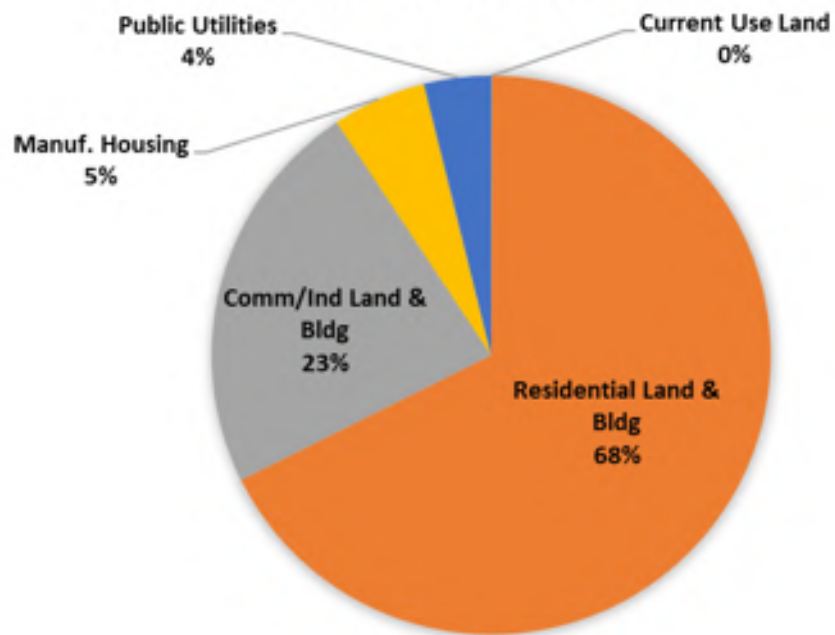
Net Valuation Used to Compute City, County and Local School Tax **\$2,313,889,277**

Less Public Utilities Valuation **-\$92,243,400**

Net Valuation Used to Compute State School Tax **\$2,247,461,161**

Respectfully Submitted by Jonathan Rice, Chief Assessor

VALUATION BY PROPERTY TYPE



**BUILDING, ZONING & LICENSING
SERVICES DEPARTMENT**



City of Rochester, New Hampshire

Department of Building, Zoning & Licensing Services

FISCAL YEAR 2018 ANNUAL REPORT

The Department of Building, Zoning, and Licensing Services is dedicated to safeguarding the public's safety, health, and general welfare through affordability, structural integrity, means of egress facilities, sanitation, light and ventilation, energy conservation and safety to fire fighters and emergency responders during emergency situations.

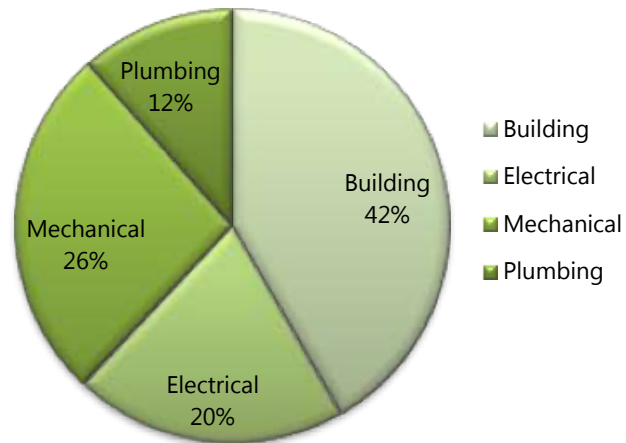
It is our vision, that we will be a leader in public safety, health and general welfare to enhance the quality of life in our jurisdiction.

The duties of the department include the administration of National Codes, the review and issuance of building permits and licenses; additionally enforcing compliance of the Zoning Ordinance and Planning Board approvals.

Building:

Over the course of Fiscal Year 2018 the Building Department has taken in two thousand three hundred and forty-nine (2,349) permit applications, two thousand three hundred and thirty-three (2,333) of those applications were issued, and the other sixteen (16) either were denied or are still pending. There was a declared construction value of \$59,434,711.17.

Permits Issued



<i>New Residential Structures:</i>		<i>New Commercial Structures:</i>
Mobile Homes:	48	New Dental Office on N. Main St
Single Family Homes:	85	Hi-Vu Motel Rebuilt
Two Family Homes:	7	City Tobacco and Beverage
Multifamily Homes:	5	Various fit-ups at the Ridge
Total Dwelling Units:	171	Toyota Addition

Zoning:

Our Zoning Administrator and Zoning Clerk take in all zoning applications, including variances, special exceptions, and administrative appeals. They also attend a public hearing on a monthly basis to provide the Zoning Board of Adjustment the City's interpretation and recommended action on cases being heard as well as take the meeting's minutes.

The Zoning Board of Adjustment (ZBA) makes decisions on variance requests from the Zoning Ordinance. This fiscal year the board heard twenty-three zoning cases, eleven of which were variance applications, eight were special exceptions, and four appeal of an administrative decision. Sixteen of the cases were approved, two withdrew their applications, and five were denied.

The board is comprised of the following members:

Mr. Larry Spector, Chair (Appointed 12/04/07) (Term Expires 01/02/21)

Mr. Robert Gates, Vice Chair (Appointed 01/13/14) (Term Expires 01/02/19)

Mr. Randy LaVallee, Regular Member (Appointed 02/08/00) (Term Expires 01/02/19)

Mr. Robert Goldstein, Regular Member (Appointed 01/02/2012) (Term Expires 01/02/21)

Mr. Shon Stevens, Regular Member (Appointed 01/02/2017) (Term Expires 01/02/20)

Mr. Leo Brodeur, Alternate (Appointed 08/06/2013) (Term Expires 01/02/19)

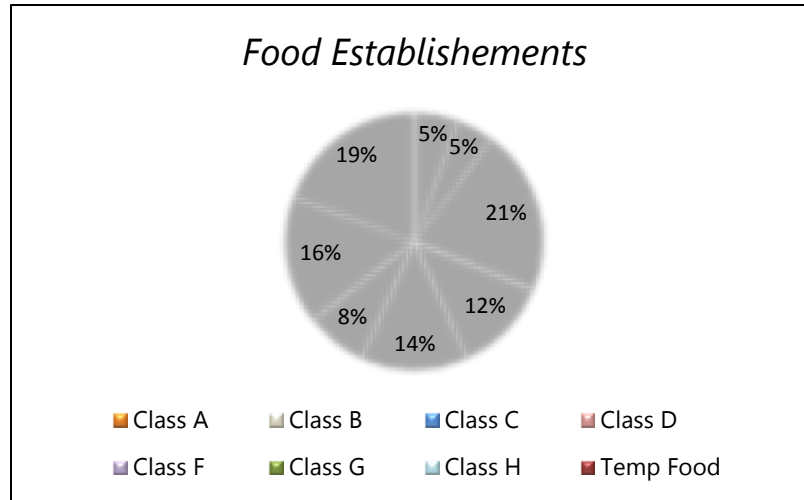
Licensing:

Building, Zoning, and Licensing is also responsible for licensing the city's mobile home parks, amusement devices, taxi businesses, taxi vehicles, taxi drivers, motor vehicle junk yards, junk dealers, second hand dealers, pawnbrokers, and hawkers & peddlers. In total, one hundred and twenty-three (123) licenses were issued, excluding food establishment licenses. Our Compliance Officer conducts yearly inspections of these licenses. Some are also inspected by the Fire Department.



Health:

Our department is responsible for inspecting food establishments, foster care homes, and day care centers. We license two hundred and twenty (220) permanent food establishments. During the past Fiscal Year we approved and issued fifty-three (53) temporary food licenses including food licenses for the Rochester Farmers Market.



It's a goal of ours to work closely with owners and operators to ensure compliance with state health requirements for the sanitary production and distribution of food. There were approx. 300 food establishment inspections, some of which were re-inspections for establishments that needed to correct unsanitary operations, or equipment.

The Board of Health is comprised of the following members

Dr. Thomas Moon, Regular Member (term expires 01/02/18)

Jackie Fitzpatrick, Regular Member (term expires 01/02/20)

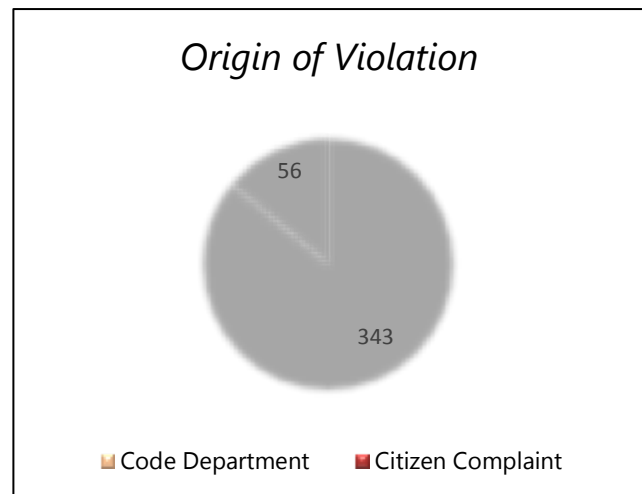
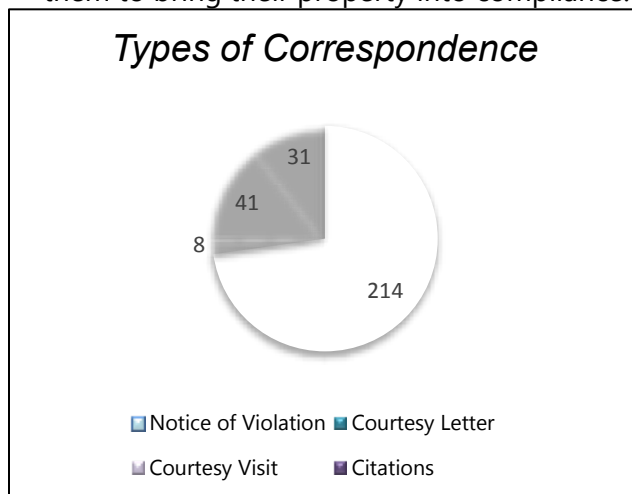
Toni Mclellan, Regular Member (term expires 01/02/19)

Dr. Jocelyn Caple, City Physician/ Regular Member (01/02/2020)

Mr. James Grant, Health Officer & Director Building, Zoning and Licensing Svcs (Indefinite Term)

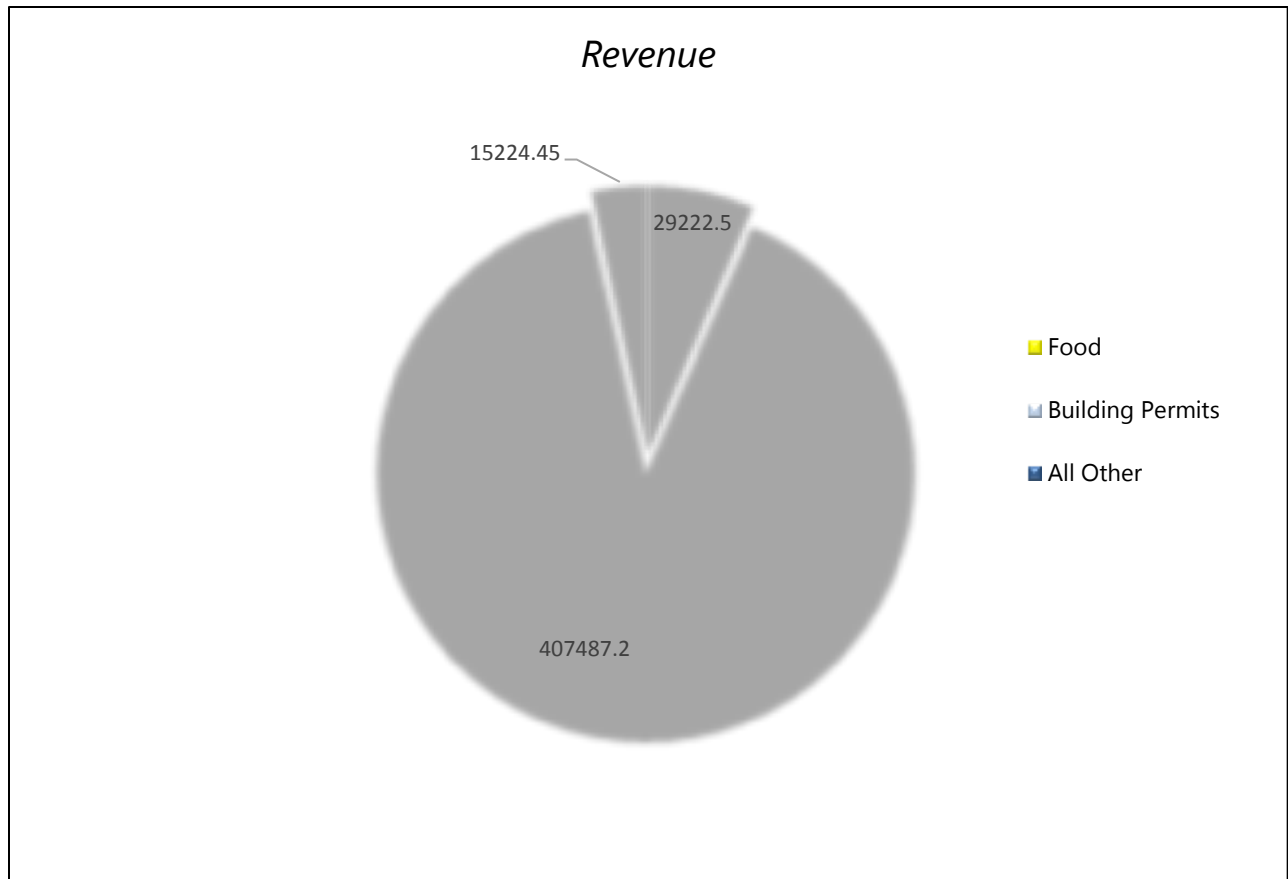
Compliance:

Code dealt with three hundred twenty-eight (328) properties with compliance or zoning issues. There were seven hundred and fifty-three (753) documented violation issues. All property owners in most of these cases received either a courtesy letter, or notice of violation asking them to bring their property into compliance.



Revenue:

<i>Type of Permit or License</i>	<i>Revenue Collected</i>
Food Licenses	\$29,222.50
Second Hand & Pawn Licenses	\$1,500.00
Hawkers & Peddlers & Outdoor Dining	\$825.00
Amusement Licenses	\$2,380.00
Misc. Fees & Compliance Fines	\$5,383.43
Zoning Applications & Abutters Fees	\$5,136.12
Junk Dealer & Motor Vehicle Junk Yards	
Building Permits	\$407,487.20
Total:	\$451,934.25



Respectfully Submitted,

James Grant

CITY CLERK'S OFFICE

REPORT OF THE CITY CLERK
FISCAL YEAR 2018
July, 2017 – June, 2018

Narrative

The City Clerk's office is known as the keeper of the records and serves as the local registrar in the issuance of vital records. The office is responsible for recording and issuing certified copies of birth, divorce, death, and marriage certificates. The City Clerk's office is also responsible for issuing marriage licenses. The City Clerk submits reports to the State of New Hampshire and other authorities as required by law. The City Clerk is responsible for the repair, binding, maintenance, and proper storage of all permanent records in compliance with local and state laws. The City Clerk's office staff often researches older vital records for customers conducting genealogical studies.

The City Clerk's office staff prepares the following material for the City Council: agendas, informational packets, and the permanent record of all meeting minutes for all City Council meetings. In addition, the City Clerk's staff prepares the same material for the Codes and Ordinances Committee, Historical Documents Preservation Committee, and the Records Retention Committee.

The City Clerk updates the City Clerk's Department Webpage and Sue Morris, Clerk Typist II, updates the City Clerk's Department Facebook account.

Special recognition goes to Sue Morris, Michele Grant, Clerk Typist II, Diane Moses, Clerk Typist II, and all Election Officials who assisted with the State Primary Election on September 11, 2018, and the State General Election held on November 8, 2018.

Vital Statistics and Related Revenues

The following statistics have been generated for the City of Rochester from reports from the State Bureau of Vital Records from July 1, 2017 to June 30, 2018: There were 297 babies born in the City of Rochester, 107 of which were born to Rochester residents. There were 170 marriages reported for the City of Rochester and 382 deaths of Rochester residents.

E. Nicholl Marshall, Division of Vital Records Administration, Concord, New Hampshire, provided interesting statistics for the City of Rochester. The oldest male decedent in Rochester was 99 years old. The oldest female decedent was 103 years old. The oldest groom in an opposite-gender marriage was 84-years old. The oldest bride in an opposite-gender marriage was 85-years old (there were no notable or extreme age statistics occurring with same gender marriages). The heaviest baby weighed 10 pounds 4 ounces.

The top baby names for the City of Rochester for fiscal year 2018 are as follows:

TOP ROCHESTER BABY NAMES OF 2018			
# of babies	BOYS	# of babies	GIRLS
4	Owen	6	Olivia
3	Jackson	4	Charlotte
3	Bradley	3	Sophia
3	Liam	3	Emery
		3	Gianna
		3	Isabella

Adams Fund / Pray Fund

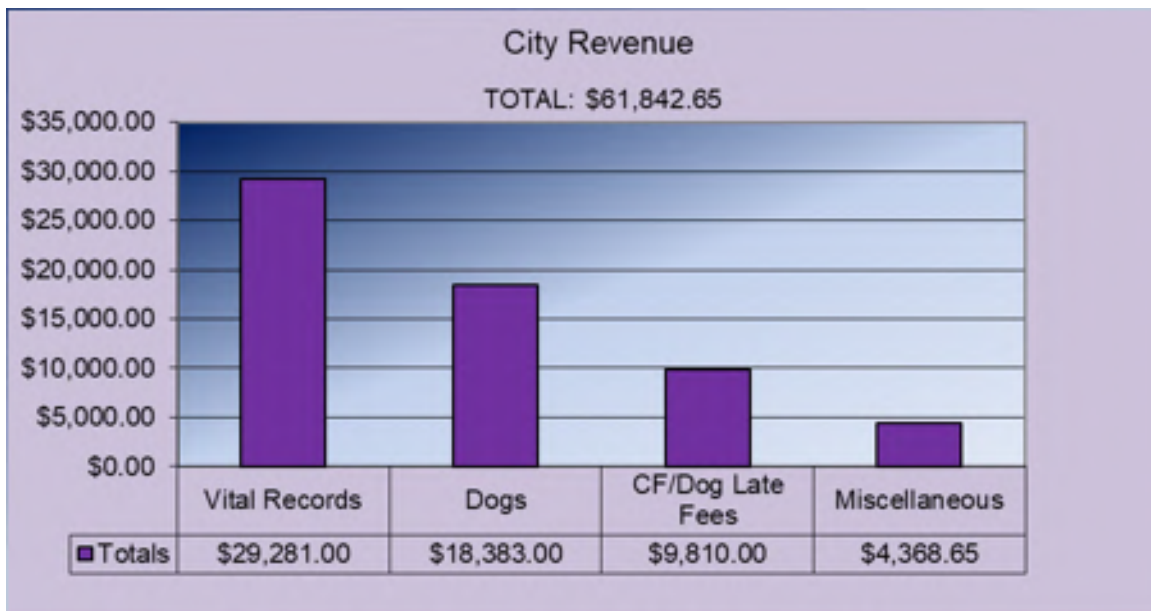
Cassie Givara, Deputy City Clerk, submitted two applications to the Adams Fund/Pray Fund to Charter Trust Company. The total amount awarded between the two applicants was \$1200.00.

Dogs

The City Clerk's office issued 5,540 dog licenses between May 1, 2017 and April 30, 2018. There were 1,679 dog owners listed on the Dog Licensing Warrant of 2017, which is 258 more than last year's licensing period. There was a total of 2,090 unlicensed dogs, which is 368 more than the previous fiscal year.

Miscellaneous Information and Revenues

City Clerk Revenues	
Vital Records	\$29,281
Dogs	\$18,383
CF/Dog Late	
Fees	\$9,810
Miscellaneous	\$4,368.65



Elections

The City Clerk supervised the State Primary Election on September 11, 2018 and the State General Election on November 8, 2018. The City Clerk's office assisted with accepting new voter registrations, address changes, and party affiliation changes. The City Clerk's staff attended election training and coordinated each Supervisors' Session and Moderators' Session. The City Clerk's staff provided in-home voter registration for the elderly and disabled.

The City Clerk's staff communicated with other town and city clerks throughout New England in order to keep the Election Database up to date. All checklists and warrants were posted according to State Law.

As of June 30, 2018, there were a total of 19,645 registered voters in Rochester, New Hampshire and the breakdown to party affiliation is as follows:

	Democrats	Republicans	Undeclared	Total
Ward 1	1,004	1,107	1,330	3,441
Ward 2	917	1,060	1,515	3,492
Ward 3	966	1,153	1,290	3,409
Ward 4	806	752	1,519	3,077
Ward 5	905	1,081	1,322	3,308
Ward 6	975	796	1,147	2,918
TOTAL	5,573	5,949	8,123	19,645

There were 27 registered voters for the Libertarian party throughout Rochester's 6 wards at the close of 2018. As of January 2, 2019, the Libertarian party was no longer recognized by the State of New Hampshire as a political party after the Libertarian gubernatorial candidate failed to receive 4% of the total vote at the November 8, 2018 State General election.

There were a total of 210 new voters registered in Rochester between July 1, 2017 and June 30, 2018. Of these new voters, 36 were new residents to New Hampshire. There were 419 voters removed from the checklist between July 2017 and July 2018 due to voter duplication, death or moving out of jurisdiction.

Respectfully submitted,

Cassie Givara

Cassie Givara
Deputy City Clerk

Amendments to the City Ordinances
Fiscal Year 2018
July 1, 2017 through June 30, 2018

Amendment 1 [ADOPTED] Amendment to Chapter 42 of the General Ordinances of the City of Rochester Regarding Variances *First reading held on October 3, 2017. Public hearing held on November 21, 2017. Second reading and adoption held on December 5, 2017. CC FY 18 2017, 10-3 AB 39*

Amendment 2 [ADOPTED] Amendment to Chapter 19.8 of the General Ordinances of the City of Rochester Regarding Containers and Dumpsters *First reading held on December 5, 2017. Second reading held on December 5, 2017. Motion to send the Amendment back to the Codes and Ordinances Committee passed on December 5, 2017. Second reading and adoption held on March 6, 2018.*

Amendment 3 [ADOPTED] Amendment to Chapter 19.1 of the General Ordinances of the City of Rochester Regarding Containers and Dumpsters *First reading held on December 5, 2017. Second reading and adoption held on December 5, 2019*

Amendment 4 [ADOPTED] Amendment to Chapter 17.34 of the General Ordinances of the City of Rochester Regarding Water Rate and Fee Schedule *First reading held on December 5, 2017. Public hearing held on January 16, 2018. Second reading and adoption held on February 6, 2018.*

Amendment 5 [ADOPTED] Amendment to Chapter 16.25 of the General Ordinances of the City of Rochester Regarding Water Rate and Fee Schedule *First reading held on December 5, 2017. Public hearing held on January 16, 2018. Second reading and adoption was held on February 6, 2018.*

Amendment 6 [ADOPTED] Amendment to Chapter 42.4 of the General Ordinances of the City of Rochester Regarding Variances. *First reading, second reading, and adoption held on December 5, 2017.*

Amendment 7 [ADOPTED] Amendment to Chapter 42.19 of the General Ordinances of the City of Rochester Regarding Dimensional Standards – Density Rings *First reading held on December 5, 2017. Public hearing held on January 16, 2018. Second reading and adoption held on February 6, 2018.*

Amendment 8 [FAILED] Petition to Amend Chapter 42 of the General Ordinances of the City of Rochester Regarding Locations and Boundaries (Applicant: MacKoul, Corey) *Petition accepted on December 5, 2017. First reading held on February 6, 2018. Public Hearing held on February 6, 2018. Second reading and motion to accept failed on March 6, 2018.*

Amendment 9 [*PENDING] Petition to Amend Chapter 42 of the General Ordinances of the City of Rochester Regarding Expanding the Downtown Commercial Zone (Applicant: Varney, A. Raymond) *Petition accepted on February 6, 2018. First reading held on March 6,*

*2018. Public hearing held on April 17, 2018. The motion failed on May 1, 2018. *A second public hearing was held in FY 19 on August 7, 2018. *The second reading and adoption was held in FY 19 on September 4, 2018.*

Amendment 10 [FAILED] Petition to Amend Chapter 42 of the General Ordinances of the City of Rochester Regarding Manufactured Housing Parks (Applicant: Torr, Ralph)
Petition accepted on February 6, 2018. First Reading held on March 6, 2018. Public Hearing held on April 17, 2018. The motion failed on May 1, 2018.

Amendment 11 [ADOPTED] Amendment to Chapter 45 of the General Ordinances of the City of Rochester Regarding Overnight Parking, Occupancy and Camping on City Owned Property
First reading, second reading, and adoption held on March 6, 2018 CC FY 18 AB 94

Amendment 12 [ADOPTED] Amendment to Chapter 45 of the General Ordinances of the City of Rochester Regarding the Passing of Items to or from the Occupant of a Motor Vehicle on a Roadway
First reading, second reading, and adoption held on March 6, 2018 CC FY 18 AB 95

Amendment 13 [*PENDING] Petition to Amend Chapter 42 of the General Ordinances of the City of Rochester Regarding Construction Signs
*Petition accepted on April 3, 2018. First reading held on May 1, 2018. Public hearing held on August 7, 2018. *The second reading and adoption was held in FY 19 on September 4, 2018.*

Resolutions
Fiscal Year 2018
July 1, 2017 through June 30, 2018

Resolution 1 [ADOPTED] Resolution Accepting New Hampshire Certified Local Government Grant Award for New Division of Historic Resources in the amount of \$15,000 *First reading, second reading, and adoption held on July 5, 2017. CC FY 18 AB 01*

Resolution 2 [ADOPTED] Resolution Authorizing Acceptance of Donation from the Spaulding Alumni Association of all Remaining Monies upon Dissolution *First reading, second reading, and adoption held on July 5, 2017. Revised and Adopted on April 4, 2017. CC FY 18 AB 04*

Resolution 3 [ADOPTED] Resolution Accepting Donation of a Portable Generator to the City of Rochester Fire Department Valued at Approximately \$1,000 *First reading, second reading, and adoption held on July 5, 2017. CC FY 18 AB 05*

Resolution 4 [ADOPTED] (correction to a previously adopted Resolution) Resolution Accepting Governor's Commission Alcohol Fund Grant and Authorizing Supplemental Appropriation to the Police Department in the Amount of \$25,170.00 – Original Adoption Date 4/4/17 *First reading and adoption held on July 5, 2017. CC FY 18 AB 06*

Resolution 5 [ADOPTED] Resolution Revising the 2017-2018 Rochester CDBG "Action Plan for the City of Rochester, NH" and Approving and Appropriating the 2017-2018 Community Development Budget for the City of Rochester *First reading, second reading, and adoption held on August 1, 2017 CC FY 18 AB 15*

Resolution 6 [ADOPTED] Resolution Authorizing Purchase of a Portion of 121 Wakefield Street in an Amount of \$2,500 *First reading, second reading, and adoption held on August 1, 2017. CC FY 18 AB 12-A*

Resolution 7 [ADOPTED] Resolution Authorizing Supplemental Appropriation for the Purchase of the 38 Hanson Street Property and Construction of a Parking Lot Thereon in the Amount of \$500,000 and Authorization Therefore *First reading, second reading, and adoption held on August 1, 2017 CC FY 18 AB 12*

Resolution 8 [ADOPTED] Resolution Accepting a New Hampshire Municipal Technical Assistance Grant Application from Plan NH in the Amount of \$10,000 *First reading, second reading, and adoption held on August 1, 2017. CC FY 18 AB 16*

Resolution 9 [ADOPTED] Resolution Authorizing Application for a New Hampshire Charitable Foundation Community Grants Program Grant in an Amount up to \$20,000 *First reading and adoption held on August 1, 2017. CC FY 18 AB 17*

Resolution 10 [ADOPTED] Resolution Authorizing the Acceptance of a New Hampshire Department of Environmental Services (NHDES) Drinking Water State Revolving Fund (DWSRF) Loan for the Water Treatment Low Lift Station Upgrade Project in the Amount of \$540,000 *First reading, second reading, and adoption held on August 1, 2017 CC FY 18 AB 14*

Resolution 11 [ADOPTED] Resolution Authorizing the Rochester Police Department to Apply for a United States Department of Justice (USDOJ) Justice Assistance Grant (JAG) in the Amount of \$26,029
First reading and adoption held on September 5, 2017. CC FY 18 AB 27

Resolution 12 [ADOPTED] Resolution for Supplemental Appropriation to the Conservation Commission Fund for Fiscal Year 2016-2017 Pursuant to the Provisions of Section 11.21 (c) of the General Ordinances in the Amount of \$87,195
First reading, second reading, and adoption held on September 5, 2017. CC FY 18 AB 26

Resolution 13 [ADOPTED] Resolution Consenting to the Transfer of Metrocast's Cable Franchise to Atlantic Broadband
First reading and adoption held on September 5, 2017. CC FY 18 AB 24

Resolution 14 [ADOPTED] Resolution Accepting NH Department of Environmental Services (NHDES) Grant, in Connection with 2018 Household Hazardous Waste Day and Authorizing City Manager to enter into a Contract with NHDES not to exceed \$14,000
First reading, second reading, and adoption held on September 5, 2017. CC FY 18 AB 25

Resolution 15 [ADOPTED] Resolution Authorizing Supplemental Appropriation for the so-called EDA Sewer and Salmon Falls Road Reconstruction Project in the Amount of \$110,000
First reading, second reading, and adoption held on September 5, 2017. CC FY 18 AB 22

Resolution 16 [ADOPTED] Resolution Authorizing Supplemental Appropriation for the so-called Forest Park Drive and Plant Street Drainage Project in the Amount of \$900
First reading, second reading, and adoption held on September 5, 2017. CC FY 18 AB 28-A

Resolution 17 [ADOPTED] Resolution Deauthorizing \$2,935,050.66 Related to Various Projects Funded from the Department of Public Works & Public Buildings Capital Improvement Plan Project Fund
First reading, second reading, and adoption held on September 5, 2017. CC FY 18 AB 28-B

Resolution 18 [ADOPTED] Resolution Authorizing Supplemental Appropriation to Renew Contract with the Buxton Company in the Amount of \$40,000
First reading, second reading, and adoption held on September 5, 2017. CC FY 18 AB 20

Resolution 19 [ADOPTED] Resolution Approving a 2018 Workforce Housing Charrette Application to the Workforce Housing Coalition of the Greater Seacoast
first reading and adoption held on October 3, 2017. CC FY 18 AB 33

Resolution 20 [ADOPTED] Resolution Accepting NH Department of Transportation (NHDOT) Highway Block Grant funds in the Amount of \$530,588.40
First reading, second reading, and adoption held on October 3, 2017. CC FY 18 AB 38

Resolution 21 [ADOPTED] Resolution Authorizing Supplemental Appropriation to the Department of Public Works Capital Improvements Plan Budget for the Olde Farm Lane Lighting Project in the amount of \$150,000
First reading, second reading, and adoption held October 3, 2017. CC FY 18 AB 35

Resolution 22 [ADOPTED] Resolution in Accordance with RSA 674:39-aa, recognizing the “Involuntary Merger” of a Property Known As 77 Autumn Street (Currently, Rochester Tax Map 105, Lot -19), and Acknowledging the Appropriateness of Restoration of Such Lot to Its Pre-Merger Configuration. *First reading and adoption held on October 3, 2017. CC FY 18 AB 37*

Resolution 23 [ADOPTED] Resolution Accepting Opioid Abuse Reduction Initiative (OARI) Grant and Authorizing Supplemental Appropriation to the Police Department in the Amount of \$20,000 *First reading, second reading, and adoption held on October 3, 2017. CC FY 18 AB 30*

Resolution 24 [ADOPTED] Resolution Deauthorizing funding related to the Police department Capital Improvement Plan Fund Comlog Recording Equipment System Project in the Amount of \$2,095.00 *First reading, second reading, and adoption held on October 3, 2017. CC FY 18 AB 29*

Resolution 25 [ADOPTED] Resolution Deauthorizing \$1,463,067.66 related to various projects funded from the Department of Public Works Water Capital Improvements Plan Fund *First reading, second reading, and adoption held on October 3, 2017. CC FY 18 AB 36*

Resolution 26 [ADOPTED] Resolution Authorizing Supplemental Appropriation for the Department of Public Buildings Capital Improvements Plan Fund Community Center Security Camera Project in the amount of \$20,646.00 *First reading, second reading, and adoption held on October 3, 2017. CC FY 18 AB 32*

Resolution 27 [ADOPTED] Resolution Establishing Polling Places and Times for the November 7, 2017 Municipal Election *First reading, second reading, and adoption held on October 3, 2017. CC FY 18 AB 31*

Resolution 28 [ADOPTED] Resolution Authorizing the Release of City Held Easement over 24 Stonewall Drive, Rochester, New Hampshire *First Reading and referred to Public Hearing November 8, 2017, Second reading and adoption held on February 6, 2018. CC FY 18 AB 56*

Resolution 29 [ADOPTED] Resolution Authorizing the Acceptance of a Donation from Ekimbor, LLC in the Amount of \$5,000.00 and Supplemental Appropriation Connected Thereto *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 44*

Resolution 30 [ADOPTED] Resolution Deauthorizing funding related to the EMPG EOC Equipment Grant in the amount of \$4.72 (Consent Calendar) *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 50*

Resolution 31 [ADOPTED] Resolution Deauthorizing funding related to the 2014 Bulletproof Vest Grant in the amount of \$670.64 (Consent Calendar) *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 53*

Resolution 32 [ADOPTED] Resolution Deauthorizing funding related to the Highway Safety Bicycle and Pedestrian Grant in the amount of \$4,372.26 (Consent Calendar) *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 54*

Resolution 33 [ADOPTED] Resolution Deauthorizing Funding related to the Highway Safety STEP Grant in the amount of \$247.49 (Consent Calendar) *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 55*

Resolution 34 [ADOPTED] Resolution Deauthorizing \$5,630,728.23 related to various projects funded from the Department of Public Works, Sewer, and Water Capital Improvement Plan Project Funds (Consent Calendar) *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 47*

Resolution 35 [ADOPTED] Resolution Approving Cost Items Associated with Proposed City of Rochester School Department Multi-Year Collective Bargaining Agreement with American Federation of State, County and Municipal Employees Council 93, AFL-CIO Local 863 *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 59*

Resolution 36 [ADOPTED] Resolution Authorizing the Acceptance of a New Hampshire Department of Environmental Services (NHDES) Cyanotoxin Monitoring Grant in the Amount of \$5,980.00 and Supplemental Appropriation Connected Thereto *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 45*

Resolution 37 [ADOPTED] Resolution Authorizing the Rochester Department of Public Works to Apply for a United States Environmental Protection Agency (USEPA) Brownfields Cleanup Grant in an Amount of up to \$400,000 *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 46*

Resolution 38 [ADOPTED] Resolution Authorizing the Acceptance of a Criminal Evidence Forfeiture in the amount of \$284.07 and Supplemental Appropriation Connected Thereto *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 48*

Resolution 39 [ADOPTED] Resolution Authorizing the Acceptance of a New Hampshire Department of Highway Safety DWI Patrol Grant in the Amount of \$6,214.75 and Supplemental Appropriation Connected Thereto *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 49*

Resolution 40 [ADOPTED] Resolution Authorizing the Acceptance of a New Hampshire Department of Highway Safety Sustained Traffic Enforcement (STEP) Grant in the amount of \$4,557.48 and Supplemental Appropriation Connected Thereto *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 51*

Resolution 41 [ADOPTED] Resolution Authorizing the Acceptance of a New Hampshire Department of Highway Safety Bicycle and Pedestrian Grant in the amount of \$4,557.48 and Supplemental Appropriation Connected Thereto *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 52*

Resolution 42 [ADOPTED] Resolution Authorizing the Acceptance of a United States Department of Justice (USDOJ) Ballistic Vest Grant in the Amount of \$4,424.25 and Supplemental Appropriation

Connected Thereto *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 58*

Resolution 43 [ADOPTED] Resolution in Accordance with Ordinance 4.4 (c) Authorizing the City Manager to Sell Certain Tax Deeded Properties without an Auction or Sealed Bid Sale *First reading, second reading, and adoption held on November 8, 2017. CC FY 18 AB 57*

Resolution 44 [ADOPTED] Resolution Authorizing the Acceptance of an Internet Crimes against Children (ICAC) Task Force Reimbursement and Supplemental Appropriation Connected Thereto in the amount of \$76,000.00 *First reading, second reading, and adoption held on December 5, 2017. CC FY 18 AB 70*

Resolution 45 [ADOPTED] Resolution Authorizing Supplemental Appropriation to provide Funding for Consulting Services to Update the Riverwalk Master Plan in the amount of \$5,500.00 *First reading, second reading, and adoption held on December 5, 2017. CC FY 18 AB 71*

Resolution 46 [ADOPTED] Resolution Authorizing the Acceptance of Radiological Emergency Preparedness (REP) Grant and Supplemental Appropriation Connected Thereto in the amount of \$12,697.00 *First reading, second reading, and adoption held on December 5, 2017. CC FY 18 AB 72*

Resolution 47 [ADOPTED] Resolution Authorizing the City of Rochester to Enter into a Cable Franchise Agreement with Comcast *First reading and adoption held on December 5, 2017. CC FY 18 AB 61*

Resolution 48 [ADOPTED] Resolution Authorizing the Acceptance of a Conservation License Plate Grant [Moose Plate Grant] and Making a Supplemental Appropriation in Connection therewith in order to Fund the Preservation of 18th Century and 19th Century Municipal Documents in the Amount of \$9,025 *First reading, second reading, and adoption held on December 8, 2017. CC FY 18 AB 68*

Resolution 49 [ADOPTED] Resolution Authorizing the Rochester Fire Department to Apply for a New Hampshire Department of Homeland Security Grant for the Purpose of Swiftwater Rescue Equipment in the amount of \$60,000 *First reading, second reading, and adoption held on December 8, 2017. CC FY 18 AB 69*

Resolution 50 [ADOPTED] Resolution Authorizing the Acceptance of Criminal Forfeitures and Supplemental Appropriation Connected Thereto in the amount of \$3,041.09 *First reading, second reading, and adoption held on December 5, 2017. CC FY 18 AB 73*

Resolution 51 [ADOPTED] Resolution Authorizing the Acceptance of Criminal Forfeitures from the United States Government and Supplemental Appropriation Connected Thereto in the amount of \$1,525.27 *First reading, second reading, and adoption held on December 5, 2017. CC FY 18 AB 60*

Resolution 52 [ADOPTED] Resolution Authorizing Supplemental Appropriation to the Department of Public Works (DPW) Sewer CIP Fund for Costs Associated with the Salmon Falls Road Sewer Main Repair Project in the amount of \$136,160.00 *First reading, second reading, and adoption held on December 19, 2017. CC FY 18 AB 73*

Resolution 53 [ADOPTED] Resolution Deauthorizing Fiscal Year 2016-2017 Funding Related to the Highway Safety Sustained Traffic Enforcement Patrol (STEP) Grant in the amount of \$725.18 (Consent Calendar) *First reading, second reading, and adoption held on January 9, 2018. CC FY 18 AB 75*

Resolution 54 [ADOPTED] Resolution Deauthorizing Fiscal Year 2016-2017 Funding Related to the 2016 Highway Safety DWI Grant in the amount of \$591.54 (Consent Calendar) *First reading, second reading, and adoption held on January 9, 2018. CC FY 18 AB 76*

Resolution 55 [ADOPTED] Resolution Authorizing the Reprogramming of Community Development Block Grant (CDBG) Funds in the Gross Amount of \$25,374.77 *First reading, second reading, and adoption held on January 9, 2018. CC FY 18 AB 78*

Resolution 56 [ADOPTED] Resolution Authorizing the Expenditure of Insurance Reimbursement Funds by the Fire Department from the Fiscal Year 2012 Special Revenue Fund in the amount of \$2,005.45 *First reading, second reading, and adoption held on January 9, 2018. CC FY 18 AB 77*

Resolution 57 [ADOPTED] Resolution Authorizing Supplemental Appropriation to the Fire Department Fiscal Year 2018 Operating Budget for the replacement of the Vehicle Assigned to the Fire Chief in the amount of \$75,000.00 *First reading, second reading, and adoption held on January 9, 2018. CC FY 18 AB 79*

Resolution 58 [ADOPTED] Resolution Approving a Substance Abuse and Mental Health Services Administration Community-Based Coalition Enhancement Grant Application (\$50,000 each year for 3 years) *First reading and adoption held on January 9, 2018. CC FY 18 AB 80*

Resolution 59 [ADOPTED] Resolution Accepting Donation to the Fire Department in the Amount of \$25.00 and Supplemental Appropriation to the Fire Department Budget in the amount of \$1,000.00 related to acceptance of donations. *First reading, second reading, and adoption held on February 6, 2018. CC FY 18 AB 81*

Resolution 60 [ADOPTED] Resolution Deauthorizing FY 2006 Sign and Façade Project in an Amount of \$21,000 the Capital Improvements Plan *First reading, second reading, and adoption held on February 6, 2018. CC FY 18 AB 83*

Resolution 61 [ADOPTED] Resolution Adopting a 2018-2019 Rochester CDBG “Action Plan for the City of Rochester, NH” and Approving and Appropriating the 2018-2019 Community Development Budget for the City of Rochester *First reading and referred to Public Hearing on March 6, 2018. Public Hearing held on April 17, 2018. Second reading and adoption held on May 1, 2018. CC FY 18 AB 86*

Resolution 62 [ADOPTED] Resolution Authorizing Supplemental Appropriation to the Arena Capital Improvements Plan Fund for the Arena LED Lighting Project in the Amount o of \$60,000 *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 96*

Resolution 63 [ADOPTED] Resolution Authorizing Increase in the Elderly Tax Exemption Asset Limitation from \$50,000 to \$100,000, increase in the Income Limitations, and increase Exemption

Amounts Taken off Assessments *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 97*

Resolution 64 [ADOPTED] Resolution Authorizing Increase in the Veterans Tax Credit from \$250 to \$300 *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 98*

Resolution 65 [ADOPTED] Resolution Authorizing Supplemental Appropriation in the Amount of \$6,500 for the Ice Resurfacing Machine and Borrowing Authority Pursuant to RSA 33:9 *First reading, second reading and adoption held on March 6, 2018. CC FY 18 AB 99 Required Public Hearing held on April 3, 2018. Repeated second reading and adoption held on April 3, 2018.*

Resolution 66 [ADOPTED] Resolution Authorizing Supplemental Appropriation to the School Department Fiscal Year 2018 Operating Budget in the Amount of \$1,200,000 *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 90*

Resolution 67 [ADOPTED] Resolution Deauthorizing Borrowing Authority for the Arena Roof Structural Project funded from the Arena Capital Improvements Plan Fund in the Amount of \$650,387 *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 93*

Resolution 68 [ADOPTED] Resolution Authorizing the Rochester Legal Department to Apply for a Victims of Crime Act (VOCA) Continuing Grant for the Fiscal Year 2018-2019 in the Amount of \$25,836 *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 88*

Resolution 69 [ADOPTED] Resolution Authorizing Supplemental Appropriation to the Water Capital Improvements Plan for the Water Treatment Plant (WTP) Low Lift Pump Station Upgrade Project and Borrowing Authority Pursuant to RSA 33:9 in the Amount of \$111,823.00 *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 87 Required Public Hearing held on March 20, 2018. Repeated Second reading and adoption held on April 3, 2018.*

Resolution 70 [ADOPTED] Resolution Authorizing Transfer from the General Fund Unassigned Fund Balance to the School Buildings Capital Reserve Fund in the Amount of \$173,504.00 *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 91*

Resolution 71 [ADOPTED] Resolution Authorizing Supplemental Appropriation to the School Department Capital Improvements Plan Fund for the Replacement of Roof Trusses at the Gonic School in the Amount of \$1,419,435.00 *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 92*

Resolution 72 [ADOPTED] Resolution Accepting Donation from St. Anselm's College to the Recreation and Arena Department and Supplemental Appropriation in the Amount of \$2,800 *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 84*

Resolution 73 [ADOPTED] Resolution Authorizing the Expenditure of Insurance Reimbursement Funds and Supplemental Appropriation to the 2017-2018 Police Department Capital Improvements Plan Fund for a Radar Speed Display Message Board in the Amount of \$12,550.00 *First reading, second reading, and adoption held on March 6, 2018. CC FY 18 AB 89*

Resolution 74 [ADOPTED] Resolution Regarding an Independence Day Festival in Partnership with Rochester Main Street (\$10,000) *First reading and adoption held on April 3, 2018. CC FY 18 AB 103*

Resolution 75 [ADOPTED] Resolution Deauthorizing Funding for the Department of Justice Ballistic Vest Grant in the Amount of \$1,731.94 (Consent Calendar) *First reading, second reading, and adoption held on April 3, 2018. CC FY 18 AB 105*

Resolution 76 [ADOPTED] Resolution in Accordance with Ordinance 4.4 (c) Authorizing the City Manager to sell 6 Gina Drive, a Tax Deeded Property, without an Auction or Sealed Bid Sale *First reading, second reading, and adoption held on April 3, 2018. CC FY 18 AB 77*

Resolution 77 [POSTPONED] Resolution Rescinding Authority to Demolish the Building Located at 38 Hanson Street and Rescinding Authority to Build a Municipal Parking Lot *First reading and motion to POSTPONE passed on April 3, 2018 CC FY 18 AB 13.4*

Resolution 78 [ADOPTED] Resolution Authorizing the Rochester Police Department to Apply for a United States Department of Justice Ballistic Vest Grant in the Amount of \$12,214.00 *First reading and adoption held on April 3, 2018. CC FY 18 AB 107*

Resolution 79 [ADOPTED] Resolution Approving the 2018-2018 Operating Budget for the City of Rochester *First reading and referral to a Public Hearing held on June 5, 2018. Public Hearing held on May 22, 2018. Second reading and adoption held June 19, 2018 CC FY 18*

Resolution 80 [ADOPTED] Resolution Authorizing and Approving the 2018-2019 Capital Improvements Budget for the City of Rochester *First reading and referral to a Public Hearing held on June 5, 2018. Public Hearing held on May 22, 2018. Second reading and adoption held June 19, 2018. CC FY 18*

Resolution 81 [ADOPTED] Resolution Ordering the Elimination of a Hazardous Building at 1 ½ Chestnut Street in Rochester, NH *First reading and adoption held on May 15, 2018. CC FY 18*

Resolution 82 [ADOPTED] Resolution Authorizing the Reprograming of the Community Development Block Grant (CDBG) Funds for FY 2018-2019 *First reading and referral to a Public Hearing held on May 29, 2018. Public Hearing held on June 5, 2018. Second reading and adoption held on June 19, 2018. CC FY 18*

Resolution 83 [ADOPTED] Resolution Authorizing Supplemental Appropriation for the Purchase of 10 North Main Street in the Amount of \$111,914.51 *First reading, second reading, and adoption held on June 5, 2018. CC FY 18*

Resolution 84 [ADOPTED] Resolution Authorizing the Department of Economic Development to Apply for a Local and Community Heritage Investment Program (LCHIP) Grant in the Amount of \$50,000 *First reading and adoption held on June 5, 2018. CC FY 18*

Resolution 85 [ADOPTED] Resolution Authorizing Acceptance and Appropriation of a Certified Local Government Grant Award for the Purpose of a Travel Grant to Attend the National Alliance of

Preservation Commissions in the Amount of \$3,126.34 *First reading, second reading, and adoption held on June 5, 2018. CC FY 18 AB 77*

Resolution 86 [ADOPTED] Resolution Approving a U.S. Department of Justice Office of Juvenile Justice and Delinquency Prevention Mentoring Opportunities for Youth Initiative Grant Application *First reading, second reading, adoption held on June 19, 2018. CC FY 18*

ECONOMIC DEVELOPMENT DEPARTMENT

ECONOMIC DEVELOPMENT ANNUAL REPORT, July 1, 2017 – June 30, 2018 (FY 18)

This Fiscal Year 2018 welcomed a deepening engagement in the quality of life initiatives and attraction strategies, along with advancement of major development projects.

Key Economic Development Programs, Events & Marketing:

- ❖ ***Rochester, at 'tipping point,' named city on the rise***
New Hampshire Magazine has dubbed Rochester as the Granite State's "city on the rise" in conjunction with its annual "Best of NH" awards. The magazine's editorial staff announced the honor Wednesday, citing Rochester's "significant grassroots movement to bootstrap the city into prominence as a center for art, culture, dining and economic vitality."
- ❖ During Standard & Poor's rating agency visit in late June, Manager Pollard presented on economic growth within the city and comprehensive goals for the near future. This included housing for the Rochester workforce, the Granite Ridge Development District, Granite State Business Park, and the Rochester Economic Development Commission strategic plan.
- ❖ Third Season of Rochester Farmers Market, drawing over 5,000 residents and visitors, season is June 12th- September 25th 2018.
- ❖ Community Vibrancy & Design Committee and Main Street are working together as complimentary groups with aligned missions.
- ❖ Way Finding design review and feedback.
- ❖ Formed in 2015, the Rochester Listens Committee continues to hold meetings and host community events.
- ❖ GSCC Advisory Board, President Wil Arvelo will leave Great Bay for a position at the State of NH as Director of Economic Development, Dr. Susan Huard, will be interim director, who also is at Manchester Community College.
- ❖ Rochester Museum of Fine Art hosted a ribbon cutting to honor the permanent gallery at the Rochester Community Center.
- ❖ Completed Arts and Economic Prosperity surveys, gathering over 800 responses, representing over 36 events. According to the Americans for the Arts survey findings, Rochester, NH is revealed as a thriving cultural epicenter when compared with communities of similar size and demographics across the country. ***"Rochester's numbers were the most surprising. The Americans for the Arts study found that in the City of Rochester, spending by the arts and culture industry and its audiences totaled \$12.3 million – more than double the \$5.3 million median for communities its size nationwide."***



- ❖ Riverwalk Committee updated the CLD Master Plan by Fuss and O'Neil Architects and members are working on a Recreational Trails grant that potentially could fund a bridge over the Heath Brook. The Heath Brook footbridge would connect the Hanson Pines to the school practice fields off of Hillsdale



Drive. Strafford County Regional Planning also contacted the Riverwalk committee about a potential fundraiser for this project. Applied for NH Recreational Trails Program in June. *Dinner on the Rivewalk fundraiser was a success, all tickets*

were sold.

View from River Walk



- ❖ Scenic Theater and former Kelly's Gymnastics Buildings become City owned for redevelopment, finalized requests for structural, historical and environmental surveys to elevate the caliber of future development.
- ❖ RKG Economic Development Strategic Planning final review, including adjustments to zoning.
- ❖ Buxton Scout Tool Training, They have responded with some new offerings that will directly benefit independent businesses and aid our efforts in attracting smaller regional companies into Downtown, along with retail matches.
- ❖ JOB Loan – White Birch Ammo \$37,500; Flexographic Print Solutions, \$75,000
- ❖ Updating Economic Revitalization Zone (ERZ) signage and Highway signage with new website information and QR Code
- ❖ 6 ERZ Zones Public Service Announcements, tax credits available – Cocheco, Downtown, Gonic, Granite Ridge Development District, Granite State Business Park, and Milton Road
- ❖ Purchase of additional land in Granite State Business Park, signs promoting the land for sale go up
- ❖ Foley 5k honors the James Foley legacy.
- ❖ Bike Share Initiative, a collaboration with Recreation and Economic & Community Development is underway.
- ❖ Jet Pack Comics hosted Free Comic Day for the downtown businesses, drawing hundreds of visitors and residents.
- ❖ Wings and Wheels welcomed over 2,000 visitors to Skyhaven Airport, with food vendors, entertainment, games, car shows, airplane and helicopter rides.



Outreach & Retention:

- ✓ Main Street BOD – assisting the transition for longtime director succession, New Director, Angela Mills hired.
- ✓ Workforce development, partnerships with RW Creteau Technology Center, Great Bay Advanced Technology and Academic Center along with local business offering internships and employment opportunities.
- ✓ Brewery outreach and attendance at the first annual craft beer conference, over 200 participants and exhibitors.

- ✓ Google 360 Virtual Tours introduced the new offices in the Annex.
- ✓ Completed website re-design, submitted project for award consideration to the International Economic Development Council.
- ✓ Public Art project in collaboration with Rochester Museum of Fine Arts and Rochester Main Street, with a new gallery in the community center.
- ✓ Public pianos on Main Street add to the community vibrancy.
- ✓ Manager Pollard facilitated a panel discussion featuring NH State Economic Development Director Will Arvelo and Business & Industry Association (the state of NH chamber of commerce) President, Jim Roche to discuss issues, challenges and trends for manufacturers and businesses in the coming year. It was a change in format, featuring a more casual mingling from 4 – 6 PM at the Rochester Performance & Arts Center and then the presentation. It drew over 25 guests including local and regional manufacturers, businesses, consultants and community partners. Holy Rosary Credit Union was the event sponsor.
- ✓ State of NH's reorganization with Manager Pollard met with State of NH official Michael Bergeron to discuss the State of New Hampshire's departmental reorganization of the Department of Resources and Economic Development (DRED) as of July 1, 2017. The reorganization is the result of Governor Sununu's efforts to refocus the divisions of Economic Development and Travel & Tourism Development into the Department of Business and Economic Affairs. The Department of Cultural Resources is being combined with the Division of Parks and Recreation and Division of Forest & Lands to form the Department of Natural and Cultural Resources.



National & Regional Conferences:



RECON

- ✓ ICSC, Las Vegas, NV & Boston, MA
- ✓ IEDC Training, Business Retention & Expansion
- ✓ Economix, two day networking session with site selectors

DOWNTOWN NEW BUSINESSES	DOWNTOWN BUSINESS EXPANSION	NEW BUSINESSES IN ROCHESTER
<ul style="list-style-type: none"> ➤ Rochester Performance & Arts Center ➤ Sweet Peaches Candy and Confections ➤ Curlies Comedy Club ➤ Artisan's Gallery ➤ Freedom Beauty Salon ➤ Marilyn's Unique Boutique ➤ Fresh Vibes Café 	<ul style="list-style-type: none"> ➤ Jet Pack Comics ➤ Collec-tiques ➤ Moe's Sandwiches 	<ul style="list-style-type: none"> ➤ Breeze Pet Salon ➤ The Paper Store ➤ Red Alert Skate Shop ➤ Starbucks ➤ T-Mobile ➤ Mooyah Burgers Shakes and Fries ➤ iFix and Repair (located in Wal-Mart) ➤ Lilac City Restorative Massage ➤ NH Liquor Outlet

COMMUNITY DEVELOPMENT DIVISION FY 2017-2018

The mission of the Community Development Division, housed within the Office of Economic & Community Development, is to work with the community, public service agencies, and private sector partners to improve neighborhoods and assist low to moderate income Rochester residents to improve the quality of these residents' lives and neighborhoods. The responsibilities of the Community Development Division include management of the City's Community Development Block Grant (CDBG) program, which is funded through the U.S. Department of Housing and Urban Development; grant writing and grant reporting for a variety of different City departments; and other duties as assigned.

During the FY 2017-2018 period, the Community Development Division drafted and submitted the FY 2018-2019 CDBG Annual Action Plan and FY CDBG 2017-2018 Consolidated Annual Performance and Evaluation Report, as well as other required reports on Section 3 compliance, Davis-Bacon Act compliance, etc.; continued the consultation process for the City's Assessment of Fair Housing and drafting the Assessment of Fair Housing; began the consultation process for the FY 2020-2020 Consolidated Plan; and conducted monitoring of FY 2017-2018 CDBG grant subrecipients. CDBG projects during this time frame included funding for regional homeless shelters, funding for educational and vocational services for lower-income residents, funding for legal services for abused and neglected children, weatherization renovations for lower-income homeowners, and the installation of night lights at the Rochester Community Center tennis courts.

Grants successfully awarded to the City of Rochester during this time period include the Drug Free Communities continuation grant, which supports Bridging the Gaps, the City's youth anti-drug coalition; a state Moose Plate grant to preserve historic documents; a grant to continue the victim-witness advocacy program within the City's prosecutor's office; and a supplemental grant to fund the purchase of a laptop for the victim-witness advocate.

Key Accomplishments:

- Continued CDBG support for homeless shelters (My Friend's Place and Cross Roads House)
- Award of Moose Plate grant to fund the preservation of historic City documents from the 18th and 19th centuries
- Coordinated the final site visit and final reports for grants that funded City Hall Annex façade restoration

FIRE DEPARTMENT

REPORT OF THE FIRE DEPARTMENT

FISCAL YEAR 2018

1815 through 2018

203 Years of Service

ISO Class 3 Community

MISSION STATEMENT

The primary mission of the Rochester Fire Department is to provide a range of programs designed to protect and maintain the quality of life within the City of Rochester through Fire Prevention, Fire Suppression and Rescue activities.

MOTTO

Serving the Lilac City with Pride.

ORGANIZATION

The City of Rochester Fire Department is a 54-member “combination” organization providing fire, rescue, and public assistance to the Rochester, East Rochester and Gonic sections of this community. The department serves a community with an estimated population of 31,000 residents in a 49.2 square mile area from two fire stations which are covered 24/7.

Our department continues to accept the challenges presented by the demands for service. Rochester Firefighters responded to over 2900 incidents in this fiscal year. This number represents when one of our citizen’s or visitors experience an unexpected or unfortunate event that led them to call for our assistance. Our firefighters continue to provide not only the professional response needed to take care of the emergency, but also show compassion to support the person and families involved in these emergencies.

EMERGENCY MANAGEMENT

The Rochester Fire Department is charged with running the City's Office of Emergency Management. The Emergency Management Division is the City of Rochester’s lead agency for coordination of emergency and disaster response activities.

The Division manages the Emergency Operations Center (EOC) with support from local, state and federal partners. The EOC is the central point where the disaster recovery efforts are coordinated.

OPERATIONS

Fiscal year 2018 brought many changes for the Rochester Fire Department. There were five retirements within the department; Firefighter Bruce Snyder (over 16 years), Captain Paul LaClair (27 years), Firefighter Missy Ayers (25 years), Secretary Cindi Potts (25 years), Assistant Chief Mark Dupuis (30 years) and Chaplin Ron Lachapelle (56 years). With the retirement of these members, the department welcomed eight new members and two promotions; Chief Mark Klose, Secretary Jessica Gray, Chaplin Jeff Hunt, Firefighter Matt Woodbury, Firefighter Duane Marsh, Firefighter Curt Fitton, Firefighter Dave Levesque, and Firefighter Tyler Thurber were hired, while Mike George was promoted to Captain and Jarrod Wheeler was promoted to Lieutenant.

In Fiscal Year 2018, Rochester Fire Department had 3 members recognized as Employee of the Month, Firefighter Matt Furtney, Firefighter Kaitlin Taatjes, and Firefighter Jimmy Jacques and 1 member recognized as Employee of the Year, Firefighter Matt Furtney.

While Rochester Fire responded to 2930 calls, 52 of those calls were to assist mutual aid communities. When providing mutual aid, apparatus will respond to either the scene or the community's station for station coverage and are one of many departments responding. Rochester Fire calls for mutual aid during building fires that exceed a first alarm. When mutual aid is called to our City a number of departments respond and assist. Overall the majority of our calls continue to be medically related with 1,365 calls, or 46.5% of our responses.

The following table shows a breakdown of each call category over the last three fiscal years and the percentage change over those years.

	FY2016	FY2017	FY2018	FY 17-18 Percentage	3 Year Percentage
Total Runs	2575	2794	2930	4.87%	13.79%
Fire/Explosion	101	98	99	1.02%	-1.98%
Overpressure Rupture	0	0	4	4000%	4000%
Rescue Call	1192	1378	1375	-0.21%	15.35%
Hazardous Condition	202	223	240	7.62%	18.81%
Service Call	441	376	458	21.81%	3.85%
Good Intent Call	319	373	406	8.85%	27.27%
False Call	312	322	326	1.24%	4.49%
Severe Weather/Natural Disaster	2	17	19	11.76%	850%
Special Type/Complaint	6	7	3	-57.12%	-50%
Undetermined	0	0	0	0%	0%

TRAINING

The mission of the training division is to ensure that RFD provides the highest level of service to its customers, while minimizing risk to its members. We do this by maintaining proficiency in our skills and equipment, constantly learning new and more effective ways to do our job, and maintaining and tweaking the traditional tactics that we have used effectively for so long. We must perform in a dynamic fire ground, where it seems that we are in a constant battle against time and changing conditions.

The Fire Department is in a constant state of change and improvement. In order to meet the needs of these changes and remain effective, the department purchases new equipment and updates equipment on a regular basis. We make very educated purchases and much discussion and research is conducted for each dollar spent.

FIRE PREVENTION

The Fire Prevention Office is responsible for helping promote fire safety within the City of Rochester. We strive to remain current on all codes, including continual training and researching more efficient ways to keep citizens safe.

COMMUNITY ENGAGEMENT

The Rochester Fire Department continues to remain engaged with the rest of the community by participating in numerous events that either promote safety, awareness or require the department's assistance to ensure a safe event. Some of these events include the Rochester Fair, Rochester Christmas Parade, Memorial Day Parade, Relay for Life, Rochester Firefighters Toy Bank, National Night Out, Fire Safety Festival and many more. Members of the Rochester Fire Department also spend time with the students in the City of Rochester for fire drills, school events, station tours and more.

Rochester Fire Department members also participate in the annual CHaD Battle of the Badges hockey and baseball games.

Respectfully submitted,

Mark E. Klose
Chief of Department

**INFORMATION SERVICES
DEPARTMENT**

IT Services FY18 Annual Report

The mission of the IT Services department is to support the goals of the City with computer, network, data and voice communications, applications, compliance, data security and disaster recovery services. We strive to engage with each department to improve productivity, efficiency, and transparency using technology tools so that the City can be served better.

The team continued to support the productions environment throughout the year. This includes Local Area Networks (LAN), Wide Area Networks (WAN) and the Institutional Network (I-NET) with user administration, data maintenance and backup, virus and malware prevention, network and personal computer hardware repairs, upgrades and maintenance, software installation, training and research and development of computer aided procedures. Maintaining compliance with PCI remained a necessary component with the City accepting credit card payments.

There were also significant changes based on the recommendations acquired through a study of the technology services department (MIS), the infrastructure and services, and comparisons to other similar local government agencies by Municipal Resources, Inc. The study included recommendations that were intended to be completed over a 3 year period. The implementation of those began towards the end of FY17 with significant changes to the network infrastructure and model. In FY18, these changes continued to be tweaked and optimized for use. This was a major endeavor, especially considering that the infrastructure being configured was the production environment. The team took care to limit downtime for users while making the needed changes.

In addition to configuring the devices placed in FY17, the team added new technologies to enhance the resilience of the network by adding redundancy where appropriate. The team also began to look closely at enterprise services which allow for managing device configuration centrally, as well as reporting on the health of the entire system using reporting and dashboards.

The team converted to a new name, from MIS to IT Services, which represents a more modern approach to providing the production, security and business process enhancement services required in a modern environment. The positions on the team were redesigned to more accurately represent the workload, define the expectations better, and organize the department in a way that is more streamlined to the industry.

Finally, IT Services began to formulate a multi-year plan to strategically improve the network, services, security and business processes in the City.

LEGAL DEPARTMENT

REPORT OF THE LEGAL DEPARTMENT 2017-2018

The following is a report of the activities of the City of Rochester Legal Department for the fiscal year beginning July 1, 2017 and ending on June 30, 2018:

As of June 30, 2018, the following actions involving the City of Rochester were/are being litigated in various New Hampshire and Federal Courts:

1. Donald Toy & Bonnie Toy v. City of Rochester, et al/Strafford County Superior Case No. 219-2015-CV-00458
2. Rochester City Council v. Rochester ZBA and Donald Toy & Bonnie Toy/NH Supreme Court Case No. 2017-501
3. John Weeden, et al v. City of Rochester, et al/NH Supreme Court Case No.2017-0120
4. George Blaisdell, et al v. City of Rochester/Strafford County Superior Case No. 219-2015-CV-00193
5. Christopher Meyer v. City of Rochester, et al/Strafford County Superior Case No. 219-2017-CV-212
6. Paul Martin v. City of Rochester/Strafford County Superior Case No. 219-2018-CV-172
7. City of Rochester v. Mark McNeil/7th Circuit – District Division – Rochester Case No. 471-2017-CV-216 et al
8. In Re: Spaulding Ave. Industrial Complex, LLC/United States Bankruptcy Court Case No. 17-11545-BAH
9. City of Rochester v. 5-7 Lafayette Street, et al/7th Circuit – District Division – Rochester Case No. 471-2017-CV-214
10. City of Rochester v. 5-7 Lafayette LLC/7th Circuit – District Division – Rochester Case No. 471-2018-CV-94
11. City of Rochester v. Eric Goucher, Matthew Croteau/7th Circuit – District Division – Rochester Case No. 471-2017-CV-345 and 346
12. City of Rochester v. Angela and John Krekorian/7th Circuit – District Division – Rochester Case No. 471-2017-CV-243 through 260
13. City of Rochester v. John Weeden/7th Circuit – District Division – Rochester Case No. 471-2017-CV-109
14. City of Rochester v. Paradis Butcher Shop/7th Circuit – District Division – Rochester Case No. 471-2018-CV-47
15. City of Rochester v. Irving Energy/7th Circuit – District Division – Rochester Case No. 471-2017-CV-281 through 344
16. City of Rochester v. Crystal Brousseau/7th Circuit – District Division – Rochester Case No. 471-2017-CV-406 through 409
17. City of Rochester v. Lorraine Mackenzie/7th Circuit – District Division – Rochester Case No. 471-2017-CV-405
18. City of Rochester v. Thomas Demchak/7th Circuit – District Division – Rochester Case No. 471-2017-CV-397 through 404

The Legal Department has continued to provide municipal prosecution services from the Rochester Police Department. The Legal Department prosecutes all non-domestic violence related misdemeanors and violations within the City of Rochester as well as providing case file management services for the Stafford County Attorney's Office in regards to felonies and domestic violence cases. The Legal Department has also continued its litigation services to the Department of Building, Zoning and Licensing Services in

regards to its compliance enforcement activities. Additionally, the Legal Department responds to every Right to Know Request that the City receives.

The Legal Department also provided representation to the City in numerous matters before the New Hampshire courts with respect to cases in which the City was a party, as well as before various administrative agencies when necessary. In addition, the City Attorney attended Council meetings, as well as meetings of Council committees and other City boards and commissions upon request. Legal opinions and advice were provided to the City Manager, Mayor, Mayor and City Council, Department Heads, and City Department Divisions. Legal instruments, including deeds, leases, contracts, ordinances, and amendments to ordinances, resolutions and other similar type documents were drafted and reviewed, as required, during the year and representation of the City was provided with regard to the acquisition and disposition of real estate, as well as the negotiation of various disputes and the drafting and review of agreements concerning the City for numerous purposes.

It should be noted that the above listing of cases does not include various bankruptcy proceedings pending in various U.S. District Courts across the United States in which the City of Rochester has filed proofs of claims and/or other pleadings with regard to the City's various interests in such bankruptcy estates, workers compensation proceedings, and various litigation in which the City is, or was, represented by counsel provided through the City's various liability carriers, or counsel retained on an individual case basis.

Respectfully submitted,

Terence M. O'Rourke, City Attorney

ROCHESTER PUBLIC LIBRARY

REPORT OF THE ROCHESTER PUBLIC LIBRARY 2017-2018

2018 marked the 125th anniversary of the city of Rochester's vote to establish a free public library. In honor of this milestone, the library presented several events to the public celebrating its long history, including an open house hosted by the Rochester Chamber of Commerce, the installation of a portrait of Rochester's first librarian, Lillian Parshley, and a presentation to the Rochester Historical Society on the library's rich history.

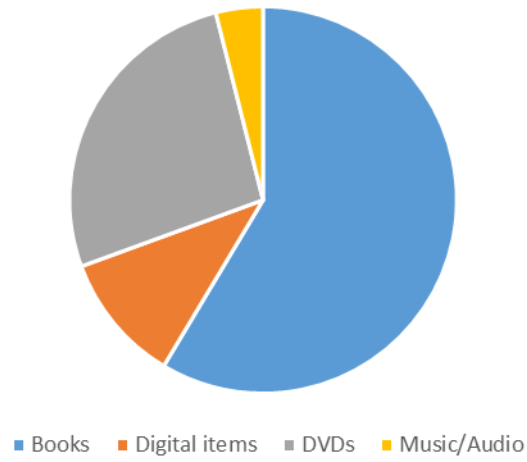
The Library circulated 181,594 items from the physical collection in FY18, and an additional 21,576 digital items. 138,019 visitors came to the library during the fiscal year, for an average of 378 per day. The Library's physical collection contains books, audio books, music CDs, television shows, DVDs, magazines, newspapers, large print, graphic novels and the children's library collection. The digital collection offers foreign language learning software through Mango Languages, online access to Chilton's Auto Repair manuals, a database of legal forms, and multiple online resources for genealogists.

The digital eBook collection continues to grow due to investments in new databases and platforms. Hoopla, a platform for streaming and downloading eBooks, audio books, graphic novels, music, and films, circulated 3,754 titles. Overdrive, the primary platform for lending digital audio books and eBooks circulated 16,726.

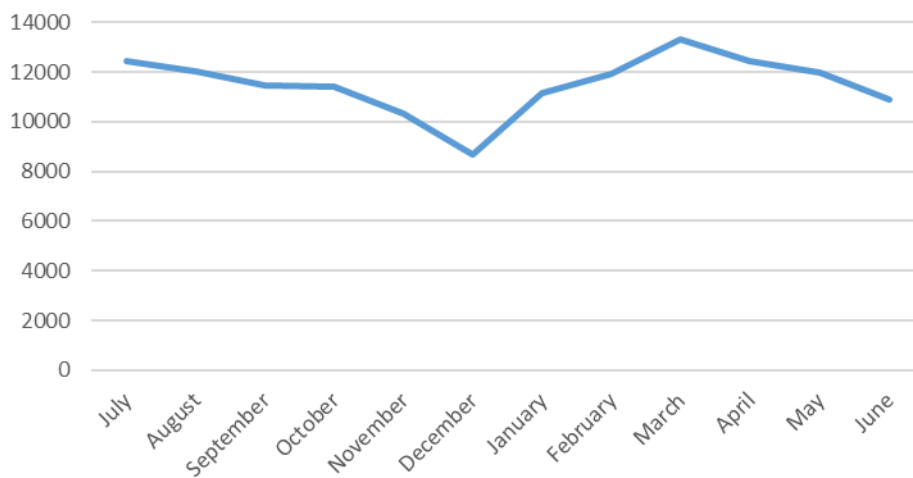
The Library hosted 249 programs in addition to the summer reading events, with events for adults, children, and teens. The Children's Library ran regular story time and Make it and Take it craft day events, while presentations for adults ranged in topic from an Independent Film Series put on by the Rochester Museum of Fine Arts to an open mic poetry night. The Library also offered weekly and monthly programs, such as book groups, knitting clubs, yoga classes, a meditation series, and a Wednesday night film series. As in previous years the Library participated in Free Comic Book Day in May, and hosted the AARP's popular tax preparation services at the Library. The meeting rooms on the top floor hosted 892 groups, not counting the AARP's tax preparation meetings. The Library hosts monthly displays by local artists on the main floor and rotating displays from the Rochester Museum of Fine Arts on the top floor.

The Library offered summer reading programs for children, young adults, and adults. The theme in the children's room was Polar Reading, and featured Arctic and Antarctic decorations and events. The 7-week program brought in 358 children who read a combined total of 5,718 books and featured a program with sled dog racer Laura Renner, Animal Encounters, story times, and craft programs. At the main circulation desk patrons competed for a chance to win a summer gift basket by reading books and checking out museum passes. In the YA room, 46 teens completed reading logs and trivia sheets for weekly prizes in a program with prizes from the Boston Red Sox, Canobie Lake Park, Charlie's Pizza, Dunkin Donuts, the Fisher Cats, Friendly's, Golick's, Hilltop Fun

Library Circulation by Material Type



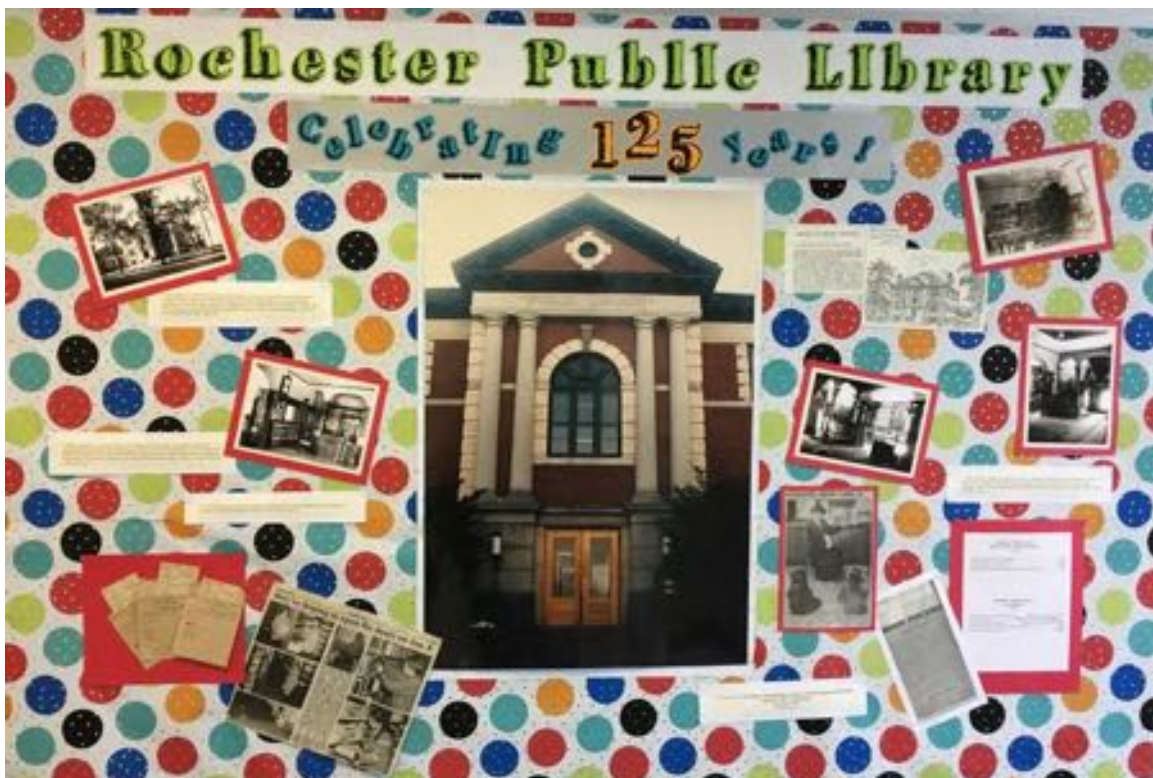
Library Visits by month FY18



Center, Jetpack Comics, the Portland Sea Dogs, Tropical Smoothie, Wal Mart, Water Country, and York's Wild Kingdom.

All of the library's programs and services to the city wouldn't be possible without a dedicated and talented staff. The Rochester Public Library is fortunate to have a team of 9 full time and 17 part time professionals working for our library patrons and for the City of Rochester.

Respectfully submitted,
Brian Sylvester
Director, Rochester Public Library



A bulletin board on the history of the Library in celebration of the 125th Anniversary

PLANNING DEPARTMENT

Report of the Planning and Development Department 2017 - 2018

OUR MISSION

The mission of the Planning & Development Department is to coordinate the physical development and redevelopment of the City of Rochester in order to promote orderly growth, foster efficient use of infrastructure, protect property rights and investment, and maintain property values. In addition, we strive to protect and enhance the environmental/historic/cultural resources, enhance the business climate, and improve and protect the social capital, health, safety, and welfare of its citizens. We do this by facilitating the process of establishing Rochester's long-term and short-term development goals, the implementation of those goals, being proactive and reactive in updating regulations and ordinances, and through an efficient and thorough review process.

PLANNING AND DEVELOPMENT DEPARTMENT

OUR APPROACH

The Planning Board, Historic District Commission, Conservation Commission, Arts & Culture Commission, and staff review applications for a variety of projects each year. The staff and the City's Boards and Commissions work hard with the applicants to find an approach or design that serves the objectives of the particular applicant while also supporting the public interest and meeting legitimate concerns of the citizens of Rochester. Most applicants are willing and able to work with city staff, abutters, and concerned citizens in order to get the best project for everyone.

We continue to look for ways to improve the process in order to keep it as simple as possible, efficient as possible, thorough as possible, and as pleasant as possible for all those involved. We strive to be both proactive and reactive in developing and administering the regulatory processes that apply to development to honor our obligation to protect the interests of the City, its residents, and the applicants.

MAJOR RESPONSIBILITIES

The major responsibilities of the Planning and Development Department include:

- Policy development
- Developing ordinances that allow for commercial & residential growth while providing for the protection of natural and cultural resources
- Overseeing the zoning ordinance and any amendments to the Zoning ordinance
- Reviewing and processing applications for subdivisions and site plan review

- Holding proper surety on approved projects to insure that projects are built in accordance with City standards, the Notice of Decision, and the approved plan.
- Coordinate with other City Departments such as Building, Zoning and Licensing Services, Economic Development, Department of Public Works, Police, Fire, and Assessing
- Strategic planning
- Master Planning
- Transportation planning
- Infrastructure planning
- Coordinating the E911 addressing system
- Coordination of, and service to, various Boards and Commissions including, but not limited to, the Planning Board, City Council, Conservation Commission, Historic District Commission, and Arts & Culture Commission

SITE PLAN AND SUBDIVISION REVIEW HIGHLIGHTS

Below are highlights of some of the projects approved by the Planning Board for Fiscal Year 2018 (July 1, 2017 to June 30, 2018):

Robert & Judith Gustafson, 140 Ten Rod Road (by Norway Plains Associates) 3-Lot subdivision.

Jaeger USA, Inc./Textile Tapes Corp., 104 Pickering Road (by Norway Plains Associates) Site plan and conditional use permit to construct a 16,500 sq.ft. building addition.

Real Estate Advisors Inc., 24 Jeremiah Lane (by Berry Surveying & Engineering) 53-Lot subdivision for single and duplex housing.
Case # 223 – 21 – A – 16

Harold & Dorothy Caler & Real Estate Advisors Inc., 151 Franklin Street & 24 Jeremiah Lane (by Berry Surveying & Engineering) Lot line revision.
Case # 111&223 – 83&21 – R1 – 16

Makris R.E. Development, LLC, Chesley Hill Road & Donald Street (by Beals Associates) 51-Lot subdivision. Case# 137 – 9&10 – R1 – 17

Makris R.E. Development, LLC, Chesley Hill Road & Donald Street (by Beals Associates) Lot line revision. Case# 137 – 9&10 – R1 – 17

Edward Duclus, 54 Allen Street Amendment to allow an indoor skateboard facility.
Case # 117 – 2-11 – I – 17

McDonald's USA, LLC, 291 North Main Street (by Bohler Engineering) Site plan for proposed side-by-side drive-thru, upgrades to the building façade, and changes to parking. Case# 115 – 42 – HC – 17

Farmington Associates, LLC, 60 Farmington Road (by Tighe & Bond) Amendment to reduce the footprint of proposed structures, wetland impacts, and increase infiltration of stormwater. Case# 216 – 8,9,10 – GRD – 17

Larry Boire, 301 Washington Street Conditional Use Permit for wetland crossing.
Case# 247 – 22 – A – 17

Abiquiu, LLC, 664 Columbus Avenue Conditional use permit to allow a yoga studio.
Case# 132 – 15 – NMU – 17

LAARS Heating Systems Co., 20 Industrial Way (by CLD Consulting Engineers Inc.)
Conditional use permit for wetland buffer.
Case# 230 – 19 – I – 17

RIGZ Enterprises, LLC, 17 Signal Street (by CLD /Fuss & O'Neill) Site plan to
construct a 1,000 SF building addition. Case# 120 – 19 – DC – 17

Fidae Azouri & Suzie Fakhoury, 172 Milton Road (by Berry Surveying &
Engineering) 2-Lot subdivision. Case# 205 – 127 – HC – 17

Casaccio RE Holdings, LLC, 48 & 58 Farmington Road (by Berry Surveying &
Engineering) Design review for a 10,000 SF expansion.
Case# 216 – 6&7 – GRD – 17

Kevin & Stephanie Burke, 313 Blackwater Road (by Stonewall Surveying) 1-Lot
subdivision. Case# 264 – 37 – A – 17

John & Cheryl Huckins, 60 Huckins Lane 3-Lot porkchop subdivision.
Case# 261 – 3-1 – A – 17

Casaccio Re Holdings, LLC, 48 & 58 Farmington Road (by Berry Surveying &
Engineering) Site plan to construct a 9,562 sq ft expansion.
Case# 216 – 6&7 – GRD – 17

Paul & Sue Normand, 52 Pondview Lane (by Norway Plains Associates) 2-Lot
subdivision. Case# 203 – 27 – A – 17

John & Sandra Scruton, 154 Meaderboro Road (by Norway Plains Associates) 2-Lot
subdivision. Case# 219 – 1 – A – 17

Gary & Tiffany Randall, 0 Main Street (by Berry Surveying & Engineering)
Conditional use permit to construct a single family home behind the “build to” line.
Case# 103 – 119 – NMU – 17

Waste Management of NH, 90 Rochester Neck Road & 214 Isinglass Drive (by
Sanborn, Head & Accociates) Site plan for TLR-III Refuse Disposal Facility – South
area. Case# 267/268 – 2&3/2&2-1 – RI/A – 17

Quantum Real Estate Group, LLC, 156 Old Dover Road (by Trittech Engineering
Corp.) 17-Lot subdivision. Case# 140 – 73 – R1 – 17

City of Rochester, 140 Wakefield Street (by Hayner-Swanson, Inc.) Site plan for an
addition to the R.W. Creteau Technology Center.
Case# 113 – 17 – R2 – 18

Brock Properties, LLC, 4 Ten Rod Road (by Norway Plains Associates) Site plan to install an outdoor storage rack system and increase pavement.
Case# 115 – 32,33,36 – HC – 18

Rochester Housing Authority, 165 Charles Street (by Norway Plains Associates) Site plan to convert existing office building to 8-unit apartment and two office space building.
Case# 128 – 221 – NMU – 18

J & L Terra Holdings, Inc., 685 Salmon Falls Road (by Beals Associates) 33-Lot subdivision. Case# 224 – 310 – A – 18

Farmington Associates, LLC, 60 Farmington Road (by Tighe & Bond) Amendment to allow further excavation of the site prior to addressing the “Precedent Conditions” listed in the Planning Board’s 2/25/2016 Notice of Decision. Case # 216 – 8,9,10 – GRD – 18

Waste Management of NH, 36 Rochester Neck Road (by Sanborn, Head & Assoc.) Site plan for the relocation of the Rochester Hauling facility (parking facility for collection trucks and employee vehicles), 19,000 s.f. structure for vehicle maintenance and offices, and a compressed natural gas (CNG) distribution system. Case# 262/267 – 22&23/2 – RI/A – 18

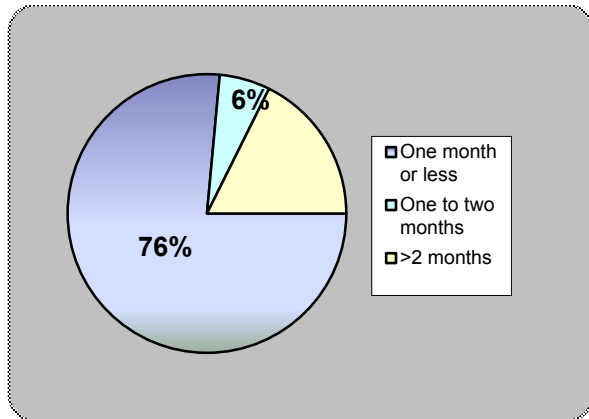
PLANNING BOARD ACTIVITY

The Department and Planning Board acted upon the following projects.

Planning Board applications (FY18)

	Total	Approved	Denied	Total Lots	Withdrawn
Subdivisions	12	12	0	169	0
Lot Line Revisions	5	5	0	0	0
Site Plans	20	20	0	0	0
<i>TOTAL</i>	<i>37</i>	<i>37</i>	<i>0</i>	<i>169</i>	<i>0</i>
	Total	Allowed without further review		Sent to PB	Withdrawn
Minor Site Plan	1	1		0	0
Special Downtown	9	9		0	0
Day Care	0	0		0	0
Home Occupation	6	5		0	0
<i>TOTAL</i>	<i>16</i>	<i>15</i>		<i>0</i>	<i>0</i>

One month or less	26	76%
One to two months	2	6%
>2 months	6	18%



OTHER PLANNING BOARD ACTIVITY

In addition to the applications listed above, the Planning Board also reviewed and approved several extension requests for previously approved projects, reviewed and approved three (3) minor site plans, reviewed and approved four (4) special downtown reviews, reviewed and approved four (4) home occupations, and also reviewed the monthly surety and inspections reports. The Board also discussed amendments to the Zoning Ordinance that were forwarded to the City Council for approval. These are listed below. The Board reviewed and adopted the Economic Development Strategic Plan that will become the Economic Development Chapter of the Master Plan. They accepted the newly created Design Standards for the Downtown Commercial District and the Historic District. The Board also held their annual retreat in January and discussed the following: discussed amendments to their By-laws, discussed rules and thoughts for sidewalks, reviewed possible updates for Chapter 50 (Stormwater), received an update from the Economic Development Department, and discussed zoning amendments for density. In addition, the Board held elections for officers, were given a recap of what they accomplished in the previous year, and looked ahead to plans for the next year. Lastly, the Board held discussions and gave input on the Capital Improvement Program (CIP) and the budget.

CHAPTER 42 AMENDMENTS

As mentioned above, there were several amendments made to the Zoning Ordinance, Chapter 42 and they are as follows:

- Amended zoning map to extend Downtown Commercial and align with Special Downtown
- Recommended against amending the Zoning Map to change two parcels located on Rochester Hill Road in the AG District to the Office Commercial District
- Recommended against amending the Zoning Map to change a section off Wakefield Street from NMU to R2
- Amended the Ordinance for Development and Construction signs
- Reviewed and recommended possible amendments to the HDC Ordinance
- Reviewed and recommended changes to density and parking

MASTER PLAN

To date, the City has seven adopted master plan chapters:

- 1) Land Use, adopted 2001
- 2) Transportation, adopted 2001
- 3) Downtown, adopted 2003
- 4) Economic Development, adopted 2006
- 5) Natural Resources, adopted 2009
- 6) Cultural Resources, adopted 2010
- 7) Recreation, adopted 2011

The City may adopt additional chapters in the future that could include:

- Energy and sustainability
- Public facilities
- Natural Hazards
- Utilities and public services
- Regional concerns
- Housing and community development

The City will be updating the Transportation Chapter of the Master Plan in the next fiscal year and will be starting the process of updating the Downtown Chapter. In addition, the City began working on Impact Fee Methodologies in the next fiscal year so the City may require applicants/developers to pay impact fees to the City of Rochester. These impact fees may include School, Public Safety (police and fire), Municipal Offices, Library, and Recreation. The Planning Board may adopt all of them, some of them, one of them, or none of them. There is a lot of work that needs to be done and we are looking forward to working with the Citizens of Rochester in the coming year to complete these projects.

Arts and Culture Commission

The Arts and Culture Commission members include: Matt Wyatt (Chair), Elaine Lauterborn (Council Rep), Katie O'Connor (Poet Laureate), Liz Tonkins-Agea and Amy Reagan.

WEBSITE

The Arts and Culture Commission also continued to update the website <http://rochesternharts.weebly.com/>. The website includes: homepage, events, Rochester Arts Awards, and Poet Laureate application. Arts and Culture Inventory – The Commission finished a database inventorying all of the wonderful things Rochester has. It would be very helpful for citizens to find out information and for the Commission to use as well. The City of Rochester also updated the website page of the Commission.

Rochester Arts Awards

Community members packed downtown Rochester August 13, 2018 to celebrate the Rochester Arts Awards hosted by Rochester Arts and Culture Commission, Poet Laureate Katie O'Connor read her poetry; a series of poems, each inspired by art, painting, dance and fashion design hosted at the Governors Inn. The following businesses and individuals were honored for their efforts. Artisan Gallery for opening a new gallery in downtown Rochester, Studley's Flower Gardens for downtown beautification, Rochester Main Street for the Festival of Trees event, Curlie's Comedy Club for bringing new entertainment to Rochester, Maple Street Magnet School for the "Discover Rochester" project, Rochester Social Club for supporting the arts through volunteerism, Strafford Wind Symphony for entertaining Rochester residents for many years, The Governor's Inn for the Murder Mysteries, Rochester Opera House for the new downtown Performance & Arts Center, HRCU for donating to the arts, and finally a special award will be given to Ralph DiBernardo from Jetpack Comics for his contribution to arts and entertainment efforts, and People's Choice nominations. This year's People's Choice award became a split award. Wyatt said the votes for both Mill Works Theater Troupe and for Cindy Lamie of the city recreation department were so overwhelming they decided to honor both.

"It's a great honor for the City of Rochester's Arts & Culture Commission to recognize the artists and cultural organizations that are bringing spectacular performances, artwork and services to the community. The annual Arts Awards is a great celebration of the wonderful honorees," Arts and Culture Commission Chair Matt Wyatt said. This years awards were designed, constructed and crafted by students at Spaulding High School's technical center. Special thanks to Economic Development Staff Jennifer Murphy-Aubin for arranging the catering for the event. Here is a link to the video of the event <https://rochesternh.viebit.com/player.php?hash=dVpXSpU74jXb>



Historic District Commission

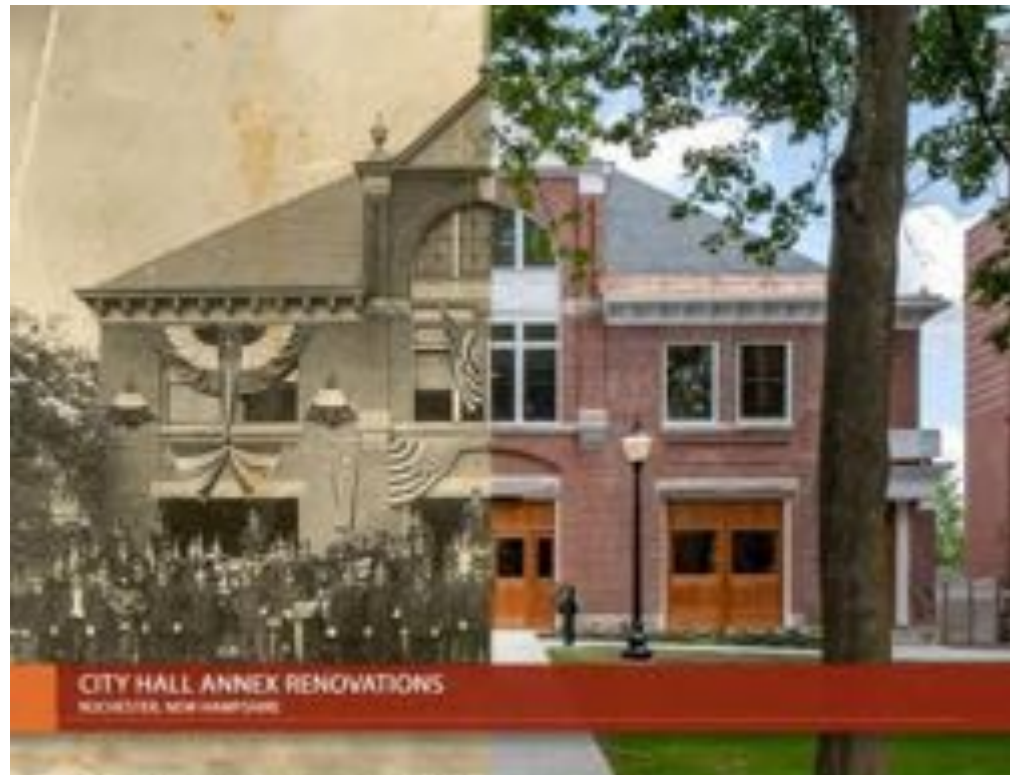
The Historic District Commission reviewed 9 applications from July 2017 until June 2018. The amount of projects going to the Historic District Commission decreased by 12 projects from the previous year. The largest project was Rochester Performing Arts Center. The goal of the Rochester Historic District Commission is to foster the preservation of structures and places of historic, architectural, and community value. Through preservation efforts the Commission hopes to enhance the City's sense of pride in downtown Rochester; increase property values; and maintain the attractiveness of Rochester for homeowners, homebuyers, businesses, and tourists.

Historic District Commission members include: Molly Meulenbroek, (Chair) Martha Wingate, (V. Chair), Peter Bruckner, Nancy Dibble, Marilyn Jones, and Sandra Keans (Council Rep.)

Historic District Commission Application for Certificate of Approval July 2017-June 2018				
Applicant	Address	Proposed Activity	Status	Approval Date
Rochester Performing Arts Center	32 North Main Street	wall sign, façade changes, and lighting	Completed	9/13/17
Residential	64 Wakefield Street	Iron fence	Completed	9/13/17
Joshua Guptel Curlies Comedy Club	12 Union Street	Window Signage	Completed	9/13/17
The Artisans Gallery Sherry Beaudoin	22 North Main Street	Double sided projecting sign wall sign	Completed	10/8/17
Federal Savings Bank– Portsmouth Sign Company	17 Wakefield Street	Wall Signage	Completed	1/10/18
Monroe Hair Studio Amber Smith	61 Hanson Street	Window sign	Completed	1/10/18
Raiche & Company Certified Public Accountants	16 Wakefield Street	Freestanding Sign with lighting	Completed	1/10/18
Massage Essential	18 North Main Street	Double sided projecting sign and door signage	Completed	2/14/18
Bob Mcguire	5 & 7 Dryer Way	Request for Extension for approved new two story office building	Approved	4/11/18
Bernier Insurance	32 Wakefield Street	Wall sign	Completed	5/8/18
Dales Country Essentials	Downtown	Wall sign	Completed	5/8/18

City Hall Annex Restoration

The members of the Historic District Commission participated in a video on demand about the [City Hall Annex Restoration](#) created by the talented Celeste Plaia. The City Hall Annex Restoration project received two awards in which members of the Historic District Commission participated. AIA Rick and Duffy Monahan Award for Design Excellence in Architectural Restoration and Preservation of the [City Hall Annex 2018](#) and NH Preservation Alliance with the Elizabeth Durfee Hengen Award, a special award for overall excellence in education, planning, advocacy, and restoration.



Rochester City Hall Annex, past and present. (photo: Randy Williams, AIA New Hampshire)



NH Preservation Alliance Awards Photo credit Steve Booth Photography

Special thanks to Molly Meulenbroek, Peter Bruckner, Sandra Keans, Martha Wingate, Marilyn Jones, and all others involved. Julian Long Grants Coordination on the project.

Certified Local Government Grant

In March 2017, the City of Rochester was granted a Certified Local Government (CLG) grant for \$15,000, with \$2,000 in kind to hire consultants BendonAdams to create Design Guidelines for the City of Rochester Historic District.

The City of Rochester worked on the Request for Proposal for the Certified Local Government Grant Design Guidelines in January 2018. On January 16, 2018, the City of Rochester Planning and Development Department went out for bid for Design Guidelines RFP #18-20 and Downtown Density Regulation Update. The Request for Proposals (RFP) were due on February 6, 2018. The city posted the RFP in a number of different locations including the American Planning Association website, Northern New England American Planning Association, New Hampshire Office of Strategic Initiatives, New Hampshire Planners Association, and in the local newspaper. The city also sent out bid invitations to a number of local consultants. Throughout

the bid process, city staff updated the Planning Board and Historic District Commission on the status of this project.

The Planning and Development Department received two bids for the RFP# 18-20 Design Guidelines from BendonAdams for a total of \$17,000 and Brian Knight Research for a total of \$15,300. The Planning and Development Department with guidance from the New Hampshire Division of Historical Resources selected BendonAdams to work on the Design Guidelines. This firm's experience was judged a better fit for the city in the ability, capacity, and skill to perform the project within the specified time limits, past performance, and the ability to work on both projects simultaneously.

Conservation Commission

The Rochester Conservation Commission worked hard and accomplished a lot between July 2017 and July 2018.

Accomplishments;

- Secured funding for, assisted with drafting easements, and attended the closing with South East Land Trust on a 160 +/- acre conservation easement on Gauthier Farm, located on Bernard Road and with over 1 mile of Salmon Falls River frontage. SELT is the first easement holder and The City of Rochester is second easement holder.
- Commission members attended natural resource based training workshops.
- Reviewed eleven "Intent to Cut" applications.
- Reviewed five "Intent to Excavate" applications.
- Reviewed three "NH Dept. of Environmental Services (DES) Wetlands Dredge and Fill" applications.
- Met with, reviewed, and/or discussed seven Planning Board applications that included proposed wetland and/or wetland buffer impacts. Several of these proposed developments were walked by the Commission.
- Responded to complaints regarding potential wetland violations.
- Communicated with property owners and land trust organizations that were interested in conserving land in Rochester. The extensive review processes included meeting with the landowner(s), completing Land Acquisition Criteria Evaluations (LACE), investigating funding options, conducting due diligence, having the properties appraised, etc....
- Continued collaborating with the Technical Review Group and Planning Board on application reviews.
- Met with developers and landowners in nonbinding sessions to provide direction prior to formal submission.
- Participated in monitoring of conservation easements.
- Jointly partnered with NH Fish & Game and Spaulding High School.
- Provided direction/answers to UNH student's final report.
- Were trained by NH DES on testing water quality via the Volunteer River Assessment Program.
- Collaborated with the Rochester School's Superintendent regarding community gardens.

- Prepared and submitted an application to the State's Aquatic Resource Mitigation grant program.



Gauthier Farm (photo courtesy of Lynn Gauthier)



Gauthier Farm (photo courtesy of Foster's Daily Democrat)

Respectfully submitted,

James B. Campbell,
Director of Planning & Development

POLICE DEPARTMENT

REPORT OF THE POLICE DEPARTMENT 2017-2018

Overview

Rochester consists of an approximate area of 46 square miles, with an estimated population of 30,000. Although separate in their job functions, all of the members of the Police Department work together to produce a high level of service to the citizens. Our staff consists of sworn officers and a civilian support staff.

Our Communications Center operates with enhanced 911 and is staffed 24 hours per day, by specially trained personnel. This combined center dispatches calls for service for police, fire and Frisbie Hospital ambulance.

A three-member Police Commission Board elected by the citizens serves the City. This was an election year and the citizens were represented by Commissioner Lucien Levesque, Commissioner Bruce Lindsay and Commissioner Derek Peters, Commissioner David Stevens, and Commissioner Lisa Stanley.

MISSION STATEMENT

The prime mission of the Rochester Police Department is the protection of life and property. This is accomplished through fair and equal enforcement, always keeping in mind the rights and dignity of the public.

The basis of all police action is the law and the credibility of the agency. The measure of our service will be judged by the public in the way we deliver our service. We will hold all personnel to a high level of ethical practices.

This mission can be achieved through crime prevention, public relations, and community policing.

VISION STATEMENT

To reduce crime and improve the quality of life, through continuous community engagement.

VALUE STATEMENT

Dedication – To serving the public to the best of our abilities

Pride – In ourselves, department, and community

Integrity – Always doing the right thing, even when no one is looking

Major Service Responsibilities

- to protect life and property through an effective partnership with the public and to address the needs and concerns of citizen customers.

- The Operation of a uniformed patrol force responsible for routine investigations and the general maintenance of law and order.
- The Operation of an Investigations Bureau divided into specialty sections investigating crimes and disorder against persons and property, vice or street crimes, domestic violence, prosecution, motor vehicle offenses, problem oriented policing and maintenance of evidence.
- The prevention and control of juvenile delinquency through a juvenile officer, prosecutor, court diversion coordinator, School Resource Officers, affiliation with Bridging the Gaps Coalition and coordination of community agencies interested in crime prevention.
- The Operation of a centralized communications center within the PD staffed 24 hours per day specializing in dispatching calls for service for Police, Fire and EMS.

Personnel

The following personnel were hired to fill vacancies during this reporting period: Officer Cory Krochmal, Officer Thomas Seager, Officer Jonathan Labosier, Officer Timothy Costin, Officer Thomas Butcher, Officer Kendall DeCost, Specialist Kayla McVay and Bridging the Gaps Coordinator Julie Perron.

The following personnel left employment during this reporting period: Officer Mark Brave, Officer Jeremiah Murphy, Officer Hunter Roy, Officer Mitchell Brooks, Officer Jeffrey Gagnon, Officer Charles Pendlebury, Specialist Rebecca Behr and Bridging the Gaps Coordinator Molly Martuscello.

Service Recognition:

Chief Theodore Blair Memorial Award: This annual award created in memory of former Police Chief Ted Blair recognizes that officer who best exhibits Chief Blair's qualities including compassion, commitment, consistent display of respect for others, and a sense of humor. Chief Blair passed away in 1995 following a short but valiant fight with cancer. He dedicated his career to the City and left his mark on the Department and community. Sergeant Thomas Powers was selected as the 16th annual recipient. The Blair family was on hand to assist with this presentation.

Employees of the Year 2017: The awards recognize police staff that show consistent work above and beyond throughout the year, and honors what they do to make the city safe. This year we combined the Communications Specialist and Support Person award. Candidates are nominated by their peers. Support: Specialist Nicole Knox, Police Officer: Jacob Garstin.

20 Years of Service: Animal Control Sue Paradis, Dep. Chief Gary Boudreau, Det. Chris Mangum

Lifesaving Awards: Officer Benjamin, Officer Robinson

Military Service Bar: Officer Alexander Turgeon, Officer William Robinson, Officer Joseph Oswalt.

Field Training Officer Bar: Officer James Murphy, Officer Aaron Garneau, Officer Michael Brinkman, Officer Elizabeth Turner, Officer Frank Porfido, Officer Thomas Powers, Officer Craig Forrest, Officer Charles Pendlebury

Commentary

Our community policing philosophy is accomplished by community engagement through the different programs implemented, which are designed to build partnerships that strengthen relationships and build trust within the community. Outreach programs include:

- Rochester United Neighborhoods
- Community Engagement Officer
- Crisis Intervention
- Citizens Police Academy
- Housing Officers
- School Resource Officers
- L.E.A.D. Program
- Explorers
- Project Good Morning
- Teen Night/Teen Travel Camp
- National Night Out
- Social Media
- Bridging the Gaps
- Diversion

The process for obtaining a police officer position is lengthy starting with an agility test, followed by oral boards, interviews, polygraph and medical testing as part of the extensive background. A non-certified person attends the academy as well as in house training and field training prior to going to solo patrol. This is roughly the equivalent of 7 months.

This has been a rebuilding year for staffing. For much of this year we have not been at full staff. Most have left due to taking positions with other agencies, while others have left law enforcement all together. As they leave, they take a lot of the investment we have in them in training and experience. This is difficult to replace. Having “boots on the ground” and the ability to complete proactive policing is critical and much more effective than reactive policing.

As we reported last year we continue our efforts to combat the drug crisis that has affected communities across the nation, big and small. We continue to approach this issue in a non-

traditional way. While the Community Access to Recovery has not been as successful as we want it to be we are still following our three-prong approach, starting with the L.E.A.D. program in our elementary, middle and high schools. We also have the Bridging the Gaps coalition and programming to prevent future generations from going down the same road. Then we have the recovery aspect, which is not a quick fix. We still connect people with recovery coaches, but it is a leap of faith for someone involved with illegal activity to come and ask the police for help. We give information about recovery centers and available options in hopes that at some point they will seek help. We know that long-term prevention is the key to getting out of this crisis.

I am proud of the accomplishments of the men and women of our department. The Department continues to build stronger relationships that enhance the level of trust between the police and the community and improving the quality of life. The support of our citizens is paramount to our success.

Respectfully Submitted,

Chief Paul R. Toussaint

PUBLIC WORKS DEPARTMENT

REPORT OF THE PUBLIC WORKS DEPARTMENT

July 1, 2017 through June 30, 2018

The Public Works Department is committed to providing quality of life to approximately 30,000 City residents. The goal of maintaining and improving the safety, health, and welfare of residents is accomplished by providing clean water, treating sewage, maintaining roads, sidewalks, public buildings, pools and parks. This department's employees are dedicated to meeting the day to day challenges and finding solutions to complex problems arising as the City grows.

The Department of Public Works supports numerous civic organizations in their efforts for the betterment of our community and to raise charitable funds. The Main Street Organization, Rotary, and the Chamber of Commerce require assistance for their many projects, committees and festivals and DPW plays an important role in their success.

On Thursday June 21, 2018 DPW worked with the Rolling Thunder Organization and the Rochester Veteran's Council to dedicate a POW MIA display at City Hall. This "table set for one" is representative of the of those who did not return from military actions in all U.S. Conflicts past to present.



The Department managed the regional household hazardous waste collection effort. This annual collection event hosts 10 communities and is funded in part by a grant from NHDES. The actual household hazardous waste collection took place on May 5, 2018, at a site provided by Waste Management of New Hampshire and was staffed by a collaboration of Rochester DPW Office personnel and WM field representatives. This year's event there were 368 vehicles that came to drop off their household's hazardous waste.

The Christmas tree for our 2017 Downtown Holiday display was donated by Chris and Danielle Bowlen on Western Avenue. The Bowlen's tree had become too large for the area in front of their home on Western Avenue and will be missed by the entire family as it had served as a backdrop for many family photos and events. Urban Tree Service and SUR Construction donated their time and equipment to assist DPW Staff to erect the tree downtown. The art students from the Rochester Middle School's Special Education Department, the St. Elizabeth Seton School, The Rochester Childcare Center and Jack & Jill Preschool made the decorations that were laminated and strung by the vocational students at the Monarch School of New England.



2017 Christmas Tree – Donated By Chris & Danielle Bowlen

The 2017-2018 winter season supplied us with significantly above average snow fall. The first measurable snow fall was December 9, 2017 and the last snow event occurred on April 16, 2018. The seasons had more than 40 treatable events resulting in approximately 107 inches of snow. A March 13-14, 2018 storm resulted in 27" inches of snow and this area received a FEMA Declaration.

Personnel Summary:

The staffing in this multi-division department is ever changing as staff retires and promotions happen internally. Currently this Department has 59 full time employees and 6 part time employees.

HIGHWAY/FLEET DIVISION

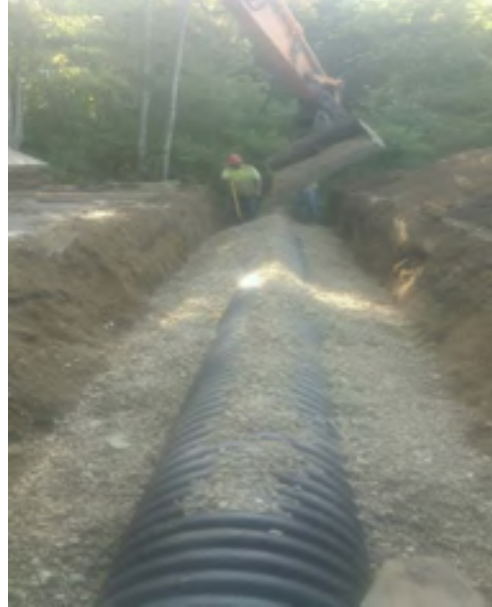
The Highway/Fleet Division is dedicated to ensuring the City's streets are maintained in the best possible condition within funding constraints. There are currently 10 equipment operators/truck drivers and 3 mechanics. All employees in this division are licensed CDL

Drivers. Their responsibilities include maintaining all paved and gravel roads, sidewalks, pavement markings, traffic signals, street trees, drainage facilities, as well as ensuring that the public works fleet of highway, water, and sewer vehicles and equipment are in good functioning order. The Department's fleet consists of 56 vehicles, 17 pieces of construction type equipment and 41 miscellaneous trailers, message boards and other support apparatus and equipment. They also perform all maintenance and repair for 3 Assessing vehicles and 4 Building, Licensing and Zoning Vehicles.

This Highway Maintenance Division supported the Pavement Rehabilitation Program by shimming roadways as follows. Pink Street, Hillsdale Drive, Great Falls Avenue, Clow Court, Gerrish Court, Olsen Way, Old Tebbetts Road and portions of Weeping Willow Drive and Evans Road. Staff additionally supported the pavement rehabilitation program by redefining ditch lines, trimming back brush, installing drainage structures and graveling shoulders on numerous streets. On Whitehall Road Staff installed a new catch basin and 110' of 15" drain line. On Four Rod Road staff replaced a 18" cross road culvert.



Whitehall Road Drainage Installation



18" Culvert Replacement Four Rod Rd



DPW Putting Down a “Shim” on Hillsdale

BUILDINGS & GROUNDS DIVISION & COMMUNITY CENTER

The Buildings and Grounds division has the responsibility for maintenance on eleven city buildings, several parks, and four pools as well as mowing on City owned streets and properties. This staff works hard and takes great pride in keeping all facilities and grounds in the best condition possible both mechanically and aesthetically. There are a total of ten full-time and six part-time employees in this division. Of these sixteen employees, we have six full-time and four part-time Custodians, three Maintenance Technicians, one full-time and two part-time grounds personnel. During 2017-2018 the Buildings and Grounds Department worked on various renovation projects throughout the City of Rochester, they performed all parks and grounds maintenance, service calls for building maintenance, set up and take down of voting at six wards and snow removal for the city buildings, parking lots and walkways.

In August of 2017 the City Hall Annex Building was opened. Michael Riley, this division's supervisor, and his staff played a large role in seeing this project through. Once the building was completed staff moved the Economic Development Department, the Planning Department and the Building, Zoning and Licensing Services Department into their new spaces. The division then renovated the old spaces and moved the H/R Department, the Legal Department and the Finance Department into the vacated and newly renovated spaces at City Hall. Lighting upgrades was the theme in this division this year. This year the Buildings and Grounds Division oversaw the project for LED Upgrades to the downtown light fixtures and all globes were replaced. Olde Farm Lane had an upgrade project that replaced all under and above ground lighting along the road way. Lighting for the Community Center Parking lot was improved at the same time the new tennis court lighting project was completed to allow for night time use of the courts.



Newly Renovated City Hall Annex – Grand Opening August 2017

ENGINEERING DIVISION

The DPW Engineering staff reviewed and oversaw private developments within the City. The Engineers reviewed and issued 87 driveway permits, 90 excavation permits, 95 storm water permits, 92 water connection permits and 92 sewer connection permits. These permits were all processed through the ViewPermit Software managed by the Building, Zoning and Licensing Services Department.

The City's new GIS/Asset Management Technician has been working with that Divisions Coordinator to locate and digitize the City-maintained utility networks including Sewer, Water, and Stormwater drainage. The tablet-based method for keeping track of routine inspections, maintenance, and repairs of assets such as stormwater catch basins, sewer manholes, sewer pump stations, fire hydrants, water valves, and water service curb stops is working well. The City Lights, both traffic and street lights have been added to our GIS Database as part of the City Wide LED Light Project. There is much work to be done with these programs and the department is making this a priority.

The General Fund Capital Improvement Plan Projects completed for both the Highway and Buildings and Grounds divisions during this fiscal year included the following:

- The historical renovation of the old 1905 Fire Station into the new City Hall Annex Building was completed in August of 2017. This building had been vacant for more than 12 years, was historically renovated and upgraded. The Economic Development Department, the Planning Department and the Building, Zoning & Licensing Services Department were moved to this new location.
- The City Hall project to paint the exterior of the upper floors and repaint the windows was completed.
- Both the Mens Room and the Ladies Room on the main floor of City Hall were renovated.
- The sidewalk and guardrail approaches were completed on the Rt. 125 Pedestrian Bridge over the Cocheco.

- The Dewey Street / Hanson Pines Pedestrian Bridge Project completed in the fall of 2017 with minor finishing touches in the Spring of 2018. Total Project costs with design and construction \$891,000.



New Dewey Street – Hanson Pines Bridge

- MS4 Stormwater Permit – The new NH Small MS4 General Permit was issued by USEPA Region 1 on January 18, 2017 and became effective on July 1, 2018. The City has met all compliance deadlines to date.
- Pavement Maintenance & Rehabilitation: The Pavement Condition Assessment completed in 2016-2017 proposed a five year paving program. This years streets to be paved were Wakefield Street, City Hall Municipal Parking Lot, Dry Hill Road, Eastern Avenue, Lagasse Street, Wilfred Street, Chestnut Street, Irish Street, Osborne Street, Scott Street, Pray Street, Lisa Lane, and Stonewall Drive.
- Franklin Street Area Roadway Utility Reconstruction Project. This project was for reconstruction of roadway, sidewalk, water main, drainage and sewer main systems and included Western Avenue, First, Second, Third, Fourth and Fifth Steets as well as a section of Franklin Street from Chamberlain to the Willow Brook area just before the intersection of South Main Street. The project was substantially completed with base pavement in place at the end of the 2017 construction season and was final paved in early 2018.
- The Vehicle Replacement Purchases were as follows:
Buildings and Grounds Division purchased a replacement pickup truck. Vehicle #108 was a 2006 Pickup and was replaced with a 2018 Cheverolet Silverado. The Highway Division added a 2018 10-Wheel Mac Dump Truck to their division. This brings the total of 6 & 10 Wheel plow trucks to 14. The Water Division purchased a replacement pickup truck. Vehicle #73 was a 2007 pickup and was replaced with

a 2018 Cheverolet Silverado Extended cab truck. The Sewer Division – purchased a replacement pickup truck. Vehicle #41 was a 2003 Pickup and was replaced with a 2018 Cheverolet Silverado.

WATER DIVISION

“There is no greater boon to a people in their everyday life than a liberal supply of pure water. It enters into every relation of life, and as a sanitary measure its benefits are incalculable” Inaugural Address of Charles S. Whitehouse, First Mayor of the City of Rochester, 1892.

Facility Name: Rochester Municipal Water System

Contact Information: Peter Nourse P.E., Director of City Services: (603) 332-4096

Michael Bezanson P.E., City Engineer: (603) 332-4096

Ian Rohrbacher, Chief Operator: (603) 335-4291

From the source to the tap the City of Rochester Water Treatment Facility Staff and the Utility Maintenance Staff at the DPW are committed to providing our customers with the highest quality drinking water. There is a staff of six working at the Water Treatment Facility, the Chief Operator, four Certified Water Treatment Operators, and one laborer. Our Utilities Division located at the DPW consists of a total of nine positions. This staff is responsible for the Water Distribution System and the Sewer Collection System. There is one Supervisor, six equipment operators and two meter technicians.



The Rochester Reservoir as seen in springtime from the dam access road

In 2018 our water system met all required state and federal standards for safe drinking water. The annual Water Quality Reports are posted on the City of Rochester web page at www.rochesternh.net . This division listens, acknowledges, responds, takes action, reports

and follows up with all aspects of operations. The City of Rochester is pleased with our Water Treatment Operators and Utility Technicians as many of them have acquired and maintain certifications that exceed the requirement of their positions. The Water Treatment Facility on Strafford Road was featured on the cover of the NEWWA December Journal, which highlighted water system management and technology. (<http://www.nxtbook.com/naylor/NEWQ/NEWQ0417/>)

The City operates and monitors the water system 24 hours per day, seven days per week to produce and deliver high quality drinking water through 125 miles of water main, 3 storage tanks, and 6 pumping stations to approximately 7500 service connections. The Surface Water Treatment Facility at 64 Strafford Road can treat and filter 4.5 million gallons per day and produced approximately 590 million gallons of water in FY2018. The Groundwater Treatment Plant at 157 Farmington Road can treat 0.9 million gallons per day and produced approximately 130.5 million gallons of drinking water in FY2018. The total for both facilities is approximately 711 million gallons delivered to the City. Finished water typically enters the distribution system at less than 0.030NTU, 0ptcu, <1.9mg/l TOC, 7.3 pH, 1.60 mg/l free chlorine, 0.03 mg/L manganese, and a hardness of 20-30 mg/l. Annually we conduct tests for over 175 drinking water compounds and sample continuously throughout the distribution system. Additional information is available in our annual water quality report and system overview pamphlet.

In 2018 we commenced improvements to our raw water/low lift pump station, performed a hydrosolids disposal study, and expanded our watershed and distribution sampling programs. Our outreach efforts included tours with Spaulding High School students, water utilities, and local residents. We also continued to improve the quality and condition of our water distribution system, focusing on valve exercising, customer engagement, increased proactive sampling and directional water main and hydrant flushing.

Directional flushing provides greater cleaning than conventional flushing and is crucial to maintaining the health of the distribution system. This technique involves valve exercising and controlled changes in water flow to promote material release from water mains. It is considered an effective method to improve chlorine residuals and disinfection byproducts, and to remove unwanted tastes, odors or discolorations of the water. A public water supply is required by law to operate critical valves annually and all other valves once every 5 years, and to maintain the cleanliness of the distribution piping.

When considering the high value we place on water, it is truly a bargain to have water service that protects public health, fights fires, supports businesses and the economy, and provides us with the high-quality of life we enjoy. Your water is a valuable, plentiful, and cost effective resource. Water is Worth It. You need water....And water needs you.

SEWER DIVISION

Facility Name: Rochester Wastewater Treatment Facility

Contact Information: Peter Nourse P.E., Director of City Services: (603) 332-4096

Michael Bezanson P.E., City Engineer: (603) 332-4096

David Green, Chief Operator: (603) 332-8950



WWTP Spring 2018

Permit: National Pollutant Discharge Elimination System (NPDES) Permit No. NH0100668

The Wastewater Treatment Facility Staff and the Utility Maintenance Division are dedicated to the collection and treatment of wastewater that flows into the facility from Rochester, East Rochester and Gonic and to deliver a clean, clear and safe effluent into the Cocheco River. The Wastewater Treatment Plant has a total of nine employees, the Chief Operator, four Certified Wastewater Treatment Plant Operators, one Maintenance Mechanic, and three Pump Station Technicians. The Utilities Division which is located at the DPW consists of nine employees to maintain the Collection System and Water Distribution System. As discussed in the Water section this division has one Supervisor, six equipment operators and two meter technicians.

The present day advanced Wastewater Treatment Facility is designed to treat an average flow of 5.030 million gallons per day (mgd) with a peak design flow of 16 million gallons per day (mgd). In FY18 The facility treated an estimated 1,019,071,000 (1billion) gallons of wastewater. The average daily effluent flow was 2,791,975 gallons. Th Facility continues to produce a high quality effluent and is running extremely well as we have removed 359,928 pounds of CBOD(97.2%) and 628,293 pounds of TSS (96.9%). We also received and treated 4,482,600 gallons osf septage. The City operates under the strict effluent limitations and monitoring requirements contained in the July 23, 1997 National

Pollution Discharge Elimination System (NPDES) Permit issued by the U.S. Environmental Protection Agency.

Capital Projects:

- We continue to be an active member of the Great Bay Estuary Coalition. The goal of this coalition is to ensure the issuance of new NPDES Permits with necessary and attainable scientifically based permitted levels for the participating local communities and all of the 44 communities that are regulated within the watershed.
- Wastewater Treatment Facility continues to implement process control strategies to reduce Total Nitrogen and Total Phosphorous with existing infrastructure. We have had positive results as we have achieved > 80% & > 70% respectively in both parameters. We are constantly looking for alternative treatment methods to help us achieve affordable and sustainable treatment.
- The Biosolids Dewatering and Carbon Storage Building Facilities were completing the design phase by the end of FY18 and are expected to be bid and constructed in FY19.
- The Colonial Pines Sewer Extension Project began with the the extension of the sewer main under the Spaulding Turnpike to connect Birch Drive from the Old Dover Road to Railroad Avenue on the Gonic side of the turnpike. Pipe-jacking technology was used to complete this extension, eliminating the need to cut any of the roadway along the turnpike.

The sewer division continues to work in coordination with other divisions and consultants on many projects throughout the City to include wastewater treatment, collection systems, 28 pumping stations, storm water and the industrial pretreatment program. The employees in this division continue to increase their knowledge and certification levels in both treatment and collection systems.



Stalagmites that have formed on WWTP's off-line aeration basin (not process related)

RECREATION & ARENA

Program Overview

Rochester Recreation & Arena proudly continues to provide programs, services and facilities that promote a healthy lifestyle and foster meaningful community connections. Over 60 department sponsored programs and events were offered during 2017-2018, engaging over 18,000 community members. Our department encourages a healthier, more active City through a variety of programs and events that provide both structured and self-directed recreational opportunities for all ages.

Over all program participation grew by 3.5% from the previous year. Several new programs were offered to meet customer demand and maximize public use of our facilities. New popular programs included Senior Pickleball, Spaulding High/Bud Carlson Open Gym, Adult Tennis, 30+ Open Gym and Restorative Meditation. Program offerings and participation are reviewed seasonally to ensure we are meeting the needs of the community as well as staying relevant with overarching trends in municipal recreation.

Program Demographic	#of Participants
Family/Community	6,969
Senior Citizen	4,144
Adult	3,347
Elementary & Middle School	2,035
High School	1,307
Preschool Age	244
FY18 Program Participation	18,046

Rochester Arena

Two significant Capital Improvement Projects were completed during 2017-2018 at the Rochester Arena to enhance customer experience and safety and improve department efficiency. At the Rochester Arena, the original 1972 concrete “cold” floor, dasher boards and glass system were removed and replaced. The new dasher boards and glass provided immediate customer satisfaction, creating a cleaner, unobstructed view of the ice surface from around the rink. Aiding safety and efficiency, a roof deflection and monitoring system was installed, allowing around the clock access determining real time roof snow load conditions during the winter.

Rochester Arena Ice User Groups	# Hours
Youth Organizations	584
Adult Organizations	302
High/Middle/Elementary Schools	250
Recreation Programs	230
Private Customer Rentals	14
FY 18 Total Ice Use	1,380

Rochester Community Center

The Rochester Community Center remains a hub of community activity, with our department serving a key leadership role within the building. ‘The Rec’ continued to head initiatives to improve customer experience at the Rochester Community Center through touring local facilities and researching best practices in Community Center management. This has provided our department with ideas and resources to apply in our role at the Rochester Community Center. A mix of low top and high top tables were placed in the main entrance of the building to encourage customer comfort, collaboration and positive building use. Through a partnership with the Community Vibrancy Committee, a historic, upright piano was donated and placed in the front lobby way as a fun, interactive opportunity for building customers. The monthly building meeting, Community Coffee, remained a consistent occurrence, enhancing inter-organization collaboration and securing the Community Center as a headquarters for positive community engagement.

Community Center Facility User Group	# of Hours
Recreation Department	3,076
Rochester School District	2,461
Community Non Profit Organizations	1,500
City Departments	155
Private Customer Rentals	102
FY18 Community Center Facility Use	7,296

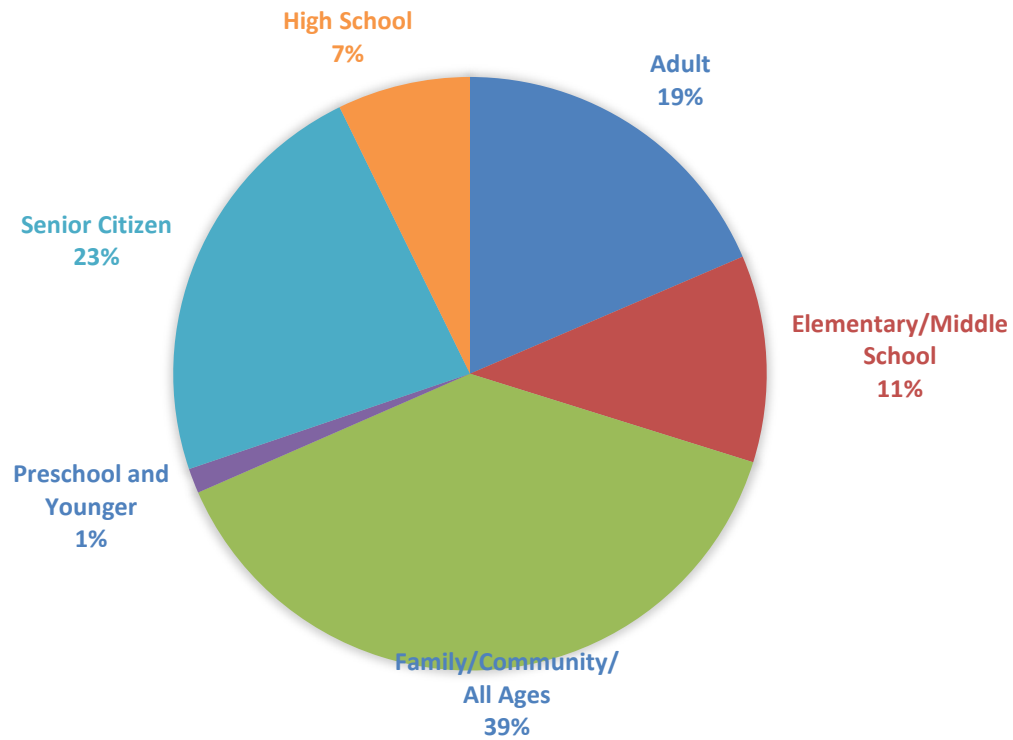
Department Customer Base

During the 2017-2018 year, Rochester Recreation & Arena consistently embraced new tools and technologies to make our department more efficient and accessible to our customers. Staff routinely trained and utilized our computer registration system, helping to increase our customer accounts by 57% since the previous year. With a total database of 2,517 accounts, we have increased communication with our customers as well as our ability to track and analyze registration data.

Conclusion

The 2017-2018 year was very successful for the Rochester Recreation & Arena Department. Continued growth, excitement and enthusiasm for recreation activities in the community are expected in the upcoming 2018-2019 year.

FY 18 PROGRAM PARTICIPATION





SCHOOL DEPARTMENT

REPORT OF THE SUPERINTENDENT OF SCHOOLS

2017-2018 (period 7/1/2017 to 6/30/18)

To the School Board and Citizens of Rochester:

The Rochester School Department works every day to reach our mission of ensuring quality educational experiences for all students.

Instructional Improvements

The Rochester Middle School continued with the second year of personalized learning training for staff. The plan is to develop instructional strategies that go along with a one to one computing. Three elementary schools and Spaulding High School began personalized learning training this year. The teachers were trained to implement four components of Personalized Learning, Targeted Instruction, Integrated Digital content, student reflection and ownership, plus data driven decisions. The program has successfully engaged students and increased their overall performance.

Spaulding High School has continued to offer more opportunities for students to earn college credit while in High School. In conjunction with various colleges, credits are offered for dual enrollment college and high school credit. The number of dual enrollment credits have increased every year. The target is for every student to earn college credit or have an internship before graduating from high school.

Rochester Special Education Revenues and Expenditures
As required by RSA 32:11-a

Table 1: Special Education Revenue

	2015-2016	2016-2017	2017-2018
Tuition from other districts	\$ 78,885.56	\$16,401.92	\$12,964.41
Tuition for foster children	0.00	0.00	0.00
Catastrophic Aid (State)	374,597.16	448,177.01	489,844.23
Medicaid Reimbursement (Federal)	816,315.05	1,256,844.11	1,256,844.11
Special Education Grants (Federal)	1,197,560.40	1,163,712.44	1,163,190.68

Table 2: Special Education Expenditures

	2015-2016	2016-2017	2017-2018
Salaries and Benefits	\$11,514,851.40	\$11,820,555.65	\$11,955,786.98
Tuition and Contracted Services	2,716,336.42	3,265,031.04	3,575,825.26
Supplies and Equipment	80,861.37	60,078.71	56,405.10
Other expenses	65,683.23	69,830.37	98,110.88
Special Area Administrative Services	1,523,021.50	1,638,814.36	1,819,200.31
Transportation	1,002,740.39	1,085,944.51	1,069,499.42

Table 3: Revenue to Expenditure Analysis

	2015-2016	2016-2017	2017-2018
Total Revenues	\$2,467,358.16	\$ 2,885,135.48	\$2,922,843.43
Total Expenditures	16,903,494.31	17,940,254.64	18,574,827.95
Net Local Cost	14,436,136.15	15,055,119.16	15,651,984.52

Table 4: Sources of Revenue as Percent of Total

	2015-2016	2016-2017	2017-2018
Federal Sources	11.91%	13.49%	13.03 %
State Sources	2.22%	2.50%	2.64 %
Other Sources	.47%	.09%	.07 %
Local Property Tax	85.4%	83.92%	84.26 %

**SCHOOL BOARD MEMBERSHIP AND STAFFING
ROCHESTER SCHOOL DEPARTMENT**

July 1, 2017 – June 30, 2018

Seat	Member
Ward 1	Jennifer Bryant Audrey Stevens
Ward 2	Amy Malone Raymond Turner
Ward 3	Julie Brown Matthew Pappas
Ward 4	Travis Allen Nichole Guptel
Ward 5	Karen Stokes Paul Lynch
Ward 6	Thomas O'Connor Robert Watson
At-Large	Thomas J. Jean

STANDING COMMITTEES
July 1, 2017 – June 30, 2018

Building

Audrey Stevens, Chair
Thomas J. Jean, Vice-Chair
Jennifer Bryant
Nichole Guptel
Paul Lynch

Discipline

Julie Brown, Chair
Rotating (Quarterly), Vice-Chair
Rotating Member

Finance

Paul Lynch, Chair
Matthew Pappas, Vice-Chair
Jennifer Bryant
Thomas J. Jean
Audrey Stevens
Karen Stokes
Robert Watson

Instruction

Robert Watson, Chair
Matthew Pappas, Vice-Chair
Amy Malone
Thomas O'Connor
Karen Stokes

Personnel

Jennifer Bryant, Chair
Audrey Stevens, Vice-Chair
Julie Brown
Nichole Guptel

Policy

Thomas O'Connor, Chair
Matthew Pappas, Vice-Chair
Travis Allen
Raymond Turner
Robert Watson

Special Services

Karen Stokes, Chair
Robert Watson, Vice-Chair
Travis Allen
Amy Malone
Raymond Turner

CENTRAL OFFICE ADMINISTRATORS

Michael L. Hopkins, Superintendent of Schools
Kyle Repucci, Assistant Superintendent of Schools
Linda Casey, Business Administrator
Christiane Allison, Director of Student Services
Melissa Cardin, Safe Schools/Healthy Students Project Director
Heidi Zollman, Curriculum, Instruction, and Assessment Coordinator
Kathleen Cotton, Curriculum, Instruction, and Assessment Coordinator
Stephen LeClair, Title I Director
David Yasenchock, Chief Technology Coordinator
David Totty, Facilities Manager

PRINCIPALS

Justin Roy, Spaulding High School
Pamela Martin -Deputy Principal, Spaulding High School
Adam Houghton, Rochester Middle School
Bryan Kelliher, Bud Carlson Academy (Director)
Mark Campbell, Chamberlain Street School
Christine Hebert, East Rochester School
Maureen Oakman, Gonic School
Donna Gilbert, Maple Street School
Michelle McAlister, McClelland School
Erin Mahoney, Nancy Loud School
Jennifer Hersom, School Street School
Lynn Allen, William Allen School

ASSISTANT PRINCIPALS

Michele Halligan-Foley, RW Creteau Technology Director
Jenna Kotsonis, Spaulding High School
Jason Bushway, Spaulding High School
Joanne Houston – Dean of Students, Spaulding High School
Kristen White, Rochester Middle School
Paul Lewis, Rochester Middle School
Sarah Howard, Chamberlain Street School
Barbara Kelly, McClelland School
Deborah Brooks, William Allen School

SCHOOL NURSES

Nancy Graham, RN (Co-Department Head)
Stephanie McSharry, RN (Co-Department Head)
Christine Ballentine, RN
Corrine Brown, RN
Christine Comeau, RN
Shaune Shields, RN
Robin Hutchins, RN
Jennifer Saucier, RN
Tracey Tibbetts, RN
Bethann Welch, RN
Karla Deinstadt, RN
Dawn Alie, RN

TAX COLLECTOR

REPORT OF THE TAX COLLECTORS DEPARTMENT
2017-2018

The responsibilities of the Tax Collector's office consist of the collections of property taxes, water & sewer utility bills, current use taxes, timber, gravel & yield taxes, and other department collections. The Tax Collector's office executes property tax liens on delinquent taxes, files tax lien redemptions and notifies all property owners & mortgagees for all properties that will be going to tax lien & tax deed. In 2018 we liened approximately 493 properties totaling \$1,130,112.47.

The Tax Collector's office also processes auto registrations. In 2017-2018 we processed approximately 37,785 registrations totaling \$5,353,170.23. We collected \$115,559.00 in Municipal Agent fees.

In our office we also accept debit/credit cards and in 2018 we processed approximately \$1,741,430.28 in auto, tax & water payments.

We collected on approximately 29,800 water & sewer bills.

Revenues collected by the Tax Collector's Office:

Total Warrant	60,524,791.00
Timber & Gravel Tax	10,486.43
Int Delinquent Taxes	1,415,664.37
Chg Tax for CU Removal	123,800.00
Motor Vehicle Permits	5,353,170.23
Water	4,079,675.26
Sewer	4,533,107.80

The Tax Collector's Office consisted of three full time employees and three part time employees. Our main goal in the office is to provide courteous and efficient service to all.

The Tax Collector's office staff consisted of Doreen Jones-Tax Collector, Virginia Gray-Deputy Tax Collector, Pat Cox-Clerk Typist 1, Pauline Roseberry -Clerk Typist 1, and Debbie Millspaugh- Clerk Typist II & Ann Dupuis-Clerk Typist 1. I would like to thank all my staff for all their hard work & dedication through out the year.

Respectfully Submitted,

Doreen Jones, CTC
Tax Collector

WELFARE DEPARTMENT

REPORT OF THE WELFARE DEPARTMENT 2017-2018

In compliance with RSA 165, the welfare department for the City of Rochester administers local emergency assistance for poor individuals unable to support themselves and require assistance in a financial crisis. It is our mission to meet our legal obligations, free of bias, in the most professional, thoughtful and cost effective manner possible.

The City of Rochester budgeted \$189,000.00 for direct assistance for fiscal year 2017-2018. A total of \$113,117.29 was expended for emergency assistance. City Welfare assisted 220 families and 151 single households with emergency assistance vouchers.

Rochester City Welfare staff continues to take pride in our pro-active case management approach that has resulted in increased self-sufficiency and minimized recidivism to the welfare office for clients, at a lower cost to city taxpayers.

The City of Rochester continues to be a desirable place to live, work and raise a family for many socioeconomic statuses (SES,) including the lower income status, who are more likely to seek financial assistance programs. Lower average market rental rates compared to more southern seacoast area communities, access to public transportation and closer proximity to employment compared to communities north of Rochester continued to retain current Rochester residents and are desirable to others receptive to relocate, including people challenged by their financial situations. As indicated, Rochester's average market rental rates remain lower compared to more southern seacoast area communities. However, Rochester rental rates continued experiencing noticeable increases during fiscal year 2017-2018.

As has been true for the last several years, the waiting lists for subsidized housing remained at 2-5 years or longer. Disability decisions at the state and federal level continued to average about one year.

City Welfare works closely with local homeless shelters, including *Crossroads House* located Portsmouth, *My Friend's Place* in Dover and the *Homeless Center for Strafford County* in Gonic, to find appropriate emergency housing for residents in need. Homeless shelters not only shelter residents from the elements, but provide needed support and case management to ensure a more long term solution to their current crisis. This is a great benefit to those in need of shelter and a cost savings to city taxpayers.

City Welfare continued collaborations with many government, non-profit agencies and local businesses, including, but not limited to, the New Hampshire Department of Health and Human Services, Strafford County Community Action and Rochester Share Fund.

City Welfare continued an annual Toy Bank collaboration with the Rochester Fire Department, assisting many children during the holiday season. City Welfare also continued a Back-to-School collaboration with Grace Community Church, which provided children with new backpacks and needed school supplies.

A special thanks to the many Rochester residents who have assisted their neighbors in need during challenging economic times. Their belief in neighbor helping neighbor is testament to the spirit and goodwill of Rochester residents.

Issuance of General Assistance Vouchers for Families:

Burial.....	\$10,075.00
Electricity	\$7,736.42
Fuel Heating.....	\$369.85
Food	\$50.00
Prescriptions.....	\$110.74
Rent	\$40,678.00
Temporary Shelter (motel).....	\$12,862.00
Transportation	\$18.00
TOTAL	\$71,900.01

Issuance of General Assistance for Individuals

Burial.....	\$7,550.00
Electricity	\$2,188.76
Fuel Heating.....	\$863.80
Food	\$.00
Prescriptions.....	\$275.01
Rent	\$28,357.21
Temporary Shelter (motel).....	\$1,858.50
Transportation	\$124.00
TOTAL	\$41,217.28

Average cost per case/Family: **\$326.81**

Single: **\$272.96**

Total vouchers issued: **\$113,117.29**

Reimbursements: **\$362.09**

I would like to thank the following team members for their dedicated service to this office: Secretary III Gail Galloway, (36 years of service,) Social Worker, Nancy Poulin and Welfare Intake Worker, Regina Lytle. Their dedication through this challenging year and commitment to our mission has been greatly appreciated.

Respectfully submitted,

Todd M. Marsh
Welfare Director

Ch

Chapter

5

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Trustees of the Trust Funds Report

ANNUAL AUDIT

CITY OF ROCHESTER, NEW HAMPSHIRE

Annual Financial Statements

For the Year Ended June 30, 2018

City of Rochester, New Hampshire

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Additional Offices:

Nashua, NH
Andover, MA
Greenfield, MA
Ellsworth, ME

INDEPENDENT AUDITORS' REPORT

To the City Council and City Manager
City of Rochester, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rochester, New Hampshire, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assess-

ments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rochester, New Hampshire, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, and the Pension and OPEB schedules appearing on pages 56 to 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Melanson Heath

January 30, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Rochester, we offer readers this narrative overview and analysis of the financial activities of the City of Rochester for the fiscal year ended June 30, 2018.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, highways and streets, education, health and welfare, culture and recreation, community development, community services, and conservation. The business-type activities include water, sewer and arena activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

An annual appropriated budget is adopted for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds. Proprietary fund reporting focuses on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The proprietary fund category includes enterprise and internal service funds.

Enterprise funds are used to report activity for which a fee is charged to external users, and must be used when one of the following criteria are met: (1) activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges, (2) laws or regulations require the activity's costs of providing services be recovered with fees and charges, and (3) the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs such as depreciation or debt service. The primary focus on these criteria is on fees charged to external users. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. Specifically, enterprise funds are used to account for water, sewer and arena operations, which are considered to be major funds.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America.

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets and deferred outflows exceeded liabilities and deferred inflows by \$67,358,258 (i.e., net position), a change of \$5,602,177 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$16,709,381, a change of \$(1,228,496) in comparison to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$18,460,750, a change of \$(1,901,644) in comparison to the prior year.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide financial data for the current and prior fiscal years.

<u>NET POSITION</u>						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Current and other assets	\$ 46,659,175	\$ 53,222,403	\$ 5,280,920	\$ 5,363,724	\$ 51,940,095	\$ 58,586,127
Capital assets	129,183,822	127,235,584	97,207,562	93,985,251	226,391,384	221,220,835
Total assets	175,842,997	180,457,987	102,488,482	99,348,975	278,331,479	279,806,962
Deferred outflows of resources	19,160,249	24,386,617	707,762	1,014,903	19,868,011	25,401,520
Current liabilities	13,526,035	21,039,774	5,011,444	(1,211,901)	18,537,479	19,827,873
Noncurrent liabilities	149,558,011	146,304,403	37,448,820	42,020,791	187,006,831	188,325,194
Total liabilities	163,084,046	167,344,177	42,460,264	40,808,890	205,544,310	208,153,067
Deferred inflows of resources	24,599,993	20,863,796	696,929	390,191	25,296,922	21,253,987
Net position:						
Net investment in capital assets	71,825,322	67,588,058	56,438,419	45,628,031	128,263,741	113,216,089
Restricted	1,162,534	1,003,137	-	-	1,162,534	1,003,137
Unrestricted	(65,668,649)	(51,954,564)	3,600,632	13,536,766	(62,068,017)	(38,417,798)
Total net position	\$ 7,319,207	\$ 16,636,631	\$ 60,039,051	\$ 59,164,797	\$ 67,358,258	\$ 75,801,428

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net position was \$67,358,258, a change of \$5,602,177 from the prior year.

The largest portion of net position, \$128,263,741, reflects our investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital

assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$1,162,534, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is a deficit of \$(62,068,017), primarily resulting from the City's unfunded net pension liability.

CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 6,905,629	\$ 5,065,921	\$ 9,103,552	\$ 8,621,629	\$ 16,009,181	\$ 13,687,550
Operating grants and contributions	34,712,239	35,109,972	37,457	10,000	34,749,696	35,119,972
Capital grants and contributions	985,489	767,518	138,417	1,825,436	1,123,906	2,592,954
General revenues:						
Property taxes	49,673,530	46,909,242	-	-	49,673,530	46,909,242
Licenses and permits	5,763,004	5,575,200	127,323	103,173	5,890,327	5,678,373
Penalties and interest on taxes	2,226,742	1,400,698	9,134	13,227	2,235,876	1,413,925
Grants and contributions not restricted to specific programs	2,705,185	2,154,094	-	-	2,705,185	2,154,094
Investment income	338,775	137,140	5,000	5,000	343,775	142,140
Other	1,735,542	952,939	968,792	1,543,592	2,704,334	2,496,531
Total revenues	105,046,135	98,072,724	10,389,675	12,122,057	115,435,810	110,194,781
Expenses:						
General government	5,952,000	6,826,661	-	-	5,952,000	6,826,661
Public safety	12,199,070	14,063,778	-	-	12,199,070	14,063,778
Highway and streets	9,002,575	7,719,797	-	-	9,002,575	7,719,797
Education	67,713,613	66,426,082	-	-	67,713,613	66,426,082
Health and welfare	405,574	399,505	-	-	405,574	399,505
Culture and recreation	1,953,302	1,957,681	-	-	1,953,302	1,957,681
Community development	381,736	411,860	-	-	381,736	411,860
Community services	772,257	785,146	-	-	772,257	785,146
Conservation	-	901	-	-	-	901
Interest	2,180,010	2,152,496	-	-	2,180,010	2,152,496
Water	-	-	4,390,671	4,301,335	4,390,671	4,301,335
Sewer	-	-	4,404,814	4,407,298	4,404,814	4,407,298
Nonmajor enterprise	-	-	478,011	454,122	478,011	454,122
Total expenses	100,560,137	100,743,907	9,273,496	9,162,755	109,833,633	109,906,662
Change in net position before transfers	4,485,998	(2,671,183)	1,116,179	2,959,302	5,602,177	288,119
Transfers in (out)	(10,000)	54,010	10,000	(54,010)	-	-
Change in net position	4,475,998	(2,617,173)	1,126,179	2,905,292	5,602,177	288,119
Net position - beginning of year, as restated	2,843,209	19,253,804	58,912,872	56,259,505	61,756,081	75,513,309
Net position - end of year	\$ 7,319,207	\$ 16,636,631	\$ 60,039,051	\$ 59,164,797	\$ 67,358,258	\$ 75,801,428

Fiscal year 2017 amounts were not restated as the City applied GASB 75 prospectively.

Governmental activities. Governmental activities for the year resulted in a change in net position of \$4,475,998. Key elements of this change are as follows:

General fund operations, as discussed further in Section D	\$ 1,398,552
Other governmental funds operations	(2,627,048)
Depreciation expense in excess of principal debt service	(2,315,287)
Change in long-term liabilities	6,511,318
Other	<u>1,508,463</u>
Total	<u>\$ 4,475,998</u>

Business-type activities. Business-type activities for the year resulted in a change in net position of \$1,126,179. Key elements of this change are as follows:

Water operations	\$ 117,367
Sewer operations	1,019,533
Nonmajor enterprise operations	<u>(10,721)</u>
Total	<u>\$ 1,126,179</u>

D. FINANCIAL ANALYSIS OF FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$16,709,381, a change of \$(1,228,496) in comparison to the prior year. Key elements of this change are as follows:

General fund operations	\$ 1,398,552
Capital projects fund activity	(2,786,445)
Nonmajor fund activity	<u>159,397</u>
Total	<u>\$ (1,228,496)</u>

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$18,460,750, while total fund balance was \$18,913,741. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Refer to the table below.

<u>General Fund</u>	<u>6/30/18</u>	<u>6/30/17</u>	<u>Change</u>	<u>% of Total General Fund Expenditures</u>
Unassigned fund balance	\$ 18,460,750	\$ 16,559,106	\$ 1,901,644	20.9%
Total fund balance	\$ 18,913,741	\$ 17,515,189	\$ 1,398,552	21.4%

The total fund balance of the general fund changed by \$1,398,552 during the current fiscal year. Key factors in this change are as follows:

Use of fund balance as a funding source	\$ (4,227,866)
Revenues in excess of budget	3,508,636
Expenditures less than budget	2,100,811
Tax collections as compared to budget	530,845
Change in capital reserves	(596,750)
Other timing issues	82,876
Total	<u>\$ 1,398,552</u>

Included in the total general fund balance are the City's capital reserve accounts with the following balances:

	<u>6/30/18</u>	<u>6/30/17</u>	<u>Change</u>
Capital reserves	\$ <u>199,576</u>	\$ <u>796,326</u>	\$ <u>(596,750)</u>
Total	\$ <u>199,576</u>	\$ <u>796,326</u>	\$ <u>(596,750)</u>

Proprietary funds. Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds at the end of the year amounted to \$3,600,632.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

E. GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget resulted in an overall change in appropriation of \$3,045,872. Major reasons for these amendments include:

- \$819,835 – City resolution to use unassigned fund balance to fund the School Department Capital Improvements Plan Fund.
- \$500,000 – City resolution to use unassigned fund balance to purchase 38 Hanson Street Property and Construction of a Parking Lot.
- \$173,504 – City resolution to use unassigned fund balance to fund the School Building Capital Reserve Fund.
- \$150,000 – City resolution to use unassigned fund balance to fund the Department of Public Works Capital Improvements Plan budget.

F. CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental and business-type activities at year end amounted to \$226,391,384 (net of accumulated depreciation), a change of \$5,170,549 from the prior year. This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment.

Major capital asset events during the current fiscal year included the following:

Governmental Activities:

New addition to Construction in Progress:

Creteu Tech Center Upgrade	\$	1,315,291
Gonic School Roof Trusses	\$	792,792
City Hall Annex Project	\$	774,023
Evaluate Dewey Bridge	\$	583,114
Pavement Rehabilitation	\$	535,165
EDA Salmon Falls Rd to Rte 125	\$	510,023

Conversion of Construction in Progress to Depreciable Asset:

City Hall Annex Project	\$	3,622,317
Honeywell Phase III	\$	2,246,146
EDA Salmon Falls to Rte 125	\$	972,537
HSIP - Salmon Falls Rd	\$	607,589

Business-type Activities:

New addition to Construction in Progress:

Franklin Western Adams Reconstruction	\$	1,076,236
Colonial Pines Sewer Evaluation	\$	829,751
EDA Salmon Falls	\$	726,107

Conversion of Construction in Progress to Depreciable Asset:

EDA Salmon Falls	\$	2,655,697
Colonial Pines Sewer Evaluation	\$	1,200,000
Franklin Western Adams Reconstruction	\$	1,000,000
EDA Salmon Falls	\$	970,921

Additional information on capital assets can be found in the Notes to the Financial Statements.

Long-term debt. At the end of the current fiscal year, total bonded debt outstanding was \$89,110,472, all of which was backed by the full faith and credit of the government.

Additional information on long-term debt can be found in the Notes to the Financial Statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Rochester's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City Finance Office
City of Rochester
31 Wakefield Street
Rochester, New Hampshire 03867

CITY OF ROCHESTER, NEW HAMPSHIRE

STATEMENT OF NET POSITION

JUNE 30, 2018

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
ASSETS			
Current:			
Cash and short-term investments	\$ 30,836,010	\$ -	\$ 30,836,010
Investments	7,366,913	-	7,366,913
Receivables, net of allowance for uncollectibles:			
Property taxes	78,498	-	78,498
User fees	1,302,687	2,470,164	3,772,851
Intergovernmental	3,283,759	505,022	3,788,781
Other assets	1,659,536	344,349	2,003,885
Noncurrent:			
Receivables, net of allowance for uncollectibles:			
Property taxes	2,131,772	-	2,131,772
Intergovernmental	-	1,961,385	1,961,385
Capital Assets:			
Land and construction in progress	20,011,662	10,537,998	30,549,660
Other assets, net of accumulated depreciation	109,172,160	86,669,564	195,841,724
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	17,856,197	504,480	18,360,677
Related to OPEB	840,451	25,106	865,557
Other	463,601	178,176	641,777
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	195,003,246	103,196,244	298,199,490
LIABILITIES			
Current:			
Accounts payable	3,211,297	861,764	4,073,061
Accrued liabilities	3,556,742	755,217	4,311,959
Internal balances	1,077,460	(980,229)	97,231
Other liabilities	64,509	5,173	69,682
Current portion of long-term liabilities:			
Bonds payable	5,085,619	4,195,360	9,280,979
Other	530,408	174,159	704,567
Noncurrent:			
Bonds payable, net of current portion	46,367,950	33,461,543	79,829,493
Net pension liability	79,655,066	2,267,818	81,922,884
Net OPEB liability	19,277,495	808,378	20,085,873
Other, net of current portion	4,257,500	911,081	5,168,581
DEFERRED INFLOWS OF RESOURCES			
Related to pension	4,011,596	148,011	4,159,607
Related to OPEB	1,367,678	79,080	1,446,758
Other	19,220,719	469,838	19,690,557
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	187,684,039	43,157,193	230,841,232
NET POSITION			
Net investment in capital assets	71,825,322	56,438,419	128,263,741
Restricted for:			
Grants and other statutory restrictions	1,060,034	-	1,060,034
Permanent funds:			
Nonexpendable	50,246	-	50,246
Expendable	52,254	-	52,254
Unrestricted	(65,668,649)	3,600,632	(62,068,017)
TOTAL NET POSITION	\$ 7,319,207	\$ 60,039,051	\$ 67,358,258

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Governmental Activities:							
General government	\$ 5,952,000	\$ 2,685,949	\$ 26,045	\$ 5,000	\$ (3,235,006)	\$ -	\$ (3,235,006)
Public safety	12,199,070	399,883	403,096	35,282	(11,360,809)	-	(11,360,809)
Highway and streets	9,002,575	29,480	75,409	469,532	(8,428,154)	-	(8,428,154)
Education	67,713,613	2,969,349	33,929,953	475,675	(30,338,636)	-	(30,338,636)
Health and welfare	405,574	-	-	-	(405,574)	-	(405,574)
Culture and recreation	1,953,302	128,782	8,799	-	(1,815,721)	-	(1,815,721)
Community development	381,736	-	268,937	-	(112,799)	-	(112,799)
Community services	772,257	692,186	-	-	(80,071)	-	(80,071)
Interest	2,180,010	-	-	-	(2,180,010)	-	(2,180,010)
Total Governmental Activities	100,560,137	6,905,629	34,712,239	985,489	(57,956,780)	-	(57,956,780)
Business-Type Activities:							
Water operations	4,390,671	4,181,942	-	24,494	-	(184,235)	(184,235)
Sewer operations	4,404,814	4,561,234	2,457	113,923	-	272,800	272,800
Nonmajor enterprise fund operations	478,011	360,376	35,000	-	-	(82,635)	(82,635)
Total Business-Type Activities	9,273,496	9,103,552	37,457	138,417	-	5,930	5,930
Total	\$ 109,833,633	\$ 16,009,181	\$ 34,749,696	\$ 1,123,906	(57,956,780)	5,930	(57,950,850)
General Revenues and Transfers:							
Property taxes					49,673,530	-	49,673,530
Licenses and permits					5,763,004	127,323	5,890,327
Penalties, interest, and other taxes					2,226,742	9,134	2,235,876
Grants and contributions not restricted to specific programs					2,705,185	-	2,705,185
Investment income					338,775	5,000	343,775
Miscellaneous					1,735,542	968,792	2,704,334
Transfers, net					(10,000)	10,000	-
Total general revenues and transfers					62,432,778	1,120,249	63,553,027
Change in Net Position					4,475,998	1,126,179	5,602,177
Net Position:							
Beginning of year, as restated					2,843,209	58,912,872	61,756,081
End of year					\$ 7,319,207	\$ 60,039,051	\$ 67,358,258

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2018

	<u>General</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and short-term investments	\$ 30,781,550	\$ -	\$ 54,460	\$ 30,836,010
Investments	7,268,132	-	98,781	7,366,913
Receivables:				
Property taxes	2,820,528	-	-	2,820,528
User fees	1,302,687	-	-	1,302,687
Intergovernmental	-	724,986	2,558,773	3,283,759
Due from other funds	3,080,041	-	1,100,336	4,180,377
Other assets	35,228	-	116,593	151,821
TOTAL ASSETS	\$ 45,288,166	\$ 724,986	\$ 3,928,943	\$ 49,942,095
LIABILITIES				
Accounts payable	\$ 2,234,586	\$ 830,007	\$ 146,704	\$ 3,211,297
Accrued liabilities	2,826,605	190,356	6,981	3,023,942
Due to other funds	-	3,071,517	2,186,320	5,257,837
Other liabilities	64,509	-	-	64,509
TOTAL LIABILITIES	5,125,700	4,091,880	2,340,005	11,557,585
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	21,248,725	-	426,404	21,675,129
FUND BALANCES				
Nonspendable	35,228	-	50,246	85,474
Restricted	198,187	-	1,112,288	1,310,475
Committed	199,576	-	-	199,576
Assigned	20,000	-	-	20,000
Unassigned	18,460,750	(3,366,894)	-	15,093,856
TOTAL FUND BALANCES	18,913,741	(3,366,894)	1,162,534	16,709,381
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 45,288,166	\$ 724,986	\$ 3,928,943	\$ 49,942,095

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET POSITION OF GOVERNMENTAL
ACTIVITIES IN THE STATEMENT OF NET POSITION

JUNE 30, 2018

Total governmental fund balances	\$ 16,709,381
•	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	129,183,822
• Revenues are reported on the accrual basis of accounting and are not deferred until collection.	1,844,152
• Long-term liabilities, including bonds payable, net pension liability, and net OPEB liability are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(155,174,038)
• Other	<u>14,755,890</u>
Net position of governmental activities	<u><u>\$ 7,319,207</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

	<u>General</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	\$ 47,474,372	\$ -	\$ 1,589,824	\$ 49,064,196
Penalties, interest, and other taxes	2,226,742	-	-	2,226,742
Charges for services	5,551,626	-	1,354,003	6,905,629
Intergovernmental	29,205,982	985,489	5,506,257	35,697,728
Licenses and permits	5,763,004	-	-	5,763,004
Investment income	332,624	-	6,151	338,775
Miscellaneous	2,174,597	530,588	30,627	2,735,812
Contributions	697,508	870,671	-	1,568,179
Total Revenues	93,426,455	2,386,748	8,486,862	104,300,065
Expenditures:				
Current:				
General government	5,402,799	1,803,180	61,840	7,267,819
Public safety	12,610,017	268,002	363,224	13,241,243
Highway and streets	2,696,244	4,156,560	-	6,852,804
Education	58,858,752	3,329,650	5,583,757	67,772,159
Health and welfare	406,765	-	-	406,765
Culture and recreation	1,916,088	10,727	21,019	1,947,834
Community development	-	17,529	371,512	389,041
Community services	-	-	756,362	756,362
Debt service	6,328,475	-	1,159,030	7,487,505
Capital outlay	-	-	17,249	17,249
Total Expenditures	88,219,140	9,585,648	8,333,993	106,138,781
Excess (deficiency) of revenues over expenditures	5,207,315	(7,198,900)	152,869	(1,838,716)
Other Financing Sources (Uses):				
Issuance of capital lease	620,220	-	-	620,220
Transfers in	1,145,847	4,529,953	81,968	5,757,768
Transfers out	(5,574,830)	(117,498)	(75,440)	(5,767,768)
Total Other Financing Sources (Uses)	(3,808,763)	4,412,455	6,528	610,220
Change in fund balance	1,398,552	(2,786,445)	159,397	(1,228,496)
Fund Equity, at Beginning of Year	17,515,189	(580,449)	1,003,137	17,937,877
Fund Equity, at End of Year	\$ 18,913,741	\$ (3,366,894)	\$ 1,162,534	\$ 16,709,381

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2018

Net changes in fund balances - total governmental funds \$ (1,228,496)

- Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	9,636,750
Loss on disposal of assets	(10,127)
Depreciation	(7,678,385)

- The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position:

Issuance of debt	(620,220)
Repayments of debt	5,363,098
Other	257,528

- Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., property taxes, etc.) differ between the two statements. This amount represents the net change in deferred revenue. 609,332

- Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Net pension liability and related deferred outflows and inflows of resources	(1,921,003)
Net OPEB liability and related deferred outflows and inflows of resources	47,564
Other	493

- Other differences. 19,464

Change in net position of governmental activities \$ 4,475,998

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES AND OTHER SOURCES, AND EXPENDITURES AND OTHER USES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	
Revenues and Other Sources:				
Property taxes	\$ 47,156,214	\$ 46,943,527	\$ 46,943,527	\$ -
Penalties, interest, and other taxes	1,159,866	1,236,984	2,226,742	989,758
Charges for services	5,051,080	5,267,120	5,551,626	284,506
Intergovernmental	31,163,006	31,163,522	31,357,103	193,581
Licenses and permits	4,503,246	4,503,246	5,763,004	1,259,758
Investment income	55,000	55,000	330,027	275,027
Miscellaneous	286,630	286,630	695,508	408,878
Transfers in	850,429	850,429	947,557	97,128
Use of fund balance	<u>1,262,981</u>	<u>4,227,866</u>	<u>4,227,866</u>	<u>-</u>
Total Revenues and Other Sources	91,488,452	94,534,324	98,042,960	3,508,636
Expenditures and Other Uses:				
General government	5,897,699	5,869,730	5,402,801	466,929
Public safety	12,793,851	12,852,685	12,610,017	242,668
Highway and streets	2,799,490	2,815,490	2,696,244	119,246
Education	58,240,125	59,457,039	58,316,668	1,140,371
Health and welfare	471,202	471,202	406,765	64,437
Culture and recreation	1,976,222	1,976,222	1,916,088	60,134
Debt service	6,352,415	6,335,501	6,328,475	7,026
Transfers out	<u>2,957,448</u>	<u>4,756,455</u>	<u>4,756,455</u>	<u>-</u>
Total Expenditures and Other Uses	<u>91,488,452</u>	<u>94,534,324</u>	<u>92,433,513</u>	<u>2,100,811</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ <u>-</u>	\$ <u>-</u>	\$ <u>5,609,447</u>	\$ <u>5,609,447</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

JUNE 30, 2018

	Business-Type Activities Enterprise Funds			
	Water Fund	Sewer Fund	Nonmajor Fund	Total
ASSETS				
Current:				
Due from other funds	\$ 316,902	\$ 1,277,582	\$ -	\$ 1,594,484
User fees, net of allowance for uncollectibles	1,149,974	1,320,190	-	2,470,164
Intergovernmental receivables	29,882	475,140	-	505,022
Other assets	<u>308,236</u>	<u>36,113</u>	<u>-</u>	<u>344,349</u>
Total current assets	1,804,994	3,109,025	-	4,914,019
Noncurrent:				
Intergovernmental receivables	-	1,961,385	-	1,961,385
Capital assets:				
Land and construction in progress	4,900,443	5,278,698	358,852	10,537,993
Other assets, net of accumulated depreciation	<u>32,877,516</u>	<u>52,176,069</u>	<u>1,615,984</u>	<u>86,669,569</u>
Total noncurrent assets	<u>37,777,959</u>	<u>59,416,152</u>	<u>1,974,836</u>	<u>99,168,947</u>
DEFERRED OUTFLOWS OF RESOURCES				
Related to pensions	267,114	237,366	-	504,480
Related to OPEB	13,076	11,424	606	25,106
Other	<u>132,554</u>	<u>45,622</u>	<u>-</u>	<u>178,176</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	39,995,697	62,819,589	1,975,442	104,790,728
LIABILITIES				
Current:				
Accounts payable	199,494	539,323	122,947	861,764
Accrued liabilities	325,953	415,802	13,462	755,217
Due to other funds	-	-	614,255	614,255
Other current liabilities	-	5,173	-	5,173
Current portion of long-term liabilities:				
Bonds payable	1,608,912	2,477,611	108,837	4,195,360
Other	<u>45,444</u>	<u>124,588</u>	<u>4,127</u>	<u>174,159</u>
Total current liabilities	2,179,803	3,562,497	863,628	6,605,928
Noncurrent:				
Bonds payable, net of current portion	16,911,967	15,727,471	822,105	33,461,543
Net pension liability	1,200,777	1,067,041	-	2,267,818
Net OPEB liability	388,066	309,011	111,301	808,378
Other, net of current portion	<u>392,612</u>	<u>485,803</u>	<u>32,666</u>	<u>911,081</u>
Total noncurrent liabilities	<u>18,893,422</u>	<u>17,589,326</u>	<u>966,072</u>	<u>37,448,820</u>
DEFERRED INFLOWS OF RESOURCES				
Related to pensions	78,370	69,641	-	148,011
Related to OPEB	37,236	28,932	12,912	79,080
Other	<u>40,311</u>	<u>429,527</u>	<u>-</u>	<u>469,838</u>
TOTAL LIABILITIES AND DEFERRED OUTFLOWS OF RESOURCES	21,229,142	21,679,923	1,842,612	44,751,677
NET POSITION				
Net investment in capital assets	13,849,568	41,620,703	968,148	56,438,419
Unrestricted	<u>4,916,987</u>	<u>(481,037)</u>	<u>(835,318)</u>	<u>3,600,632</u>
TOTAL NET POSITION	<u>\$ 18,766,555</u>	<u>\$ 41,139,666</u>	<u>\$ 132,830</u>	<u>\$ 60,039,051</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED JUNE 30, 2018

	Business-Type Activities Enterprise Funds			
	Water Fund	Sewer Fund	Nonmajor Fund	Total
Operating Revenues:				
Charges for services	\$ 4,181,942	\$ 4,561,234	\$ 360,376	\$ 9,103,552
Other	<u>324,102</u>	<u>769,233</u>	<u>11,914</u>	<u>1,105,249</u>
Total Operating Revenues	4,506,044	5,330,467	372,290	10,208,801
Operating Expenses:				
Operating expenses	2,377,043	2,161,742	369,832	4,908,617
Depreciation	<u>1,414,313</u>	<u>1,582,660</u>	<u>74,976</u>	<u>3,071,949</u>
Total Operating Expenses	<u>3,791,356</u>	<u>3,744,402</u>	<u>444,808</u>	<u>7,980,566</u>
Operating Income (Loss)	714,688	1,586,065	(72,518)	2,228,235
Nonoperating Revenues (Expenses):				
Intergovernmental revenue	24,494	116,380	35,000	175,874
Investment income	2,500	2,500	-	5,000
Interest expense	<u>(599,315)</u>	<u>(660,412)</u>	<u>(33,203)</u>	<u>(1,292,930)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(572,321)</u>	<u>(541,532)</u>	<u>1,797</u>	<u>(1,112,056)</u>
Income (Loss) Before Transfers	142,367	1,044,533	(70,721)	1,116,179
Transfers:				
Transfers in	100,000	-	60,000	160,000
Transfers out	<u>(125,000)</u>	<u>(25,000)</u>	<u>-</u>	<u>(150,000)</u>
Change in Net Position	117,367	1,019,533	(10,721)	1,126,179
Net Position at Beginning of Year, as restated	<u>18,649,188</u>	<u>40,120,133</u>	<u>143,551</u>	<u>58,912,872</u>
Net Position at End of Year	<u>\$ 18,766,555</u>	<u>\$ 41,139,666</u>	<u>\$ 132,830</u>	<u>\$ 60,039,051</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2018

	Business-Type Activities Enterprise Funds			
	Water Fund	Sewer Fund	Nonmajor Fund	Total
<u>Cash Flows From Operating Activities:</u>				
Receipts from customers and users	\$ 4,315,897	\$ 5,061,303	\$ 372,690	\$ 9,749,890
Payments to vendors and employees	(2,575,834)	(2,342,393)	(249,574)	(5,167,801)
Other	(14,339)	(33,654)	-	(47,993)
Net Cash Provided By Operating Activities	1,725,724	2,685,256	123,116	4,534,096
<u>Cash Flows From Noncapital Financing Activities:</u>				
Transfers in	100,000	-	60,000	160,000
Transfers out	(125,000)	(25,000)	-	(150,000)
Interfund borrowing	2,064,511	4,230,355	434,149	6,729,015
Net Cash Provided By (Used For) Noncapital Financing Activities	2,039,511	4,205,355	494,149	6,739,015
<u>Cash Flows From Capital and Related Financing Activities:</u>				
Acquisition and construction of capital assets	(1,570,689)	(4,168,086)	(507,488)	(6,246,263)
Principal payments on bonds	(1,712,713)	(2,534,310)	(108,837)	(4,355,860)
Loan proceeds	81,591	-	-	81,591
Bond premium proceeds, net	(38,989)	(129,519)	(2,737)	(171,245)
Interest expense	(599,315)	(660,412)	(33,203)	(1,292,930)
Intergovernmental revenue	72,380	599,216	35,000	706,596
Net Cash (Used For) Capital and Related Financing Activities	(3,767,735)	(6,893,111)	(617,265)	(11,278,111)
<u>Cash Flows From Investing Activities:</u>				
Investment income	2,500	2,500	-	5,000
Net Cash Provided By Investing Activities	2,500	2,500	-	5,000
Net Change in Cash and Short-Term Investments	-	-	-	-
Cash and Short-Term Investments, Beginning of Year	-	-	-	-
Cash and Short-Term Investments, End of Year	\$ -	\$ -	\$ -	\$ -
<u>Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:</u>				
Operating income (loss)	\$ 714,688	\$ 1,586,065	\$ (72,518)	\$ 2,228,235
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	1,414,313	1,582,660	74,976	3,071,949
Changes in assets, liabilities, and deferred outflows/inflows:				
User fees	(190,147)	(269,164)	400	(458,911)
Other assets	1,312	9,681	-	10,993
Deferred outflows - related to pensions	149,782	160,193	-	309,975
Deferred outflows - related to OPEB	(2,251)	(1,102)	(606)	(3,959)
Deferred outflows - other	16,569	5,703	-	22,272
Accounts payable	(119,523)	(120,237)	117,690	(122,070)
Accrued liabilities	(94,570)	(163,920)	(667)	(259,157)
Compensated absences	(2,570)	(1,636)	3,897	(309)
Net pension liability	(198,282)	(267,306)	-	(465,588)
Net OPEB liability	(48,312)	(44,792)	(12,968)	(106,072)
Deferred inflows - related to pensions	34,507	27,798	-	62,305
Deferred inflows - related to OPEB	37,236	28,932	12,912	79,080
Deferred inflows - other	12,972	152,381	-	165,353
Net Cash Provided By Operating Activities	\$ 1,725,724	\$ 2,685,256	\$ 123,116	\$ 4,534,096

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2018

	Private Purpose Trust <u>Funds</u>	Agency <u>Funds</u>
<u>ASSETS</u>		
Cash and short-term investments	\$ 147,211	\$ 597,348
Investments	2,770,045	-
Due from other funds	<u>-</u>	<u>97,231</u>
Total Assets	2,917,256	694,579
 <u>LIABILITIES AND NET POSITION</u>		
Other liabilities	<u>-</u>	<u>694,579</u>
Total Liabilities	<u>-</u>	<u>694,579</u>
 <u>NET POSITION</u>		
Total net position held in trust	\$ <u><u>2,917,256</u></u>	\$ <u><u>-</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Private Purpose Trust Funds</u>
Additions:	
Contributions	22,724
Increase in fair value of investments	\$ <u>143,150</u>
Total additions	165,874
Deductions:	
Other	<u>56,326</u>
Total deductions	<u>56,326</u>
Net increase	109,548
Net position:	
Beginning of year	<u>2,807,708</u>
End of year	\$ <u><u>2,917,256</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCHESTER, NEW HAMPSHIRE

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of the City of Rochester, New Hampshire (the City) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The City is a municipal corporation governed by a City Council. As required by generally accepted accounting principles, these financial statements present the government and applicable component units for which the government is considered to be financially accountable. In fiscal year 2018, it was determined that no entities met the required GASB 14 (as amended) criteria of component units.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, certain expenditures such as debt service, claims and judgments, compensated absences, OPEB, and pension are recorded only when payment is due.

The City reports the following major governmental funds:

- The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *capital projects fund* accounts for all financial transactions used for the acquisition or construction of major capital facilities, infrastructure, vehicles, and equipment for the City.

The proprietary fund financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The government reports the following major proprietary funds:

- The *Water Fund* accounts for services relating to water activities.
- The *Sewer Fund* accounts for services relating to sewer activities.

The fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

The City reports the following fiduciary funds:

- The *private-purpose trust fund* is used to account for trust arrangements, other than those properly reported in the pension trust fund or permanent fund, under which principal and investment income exclusively benefit individuals, private organizations, or other governments.
- The *agency funds* account for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others. Agency funds report only assets and liabilities, and therefore, have no measurement focus.

D. Cash and Short-Term Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Certain special revenue and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool

is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type are included under investment income.

For purpose of the statement of cash flows, the proprietary funds consider investments with original maturities of three months or less to be short-term investments.

E. Investments

State and local statutes place certain limitations on the nature of deposits and investments available. Deposits in any financial institution may not exceed certain levels within the financial institution. Non-fiduciary fund investments can be made in securities issued by or unconditionally guaranteed by the U.S. Government or agencies that have a maturity of one year or less from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase.

Investments for the Trust Funds consist of marketable securities, bonds and short-term money market investments. Investments are carried at fair value, except certificates of deposit which are reported at cost.

F. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans).

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (for enterprise funds only), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	10 – 20
Building and improvements	5 – 100
Infrastructure	10 – 50
Vehicles and equipment	5 – 50

H. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vested sick and vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position.

J. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance - Generally, fund balance represents the difference between the current assets/deferred outflows and current liabilities/deferred inflows. The City reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources and, therefore, are not available for appropriation or expenditure. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the City uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

Net Position - Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use, either

through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining net position is reported as unrestricted.

K. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. Stewardship, Compliance, and Accountability

A. Budgetary Information

The City Manager presents an operating and capital budget for the proposed expenditures of the year commencing the following July 1. The budget, as enacted by the City Council, establishes the legal level of control and specifies that certain appropriations are to be funded by particular revenues. The original budget is amended during the year at City Council meetings as required by changing conditions. Departments are limited to the line item as voted. Formal budgetary integration is employed as a management control device during the year for the General Fund. At year end, appropriation balances lapse, except for certain unexpended capital items and encumbrances which will be honored during the subsequent year.

B. Budgetary Basis

The General Fund final appropriation appearing on the "Budget and Actual" page of the fund financial statements represents the final amended budget after all reserve fund transfers and supplemental appropriations.

C. Budget/GAAP Reconciliation

The budgetary data for the general fund is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison to budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

<u>General Fund</u>	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Revenues/Expenditures (GAAP basis)	\$ 93,426,455	\$ 88,219,140
Other financing sources/uses (GAAP basis)	<u>1,766,067</u>	<u>5,574,830</u>
Subtotal (GAAP Basis)	95,192,522	93,793,970
Adjust tax revenue to accrual basis	(530,845)	-
Recognize use of fund balance as funding source	4,227,866	-
To eliminate capital reserve activity	(26,073)	(622,823)
To eliminate conservation activity	(79,290)	-
To eliminate economic development activity	(121,000)	(117,414)
To record other GAAP timing differences	<u>(620,220)</u>	<u>(620,220)</u>
Budgetary basis	<u>\$ 98,042,960</u>	<u>\$ 92,433,513</u>

D. Deficit Fund Equity

Certain individual funds reflected deficit balances as of June 30, 2018.

It is anticipated that the deficits in these funds will be eliminated through future departmental revenues, bond proceeds, and transfers from other funds.

3. Cash and Short-Term Investments

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. RSA 48:16 limits "deposit in any one bank shall not at any time exceed the sum of its paid-up capital and surplus, exception that a City with a population in excess of 50,000 is authorized to deposit funds in a solvent bank in excess of the paid-up capital surplus of said bank." The City does not have a deposit policy for custodial credit risk.

As of June 30, 2018, \$165,967 of the City's bank balance of \$31,606,802 was exposed to custodial credit risk as uninsured or uncollateralized. This amount represents the cash portion of investment accounts in the custody of the Trustees of Trust Funds.

4. Investments

A. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law employs the prudent person rule whereby investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Presented below is the actual rating as of year-end for each investment of the City:

		Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End									
Investment Type	Amount			Aaa	Aa1	Aa2	Aa3	A1	A2	A3	Baa1	Baa2	
U.S. Treasury notes	\$ 99,462	N/A	\$ -	\$ 99,462	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Certificates of deposits	7,127,727	N/A	\$ 7,127,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Corporate bonds	594,055		-	29,180	53,532	59,915	28,726	103,035	96,029	87,934	78,331	57,373	
Corporate equities	1,363,673	N/A	1,363,673	-	-	-	-	-	-	-	-	-	
Mutual funds	855,478	N/A	855,478	-	-	-	-	-	-	-	-	-	
Federal agency securities	81,195		-	81,195	-	-	-	-	-	-	-	-	
Municipal obligations	15,368		-	-	-	-	15,368	-	-	-	-	-	
Total investments	\$ 10,136,958		\$ 9,346,878	\$ 209,837	\$ 53,532	\$ 59,915	\$ 44,094	\$ 103,035	\$ 96,029	\$ 87,934	\$ 78,331	\$ 57,373	

B. Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City does not have policies for custodial credit risk.

The City's investments are subject to custodial credit risk exposure because the related securities are uninsured, unregistered, and/or held by the City's brokerage firm, which is also the Counterparty to these securities. The City manages this custodial credit risk with SIPC and excess SIPC.

C. Concentration of Credit Risk

The City does not have an investment in one issuer greater than 5% of total investments.

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is as follows:

<u>Investment Type</u>	<u>Amount</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>
Debt Related Securities:				
U.S. Treasury notes	\$ 99,462	\$ -	\$ 99,462	\$ -
Certificates of deposit	7,127,727	6,121,919	1,005,808	\$ -
Corporate bonds	594,055	24,991	237,264	331,800
Federal agency securities	81,195	29,977	51,218	-
Municipal obligations	15,368	15,368	-	-
Total	\$ 7,917,807	\$ 6,192,255	\$ 1,393,752	\$ 331,800

E. Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. Although the City has an investment policy, it does not address foreign currency risk.

F. Fair Value

The Government categorizes its fair value measurements within the fair value hierarchy established by *Governmental Accounting Standards Board Statement No. 72 Fair Value Measurement and Application* (GASB 72). The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Certificates of deposit are reported at cost, and the City's other investments have the following fair value measurements as of June 30, 2018:

		Fair Value Measurements Using:
		Quoted prices in active markets for identical assets (Level 1)
<u>Description</u>		
Investments by fair value level:		
Debt securities		
U.S. Treasury securities	\$ 96,563	\$ 96,563
Corporate bonds	594,055	594,055
Equity securities	<u>2,219,151</u>	<u>2,219,151</u>
Total	\$ 2,909,769	

5. Property Taxes Receivable

The City bills property taxes on a semi-annual basis and they are due in July and December. Property tax revenues are recognized in the year for which taxes have been levied to the extent that they become available, i.e., due or receivable, within the current year and collected within the current period or within 60 days of year end.

Property taxes collected before the due date, and in advance of the year for which they are levied, are recorded as a prepaid tax liability, as they are intended to finance the subsequent year's budget.

At the time of tax lien, which the City usually processes in May for the previous levy year, a lien is recorded on the property at the Registry of Deeds. The City Council approves conveyance of lien property to the City. Afterward, the City Council sets a date for public sale.

The City annually raises through tax levy an amount (overlay for abatements) for property tax abatements and interest refunds. All abatements and interest refunds are charged to overlay.

Taxes receivable at June 30, 2018 consist of the following:

<u>Receivables:</u>	<u>Gross Amount</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Amount</u>
Tax liens	\$ 2,732,481	\$ (600,709)	\$ 2,131,772
Other	<u>88,047</u>	<u>(9,549)</u>	<u>78,498</u>
Total property taxes	<u>\$ 2,820,528</u>	<u>\$ (610,258)</u>	<u>\$ 2,210,270</u>

Taxes Collected for Others

The City collects property taxes for the State of New Hampshire, the Rochester School District, and the County of Strafford. Payments to the other taxing units are normally made throughout the year. The ultimate responsibility for the collection of taxes rests with the City.

6. User Fee Receivables

Receivables for user charges and betterments for business type activities at June 30, 2018 consist of the following:

	<u>Gross Amount</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Amount</u>
<u>Receivables:</u>			
Water	\$ 1,274,804	\$ (124,830)	\$ 1,149,974
Sewer	<u>1,466,778</u>	<u>(146,588)</u>	<u>1,320,190</u>
Total	\$ <u><u>2,741,582</u></u>	\$ <u><u>(271,418)</u></u>	\$ <u><u>2,470,164</u></u>

7. Intergovernmental Receivables

This balance represents reimbursements requested from Federal and State agencies for expenditures incurred in fiscal 2018.

8. Interfund Fund Accounts

Receivables/Payables

Although self-balancing funds are maintained, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the June 30, 2018 balances in interfund receivable and payable accounts:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 3,080,041	\$ -
Capital Projects Fund	-	3,071,517
Non Major Funds:		
Special Revenue Funds		
Community Center	210,099	-
Granite State Business Park TIF - II	84,731	-
Safran TIF	196,984	-
Granite Ridge TIF - I	-	152,062
Granite Ridge TIF - II	608,522	-
CDBG	-	17,574
Other Grants	-	75,047
School Grants	-	1,860,180
School Lunch	-	81,457
Subtotal Nonmajor Funds	1,100,336	2,186,320
Business Type Activities:		
Enterprise Funds		
Water	316,902	-
Sewer	1,277,582	-
Non Major Enterprise - Arena	-	614,255
Agency Funds	<u>97,231</u>	<u>-</u>
Total	\$ <u><u>5,872,092</u></u>	\$ <u><u>5,872,092</u></u>

Transfers

The City reports interfund transfers between various funds. Most transfers result from budgetary or statutory actions, whereby funds are moved to accomplish various expenditure purposes. The following is an analysis of interfund transfers:

<u>Governmental Funds:</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,145,847	\$ 5,574,830
Capital Projects Fund	4,529,953	117,498
Nonmajor Funds:		
Special Revenue Funds:		
Granite Ridge TIF - II	-	75,000
Other Grants	3,832	440
School Lunch	<u>78,136</u>	<u>-</u>
Subtotal Nonmajor Funds	81,968	75,440
 <u>Business-Type Funds:</u>		
Enterprise Funds		
Water Fund	100,000	125,000
Sewer Fund	-	25,000
Non Major Enterprise - Arena	<u>60,000</u>	<u>-</u>
Subtotal Business-Type Funds:	<u>160,000</u>	<u>150,000</u>
 Total	\$ <u><u>5,917,768</u></u>	\$ <u><u>5,917,768</u></u>

The City's other routine transfers include transfers made to move (1) unrestricted revenues or balances that have been collected or accumulated in the general fund to other funds based on budgetary authorization, and (2) revenues from a fund that by statute or budgetary authority must collect them to funds that are required by statute or budgetary authority to expend them.

9. Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, being depreciated:				
Land improvements	\$ 6,467,759	\$ 20,806	\$ -	\$ 6,488,565
Buildings and improvements	80,589,577	4,251,208	-	84,840,785
Vehicles and equipment	24,260,787	3,544,688	(201,140)	27,604,335
Infrastructure	161,416,765	2,931,345	-	164,348,110
Total capital assets, being depreciated	272,734,888	10,748,047	(201,140)	283,281,795
Less accumulated depreciation for:				
Land improvements	(4,142,665)	(274,659)	-	(4,417,324)
Buildings and improvements	(29,201,390)	(1,692,835)	-	(30,894,225)
Vehicles and equipment	(16,185,045)	(1,604,205)	191,013	(17,598,237)
Infrastructure	(117,093,163)	(4,106,686)	-	(121,199,849)
Total accumulated depreciation	(166,622,263)	(7,678,385)	191,013	(174,109,635)
Total capital assets, being depreciated, net	106,112,625	3,069,662	(10,127)	109,172,160
Capital assets, not being depreciated:				
Land	10,083,542	363,210	-	10,446,752
Easement	1,422,250	-	-	1,422,250
Construction in progress	9,617,167	9,437,706	(10,912,213)	8,142,660
Total capital assets, not being depreciated	21,122,959	9,800,916	(10,912,213)	20,011,662
Governmental activities capital assets, net	\$ 127,235,584	\$ 12,870,578	\$ (10,922,340)	\$ 129,183,822
Business-Type Activities:				
Capital assets, being depreciated:				
Land improvements	\$ 1,002,059	\$ 600,000	\$ -	\$ 1,602,059
Buildings and improvements	59,122,785	1,227,468	-	60,350,253
Vehicles and equipment	7,819,231	398,629	-	8,217,860
Infrastructure	60,516,131	6,256,464	-	66,772,595
Total capital assets, being depreciated	128,460,206	8,482,561	-	136,942,767
Less accumulated depreciation for:				
Land improvements	(185,383)	(69,438)	-	(254,821)
Buildings and improvements	(23,000,425)	(1,369,181)	-	(24,369,606)
Vehicles and equipment	(5,311,672)	(377,674)	-	(5,689,346)
Infrastructure	(18,703,777)	(1,255,653)	-	(19,959,430)
Total accumulated depreciation	(47,201,257)	(3,071,946)	-	(50,273,203)
Total capital assets, being depreciated, net	81,258,949	5,410,615	-	86,669,564
Capital assets, not being depreciated:				
Land	3,577,190	-	-	3,577,190
Construction in progress	9,149,112	6,273,677	(8,461,981)	6,960,808
Total capital assets, not being depreciated	12,726,302	6,273,677	(8,461,981)	10,537,998
Business-type activities capital assets, net	\$ 93,985,251	\$ 11,684,292	\$ (8,461,981)	\$ 97,207,562

Depreciation expense was charged to functions of the City as follows:

Governmental Activities:	
General government	\$ 500,626
Public safety	628,757
Highway and streets	4,512,446
Education	1,951,175
Culture and recreation	58,934
Community services	21,549
Economic development	<u>4,898</u>
Total depreciation expense - governmental activities	<u>\$ 7,678,385</u>
Business-Type Activities:	
Water	\$ 1,414,314
Sewer	1,582,660
Arena	<u>74,972</u>
Total depreciation expense - business-type activities	<u>\$ 3,071,946</u>

10. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of net position by the City that is applicable to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets. Deferred outflows of resources related to pensions and OPEB, in accordance with GASB Statements No. 68 and 75, are more fully discussed in the corresponding pension and OPEB noted.

Other deferred outflows of resources consist of losses of debt refunding of \$463,601 and \$178,176 for governmental and business-type activities respectively, as of June 30, 2018.

11. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities represent 2018 expenditures paid in 2019.

12. Capital Lease Obligations

The City is the lessee of certain equipment under capital leases expiring in various years through 2022. Future minimum lease payments under the capital and operating leases consisted of the following as of June 30, 2018:

<u>Fiscal Year</u>	<u>Capital Leases</u>
2019	\$ 189,045
2020	189,046
2021	189,046
2022	189,046
2023	<u>135,765</u>
Total minimum lease payments	891,948
Less amounts representing interest	<u>74,103</u>
Present Value of Minimum Lease Payments	<u>\$ 817,845</u>

13. Long-Term Debt

A. General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds currently outstanding are as follows:

<u>Governmental Activities:</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s) %</u>	<u>Amount Outstanding as of 6/30/18</u>
1998 Series A Bond Issue	08/15/18	4.91%	\$ 76,260
2002 Series Bond Issue	08/15/22	4.25-4.70%	1,558,000
2005 QZAB	12/29/20	0.00%	276,582
2007 Bond Issue - Refinancing - 13 year	08/15/20	5.50-5.80%	995,409
2008 Series A NHMBB - 20 year	08/15/28	4.00-5.25%	380,000
2010 Series Bond Issue - 10 year	01/15/20	2.00-3.25%	398,200
2010 Series Bond Issue - 20 year	01/15/30	2.00-4.00%	1,748,748
2012 Series B Bond Issue - 20 year - TIF	03/15/32	1.00-3.25%	3,548,680
2012 Series A Bond Issue - 20 year	03/15/32	2.00-3.00%	1,525,000
2012 Series A Bond Issue - 10 year	03/15/22	2.00-3.00%	55,000
2013 Series A - Refunding 2004 bonds	07/15/24	2.00-3.00%	2,561,682
2014 State Revolving Loan - Washington St Phase 4	06/01/33	3.39%	281,362
2015 Series A Bond Issue - 20 year	03/01/35	2.00-3.25%	3,523,685
2015 Series A Bond Issue - 5 year	03/01/20	2.00-3.00%	323,623
2015 Series A Bond Issue - 10 year	03/01/25	2.00-3.00%	3,723,216
2012 Series B Bond Issue - 20 year - Repurposed	03/15/32	2.00-3.25%	94,264
2015 Series C Bond Issue - 20 year	10/15/35	2.50-5.00%	10,265,000
2015 Series D Bond Issue - 10 year - TIF	10/15/26	2.25-4.00%	3,325,000
2015 Refunding - Series 2005 - 5 year	01/15/21	2.00%	47,143
2015 Refunding - Series 2005 - 10 year	01/15/26	2.00-2.25%	1,472,744
2016 Refunding - Series 2008 - 10 year	02/15/28	1.94%	5,167,929
2017 Series A Bond Issue - 5 year	06/30/22	5.00%	388,947
2017 Series A Bond Issue - 10 year	06/30/27	5.00%	605,677
2017 Series A Bond Issue - 20 year	06/30/37	3.00-5.00%	8,064,578
2017 Series B Bond Issue - 10 year	06/30/27	2.50-3.00%	<u>1,046,840</u>
Total Governmental Activities:			<u>\$ 51,453,569</u>

	Serial	Interest	Amount
	Maturities	Rate(s) %	Outstanding
<u>Business-Type Activities:</u>	<u>Through</u>		<u>as of</u>
			<u>6/30/18</u>
1998 Series A Bond Issue	08/15/18	3.90-4.75%	\$ 53,740
2002 Series Bond Issue	08/15/22	4.25-4.70%	523,000
2005 State Revolving Loan - Chestnut Hill	08/01/25	3.49%	351,876
2007 State Revolving Loan - Homemakers	07/01/27	2.14%	198,572
2007 State Revolving Loan - Ground Water Supply	09/01/26	3.35%	225,697
2007 Refinancing Bonds - 13 year	08/15/20	5.50-5.80%	219,591
2009 State Revolving Loan - East Rochester I&I	12/01/27	3.69%	926,195
2009 State Revolving Loan - South Main/Solar Bee Pilot	08/01/28	3.49%	734,316
2010 State Revolving Loan - South Main Street	02/01/29	2.95%	352,952
2010 Series Bond Issue - 10 year	01/15/20	2.00-3.25%	389,105
2010 Series Bond Issue - 20 year	01/15/30	2.00-4.00%	2,013,949
2011 Round Pond Land Purchase	04/06/20	0.00%	75,000
2010 State Revolving Loan - Washington Street	12/01/30	2.86%	1,470,218
2012 Series A Bond Issue - 20 year	03/15/32	2.00-3.00%	700,000
2013 State Revolving Loan - Cocheco Well	09/01/31	3.10%	1,336,324
2013 State Revolving Loan - Headworks	02/01/32	2.72%	978,845
2013 State Revolving Loan - Washington St Pump Station	07/01/31	3.10%	452,444
2013 Series B Bond Issue - Refunding 2004 bonds	08/01/20	2.00-4.00%	2,700,000
2013 Series A Bond Issue - Refunding 2004 bonds	07/15/24	2.00-3.00%	748,312
2014 State Revolving Loan - Washington & Pine St	12/01/32	2.72%	159,950
2014 State Revolving Loan - Washington St Phase 4	06/01/33	3.39%	357,370
2015 Series A Bond Issue - 20 year	03/01/35	2.00-3.25%	2,949,413
2015 Series A Bond Issue - 5 year	03/01/20	2.00-3.00%	489,245
2015 Series A Bond Issue - 20 year	03/01/35	2.00-3.25%	374,031
2015 Series A Bond Issue - 10 year	03/01/25	2.00-3.00%	2,516,784
2012 Series B Bond Issue - 20 year - repurposed	03/15/32	2.00-3.25%	84,837
2012 Series B Bond Issue - 20 year - repurposed	03/15/32	2.00-3.25%	292,219
2015 Refunding Series 2005 - 10year	01/15/26	2.00-2.25%	80,112
2016 Refunding Series 2008 - 10 year	02/15/28	1.94%	2,982,072
2016 State Revolving Loan - New Rte 125 Pump Station	06/01/35	2.55%	301,715
2017 State Revolving Loan - Drinking Water SRF	12/01/35	2.00%	1,720,068
2017 Series A Bond Issue - 5 year	06/30/22	5.00%	1,176,055
2017 Series A Bond Issue - 10 year	06/30/27	5.00%	44,323
2017 Series A Bond Issue - 20 year	06/30/37	3.00-5.00%	9,260,421
2017 Series B Bond Issue - 10 year	06/30/27	2.50-3.00%	418,152
Total Business-Type Activities:			<u>\$ 37,656,903</u>

B. Future Debt Service

The annual payments to retire all general obligation long-term debt outstanding as of June 30, 2018 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 5,085,619	\$ 1,605,073	\$ 6,690,692
2020	5,000,372	1,440,452	6,440,824
2021	4,788,021	1,278,497	6,066,518
2022	4,359,637	1,130,986	5,490,623
2023	4,240,920	986,206	5,227,126
2024 - 2028	15,928,077	3,081,034	19,009,111
2029 - 2033	8,155,195	1,279,117	9,434,312
Thereafter	<u>3,895,728</u>	<u>240,524</u>	<u>4,136,252</u>
Total	\$ <u>51,453,569</u>	\$ <u>11,041,889</u>	\$ <u>62,495,458</u>

The general fund has been designated as the sole source to repay the governmental-type general obligation long-term debt outstanding as of June 30, 2018.

<u>Business-Type</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 4,195,360	\$ 1,201,917	\$ 5,397,277
2020	4,137,725	1,071,783	5,209,508
2021	3,844,787	929,789	4,774,576
2022	2,878,232	813,861	3,692,093
2023	2,600,192	715,931	3,316,123
2024 - 2028	10,985,316	2,348,435	13,333,751
2029 - 2033	6,283,862	934,192	7,218,054
Thereafter	<u>2,731,429</u>	<u>195,443</u>	<u>2,926,872</u>
Total	\$ <u>37,656,903</u>	\$ <u>8,211,351</u>	\$ <u>45,868,254</u>

C. Changes in General Long-Term Liabilities

During the year ended June 30, 2018, the following changes occurred in long-term liabilities:

	Total Balance 7/1/17	Additions	Reductions	Total Balance 6/30/18	Less Current Portion	Equals Long-Term Portion 6/30/18
<u>Governmental Activities</u>						
Bonds payable	\$ 56,816,667	\$ -	\$ (5,363,098)	\$ 51,453,569	\$ (5,085,619)	\$ 46,367,950
Net pension liability	84,848,826	-	(5,193,760)	79,655,066	-	79,655,066
Net OPEB liability	20,882,187	-	(1,604,692)	19,277,495	-	19,277,495
Other:						
Unamortized premium	1,865,055	-	(144,863)	1,720,192	(141,595)	1,578,597
Compensated absences	2,250,364	-	(493)	2,249,871	(224,987)	2,024,884
Capital leases	385,355	620,220	(187,730)	817,845	(163,826)	654,019
Subtotal - other	4,500,774	620,220	(333,086)	4,787,908	(530,408)	4,257,500
Totals	\$ 167,048,454	\$ 620,220	\$ (12,494,636)	\$ 155,174,038	\$ (5,616,027)	\$ 149,558,011
<u>Business-Type Activities</u>						
Bonds payable	\$ 42,012,762	\$ -	\$ (4,355,859)	\$ 37,656,903	\$ (4,195,360)	\$ 33,461,543
Net pension liability	2,733,406	-	(465,588)	2,267,818	-	2,267,818
Net OPEB liability	914,450	-	(106,072)	808,378	-	808,378
Other:						
Unamortized premium	1,026,690	-	(171,245)	855,445	(159,338)	696,107
Compensated absences	148,510	-	(306)	148,204	(14,821)	133,383
SRF loan proceeds ¹	-	81,591	-	81,591	-	81,591
Subtotal - other	1,175,200	81,591	(171,551)	1,085,240	(174,159)	911,081
Totals	\$ 46,835,818	\$ 81,591	\$ (5,099,070)	\$ 41,818,339	\$ (4,369,519)	\$ 37,448,820

¹ This balance represents the drawdown proceeds from the State of New Hampshire through the State Revolving Loan Program. The State Revolving Loan program provides low interest loans to assist communities with the design and construction of various types of projects, and the proceeds are disbursed as eligible costs are incurred through drawdowns. Upon completion of the project, the original financial assistant agreement shall be amended to reflect actual project expenditures. A supplemental agreement will then be executed between the State and the City containing the final project cost and the repayment schedule.

14. Deferred Inflows of Resources

Deferred inflows of resources are the acquisition of net position by the City that are applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities. Deferred inflows of resources related to pension and OPEB will be recognized as expense in future years and is more fully described in the corresponding pension and OPEB notes. *Unavailable revenues* are reported in the governmental funds balance sheet in connection with receivables for which revenues are not considered available to liquidate liabilities of the current year.

15. **Governmental Funds - Balances**

Fund balances are segregated to account for resources that are either not available for expenditure in the future or are legally set aside for a specific future use.

The City has implemented *GASB Statement No. 54 (GASB 54), Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying existing governmental fund type definitions.

The following types of fund balances are reported at June 30, 2018:

Nonspendable - Represents amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This fund balance classification includes general fund reserves for prepaid expenditures and nonmajor governmental fund reserves for the principal portion of permanent trust funds.

Restricted - Represents amounts that are restricted to specific purposes by constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. This fund balance classification includes general fund encumbrances funded by bond issuances, various special revenue funds, and the income portion of permanent trust funds.

Committed - Represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority. This fund balance classification includes general fund encumbrances for non-lapsing special article appropriations approved at City Council Meeting, capital reserve funds, and various special revenue funds.

Assigned - Represents amounts that are constrained by the City's intent to use these resources for a specific purpose.

Unassigned - Represents amounts that are available to be spent in future periods and deficit funds.

Following is a breakdown of the City's fund balances at June 30, 2018:

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable				
Prepaid expenditures	\$ 35,228	\$ -	\$ -	\$ 35,228
Nonexpendable permanent funds	-	-	50,246	50,246
Total Nonexpendable	35,228	-	50,246	85,474
Restricted				
Community development	16,779	-	-	16,779
Conservation	181,408	-	-	181,408
Special revenue funds	-	-	1,060,034	1,060,034
Expendable permanent funds	-	-	52,254	52,254
Total Restricted	198,187	-	1,112,288	1,310,475
Committed				
Capital reserve funds	199,576	-	-	199,576
Total Committed	199,576	-	-	199,576
Assigned				
Reserved for expenditures	20,000	-	-	20,000
Total Assigned	20,000	-	-	20,000
Unassigned				
General fund	18,460,750	-	-	18,460,750
Capital projects fund	-	(3,366,894)	-	(3,366,894)
Total Unassigned	18,460,750	(3,366,894)	-	15,093,856
Total Fund Balance	\$ 18,913,741	\$ (3,366,894)	\$ 1,162,534	\$ 16,709,381

16. General Fund Unassigned Fund Balance

The unassigned general fund balance reported on the balance sheet is stated in accordance with generally accepted accounting principles (GAAP), which differs in respect to how unassigned fund balance is reported in accordance with the budgetary basis for reporting for the State of New Hampshire for tax rate setting purposes. The major difference is the State of New Hampshire considers revenues in connection with property tax receivables to be available to liquidate liabilities when billed rather than received.

The following summarizes the specific differences between GAAP basis and budgetary basis of reporting the general fund unassigned fund balance:

GAAP basis	\$ 18,460,750
Other GAAP adjustments	<u>(96,832)</u>
Tax Rate Setting balance	<u>\$ 18,363,918</u>

17. Retirement System

The City follows the provisions of *GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, with respect to the State of New Hampshire Retirement System (NHRS).

A. Plan Description

Full-time employees participate in the New Hampshire Retirement System (NHRS), a cost sharing, multiple-employer defined benefit contributory pension plan and trust established in 1967 by RSA 100-A:2 and qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit plan providing service, disability, death, and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters, and permanent police officers within the State of New Hampshire are eligible and required to participate in the system. Full-time employees of political subdivisions, including counties, municipalities, and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation.

The New Hampshire Retirement System, a Public Employees Retirement System (PERS), is divided into two membership groups. State or local employees and teachers belong to *Group I*. Police officers and firefighters belong to *Group II*. All assets are held in a single trust and are available to each group. Additional information is disclosed in the NHRS annual report publicly available from the New Hampshire Retirement System located at 54 Regional Drive, Concord, New Hampshire 03301-8507.

B. Benefits Provided

Group 1 benefits are provided based on creditable service and average final salary for the highest of either three or five years, depending on when service commenced.

Group II benefits are provided based on age, years of creditable service, and a benefit multiplier depending on vesting status as of January 1, 2012. The maximum retirement allowance for Group II members vested by January 1, 2012 (45 years of age with 20 years of service or age 60 regardless of years of creditable service) is the average final compensation multiplied by 2.5% multiplied by creditable service. For Group II members not vested by January 1, 2012, the benefit is calculated the same way but the multiplier used in the calculation will change depending on age and years of creditable service, as follows:

<u>Years of creditable service as of January 1, 2012</u>	<u>Minimum Age</u>	<u>Minimum Service</u>	<u>Benefit Multiplier</u>
At least 3 but less than 10 years	46	21	2.4%
At least 6 but less than 8 years	47	22	2.3%
At least 4 but less than 6 years	48	12	2.2%
Less than 4 years	49	24	2.1%

C. Contributions

Plan members are required to contribute a percentage of their gross earnings to the pension plan, which the contribution rates are 7% for employees and teachers 11.55% for police and 11.80% for fire. The City and School make annual contributions to the pension plan equal to the amount required by Revised Statutes Annotated 100-A:16, and range from 11.08% to 27.79% of covered compensation. The City's and School's contributions to NHRS for the year ended June 30, 2018 were \$2,476,827 and \$4,564,280, respectively, which were equal to its annual required contribution.

D. Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the NHRS and additions to/deductions from NHRS' fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

E. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the City and School reported a liability of \$29,620,292 and \$52,302,592, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The City's and School's proportion of the net pension liability was based on a projection of the City's and School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the City's and School's proportions were .60228417 and 1.06349467 percent, respectively.

For the year ended June 30, 2018, the City and School recognized pension expense of \$3,067,730 and \$5,800,762, respectively. In addition, the City and School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual	\$ 185,754	\$ 1,042,643
Changes of assumptions	8,226,138	-
Net difference between projected and actual earnings on pension plan investments	-	1,043,329
Changes in proportion and differences between contributions and proportionate share of contributions	2,907,678	2,073,635
Contributions subsequent to the measurement date	7,041,107	-
Total	<u>\$ 18,360,677</u>	<u>\$ 4,159,607</u>

\$2,476,827 and \$4,564,280 reported as deferred outflows of resources for City and School respectively, related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2019	\$ 1,686,399
2020	3,686,283
2021	2,949,833
2022	<u>(1,162,552)</u>
Total	<u>\$ 7,159,963</u>

F. Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent per year
Salary increases	5.6 percent average, including inflation
Investment rate of return	7.25 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using scale MP-2015, based on the last experience study.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of the most recent actuarial experience study.

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation Percentage</u>	<u>Weighted Average Average Long- Term Expected Real Rate of Return</u>
Large Cap Equities	22.50 %	4.25%
Small/Mid Cap Equities	<u>7.50</u>	4.50%
Total domestic equities	30.00	
Int'l Equities (unhedged)	13.00	4.50%
Emerging Int'l Equities	<u>7.00</u>	6.25%
Total international equities	20.00	
Core Bonds	5.00	0.75%
Short Duration	2.00	-0.25%
Global Multi-Sector Fixed Income	11.00	2.11%
Absolute Return Fixed Income	<u>7.00</u>	1.26%
Total fixed income	25.00	
Private equity	5.00	6.25%
Private debt	5.00	4.75%
Opportunistic	5.00	2.84%
Real estate	<u>10.00</u>	3.25%
Total alternative investments	<u>25.00</u>	
Total	<u><u>100.00</u></u> %	

G. Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the pension plan's actuarial funding policy and as required by RSA 100-A:16. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit

payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's and School's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the City's and School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
\$ 107,929,287	\$ 81,922,884	\$ 60,611,665

I. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NHRS financial report.

18. Other Post-Employment Benefits (GASB 75)

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, replaces the requirements of *Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. This Statement identifies the methods and assumptions that are required to be used to project benefit payments, discounted projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

A. City OPEB Plan

All the following OPEB disclosures are based on a measurement date of June 30, 2018.

General Information about the OPEB Plan

Plan Description

The City indirectly provides post-employment healthcare for retired employees through an implicit rate covered by current employees. Retirees

of the City who participate in this single-employer plan pay 100% of the healthcare premiums to participate in the City’s healthcare program. Since they are included in the same pool as active employees, the insurance rates are implicitly higher for current employees due to the age consideration. This increased rate is an implicit subsidy the City pays for the retirees.

The City’s OPEB plan is not administered through a trust that meets the criteria in paragraph 4 of GASB 75,

Plan Description

The City provides medical and prescription drug insurance to retirees and their covered dependents. All active employees who retire from the City and meet the eligibility criteria will receive these benefits.

Plan Membership

At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries	
currently receiving benefit payments	51
Active employees	<u>680</u>
Total	<u><u>731</u></u>

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.25 percent
Discount rate	3.56 percent
Healthcare cost trend rates	9 percent for 2017, decreasing 0.5 percent per year to an ultimate rate of 5 percent for 2023 and later years.
Mortality	RPH-2016 Total Dataset Mortality Table fully generational using Scale MP-2016 (RPH-2016 table is created based on RPF-2014 Total Dataset Mortality Table with 8 years of MP-2014 mortality improvement backed out, projected to 2016 using MP-2016 improvement.
Retirees' share of benefit-related costs	100 percent

The discount rate was based on the long-term municipal bond rate at June 30, 2018.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.56%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate.

Total OPEB Liability

The City's total OPEB liability of \$11,976,010, was measured as of June 30, 2018, and was determined by an actuarial valuation as of July 1, 2017.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at June 30, 2017	\$ 13,371,342
Changes for the year:	
Service cost	910,490
Interest	383,537
Changes of benefit terms	(699,644)
Differences between expected and actual experience	(1,587,781)
Changes in assumptions or other inputs	74,498
Benefit payments	<u>(476,432)</u>
Net Changes	<u>(1,395,332)</u>
Balances at June 30, 2018	\$ <u><u>11,976,010</u></u>

Changes of benefit terms reflect changes in collective bargaining agreements.

Changes of assumptions and other inputs reflect a change in the discount rate from 2.92 percent in 2017 to 3.56 percent in 2018. All other assumptions were the same as those used in the previous measurement.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Discount</u> <u>Rate</u>	<u>1%</u> <u>Increase</u>
\$ 12,977,872	\$ 11,976,010	\$ 11,049,759

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Healthcare</u> <u>Cost Trend</u> <u>Rates</u>	<u>1%</u> <u>Increase</u>
\$ 10,660,665	\$ 11,976,010	\$ 13,520,230

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the City recognized an OPEB expense of \$405,222. At June 30, 2018, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Difference between expected and actual experience	-	1,389,308
Change in assumptions	\$ <u>65,186</u>	\$ <u>-</u>
Total	\$ <u><u>65,186</u></u>	\$ <u><u>1,389,308</u></u>

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:

2019	\$	(189,161)
2020		(189,161)
2021		(189,161)
2022		(189,161)
2023		(189,161)
Thereafter		<u>(378,317)</u>
Total	\$	<u><u>(1,324,122)</u></u>

B. New Hampshire Retirement System Medical Subsidy Plan Description

General Information about the OPEB Plan

Plan Description

In addition to the OPEB plan discussed above, the City participates in the New Hampshire Retirement System (NHRS) Medical Subsidy. The NHRS administers a cost-sharing, multiple-employer other post-employment benefit plan (OPEB Plan) for retiree health insurance subsidies. Benefit amounts and eligibility requirements are set by state law, and members are designated by type. The four membership types are Group II Police Officer and Firefighters, Group I Teachers, Group I Political Subdivision Employees and Group I State Employees. Collectively, they are referred to as the OPEB Plan.

Benefits Provided

The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical subsidy is a payment made by NHRS to the former employer or their insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certifiably dependent children with a disability who are living in the household and being cared for by the retiree. Under specific conditions, the qualified beneficiaries of members who die while in service may also be eligible for the medical subsidy. The eligibility requirements for receiving OPEB Plan benefits differ for Group I and Group II members. The monthly Medical Subsidy rates are:

1 Person - \$375.56
2 Person - \$751.12
1 Person Medicare Supplement - \$236.84
2 person Medicare Supplement - \$473.68

Actuarial Assumptions and Other Inputs

The City's proportionate share of the NHRS Medical Subsidy as of June 30, 2018 is based upon an actuarial valuation performed as of June 30, 2016 (rolled forward to June 30, 2017) using a measurement date of June 30, 2017. The actuarial valuation used the following actuarial assumptions:

Price inflation	2.50%
Wage inflation	3.25%
Salary increases	5.60%
Investment rate of return	7.25%
Discount rate	7.25%

Mortality rates were based on the RP-2014 healthy annuitant and employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using scale MP-2015, based on the last experience study.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of the most recent experience study, which was for the period July 1, 2010 – June 30, 2015.

Net OPEB Liability, Expense, and Deferred Outflows and Inflows

The City's proportionate share of the net NHRS Medical Subsidy (net OPEB liability) as of the measurement date of June 30, 2017 was \$8,109,863.

For the year ended June 30, 2018, the City and School recognized an OPEB expense related to the NHRS Medical Subsidy of \$72,645 and \$640,340, respectively. At June 30, 2018, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Contributions subsequent to the measurement date	\$ 720,077	\$ -
Changes in proportion	80,294	31,859
Net difference between projected and actual OPEB investment earnings	<u>-</u>	<u>25,591</u>
Total	<u>\$ 800,371</u>	<u>\$ 57,450</u>

The \$281,230 and \$438,847 reported as deferred outflows of resources for City and School respectively, related to OPEB resulting from contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ending June 30, 2019.

Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:

2019	\$ 42,037
2020	(6,398)
2021	(6,398)
2021	<u>(6,397)</u>
Total	\$ <u>22,844</u>

Sensitivity of the Net NHRS Medical Subsidy OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Discount</u> <u>Rate</u>	<u>1%</u> <u>Increase</u>
\$ 8,825,942	\$ 8,109,863	\$ 7,489,434

C. Consolidation of Total/Net OPEB Liabilities and Related Deferred Outflows and Inflows

The following consolidates the City's total OPEB liability and related deferred outflows/inflows, and the City's proportionate share of the NHRS Medical Subsidy net OPEB liability and related deferred outflows/inflows at June 30, 2018:

	Total/Net OPEB <u>Liability</u>	Total Deferred Outflows <u>of Resources</u>	Total Deferred Inflows <u>of Resources</u>
Town OPEB Plan	\$ 11,976,010	\$ 65,186	\$ 1,389,308
Proportionate share of NHRS Medical Subsidy Plan	<u>8,109,863</u>	<u>800,371</u>	<u>57,450</u>
Total	<u>\$ 20,085,873</u>	<u>\$ 865,557</u>	<u>\$ 1,446,758</u>

19. **Commitments and Contingencies**

Outstanding Legal Issues – On an ongoing basis, there are typically pending legal issues in which the City is involved. The City's management is of the opinion that the potential future settlement of these issues would not materially affect its financial statements taken as a whole.

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

20. **Beginning Net Position Restatement**

The beginning (July 1, 2017) net position of the City has been restated in order to implement GASB 75.

Government-Wide Financial Statements:

	<u>Governmental</u>	<u>Business-Type</u>
As previously reported	\$ 16,636,631	\$ 59,164,797
Implementation of GASB 75 OPEB	<u>(13,793,422)</u>	<u>(251,925)</u>
As restated	<u>\$ 2,843,209</u>	<u>\$ 58,912,872</u>

CITY OF ROCHESTER, NEW HAMPSHIRE
SCHEDULE OF PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (GASB 68)
JUNE 30, 2018
(Unaudited)

New Hampshire Retirement System						
<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position Percentage of the Total Pension Liability</u>
June 30, 2018	June 30, 2017	1.66577884%	\$ 81,922,884	\$ 44,449,577	184.31%	62.66%
June 30, 2017	June 30, 2016	1.64702675%	\$ 87,582,232	\$ 42,596,488	205.61%	58.30%
June 30, 2016	June 30, 2015	1.62067092%	\$ 64,203,318	\$ 41,436,575	154.94%	65.47%
June 30, 2015	June 30, 2014	1.64659938%	\$ 61,806,520	\$ 41,524,704	148.84%	66.32%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available

See Independent Auditors' Report.

CITY OF ROCHESTER, NEW HAMPSHIRE

SCHEDULE OF PENSION CONTRIBUTIONS (GASB 68)

JUNE 30, 2018
(Unaudited)

New Hampshire Retirement System					
<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	Contributions in Relation to the <u>Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2018	\$ 7,041,107	\$ 7,041,107	\$ -	\$ 44,196,673	15.93%
June 30, 2017	\$ 6,102,796	\$ 6,102,796	\$ -	\$ 44,449,577	13.73%
June 30, 2016	\$ 5,577,595	\$ 5,577,595	\$ -	\$ 42,596,488	13.09%
June 30, 2015	\$ 5,416,120	\$ 5,416,120	\$ -	\$ 41,436,575	13.07%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available

See Independent Auditors' Report.

CITY OF ROCHESTER, NEW HAMPSHIRE
SCHEDULE OF PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY (GASB 75)
JUNE 30, 2018
(Unaudited)

New Hampshire Retirement System Medical Subsidy						
<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Proportion of the Net OPEB Liability</u>	<u>Proportionate Share of the Net OPEB Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position Percentage of the Net OPEB Liability</u>
June 30, 2018	June 30, 2017	1.77367901%	\$8,109,863	\$ 44,449,577	18.25%	7.91%
June 30, 2017	June 30, 2016	1.74038496%	\$8,425,295	\$ 42,596,488	19.78%	5.21%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

**CITY OF ROCHESTER, NEW HAMPSHIRE
OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

Schedules of Changes in the Total OPEB Liability and Contributions (GASB 75)

(Unaudited)

Rochester OPEB Plan *

Changes in Total OPEB Liability

	<u>2018</u>
Total OPEB liability	
Service cost	\$ 910,490
Interest on unfunded liability - time value of money	383,537
Changes of benefit terms	(699,644)
Differences between expected and actual experience	(1,587,781)
Changes of assumptions	74,498
Benefit payments, including refunds of member contributions	<u>(476,432)</u>
Net change in total OPEB liability	(1,395,332)
Total OPEB liability - beginning	<u>13,371,342</u>
Total OPEB liability - ending (a)	<u>\$ 11,976,010</u>
Covered employee payroll	\$ 42,256,611
Total OPEB liability as a percentage of covered employee payroll	28.34%

Does not include New Hampshire Retirement System Medical Subsidy.

Schedule of Contributions

	<u>2018</u>
Actuarially determined contribution	\$ 476,432
Contributions in relation to the actuarially determined contribution	<u>476,432</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered employee payroll	\$ 42,256,611
Contributions as a percentage of covered employee payroll	1.13%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

* Does not include New Hampshire Retirement System Medical Subsidy.

See notes to the City's financial statements for summary of significant actuarial methods and assumptions and Independent Auditor's Report.

**TAX INCREMENT FINANCING (TIF)
DISTRICT REPORTING INFORMATION**

TIF 162-K - Granite Ridge Development District
Financial Report for Tax Year 2018 (as of March 26, 2019)
Fund 7030 - TIF3
Unaudited Draft - Updated March 26, 2019

Assessment Information:	
Date of Adoption/Modification (mm/dd/yy)	10/15/15
A Original Assessed Value	60,431,438
B - Unretained Captured Assessed Value	-
C = Amounts Used on P2 (for tax rate purposes)	60,431,438
D + Retained captured assessed value	32,632,008
E = Current Assessed Value	93,063,446

Tax Rate Information:	
2018 Tax Rate per 1000 assessed value	27.52

Revenues¹	
Tax Increment District (Retained captured assessed value / 1000 * tax rate)	898,032.86
Investment Interest	-
Other	-
Total Revenues:	898,032.86

Expenditures²	
Long Term Dept Payments	
Principal	370,000.00
Interest	52,206.25
Outside Services	-
Other	-
Total Expenditures	422,206.25

Long-Term Debt Payable²	
Principal - 2015 Series D	2,955,000.00
Interest - 2015 Series D	354,300.00
Total Long-Term Debt Payable	3,309,300.00

Beginning of Period - Fund Balance	608,521.64
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Excess (Deficiency) of Revenue	475,826.61
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End of Period - Fund Balance	1,084,348.25
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Fund Balance Reserved for Debt Service	1,084,348.25
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Deficit to be Raised by Tax Increment District	2,224,951.75
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Notes:

¹ Two properties with incremental value tax had unpaid balances on March 26, 2019

² \$44,806.25 Interest Payment Due on April 15, 2019

TIF 162-K - Granite State Business Park District
Financial Report for Tax Year 2018 (as of March 26, 2019)
Fund 7028 - TIF1
Unaudited Draft - Updated March 26, 2019

Assessment Information:	
Date of Adoption/Modification (mm/dd/yy)	07/05/11
A Original Assessed Value	13,536,169
B - Unretained Captured Assessed Value	-
C = Amounts Used on P2 (for tax rate purposes)	13,536,169
D + Retained captured assessed value	3,183,276
E = Current Assessed Value	16,719,445

Tax Rate Information:	
2018 Tax Rate per 1000 assessed value	27.52

Revenues¹	
Tax Increment District (Retained captured assessed value / 1000 * tax rate)	87,603.76
Investment Interest	-
Other	87,102.37
Total Revenues:	174,706.13

Expenditures²	
Long Term Dept Payments	
Principal	-
Interest	-
Outside Services	-
Other	-
Total Expenditures	-

Long-Term Debt Payable³	
Principal (Water Main Extension CIP Project 19553 - In Progress)	92,029.76
Interest	-
Total Long-Term Debt Payable	92,029.76

Beginning of Period - Fund Balance	84,731.46
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Excess (Deficiency) of Revenue	174,706.13
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End of Period - Fund Balance	259,437.59
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Fund Balance Reserved for Debt Service	92,029.76
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Deficit to be Raised by Tax Increment District	-
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Notes:

¹ All properties with incremental value tax are paid in full

³ CIP Fund 6096 Project 19553 Water Main Extension - In Progress (To be Bonded)

TIF 205-C - RHA C/O NHBFA District (SAFRAN Lease)
Financial Report for Tax Year 2018 (as of March 27, 2019)
Fund 7029 - TIF2
Unaudited Draft - Updated March 27, 2019

Assessment Information:	
Date of Adoption/Modification (mm/dd/yy)	07/05/11
A Original Assessed Value	193,900
B Unretained Captured Assessed Value	26,969,800
C Retained captured assessed value	-
D Current Assessed Value	27,163,700

Tax Rate Information:	
2018 Tax Rate per 1000 assessed value	27.52

Revenues¹	
Payment in Lieu of Tax - (PILOT)	741,935.41
Less Amount Retained by General Fund	(5,336.13)
Investment Interest	-
Other	-
Total Revenues:	736,599.28

Expenditures²	
Long Term Dept Payments	
Principal - March 2012 Series B	194,206.38
Interest - March 2012 Series B	92,932.16
Principal - NHBFA Loan	249,021.43
Interest - NHBFA Loan	161,818.65
Outside Services	-
Other	-
Total Expenditures	697,978.62

Long-Term Debt Payable²	
Principal - March 2012 Series B	3,354,473.82
Interest - March 2012 Series B	723,399.45
Principal - NHBFA Loan	2,987,352.90
Interest - NHBFA Loan	705,514.95
Total Long-Term Debt Payable	7,770,741.12

Beginning of Period - Fund Balance	196,984.34
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Excess (Deficiency) of Revenue	38,620.66
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End of Period - Fund Balance	235,605.00
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Fund Balance Reserved for Debt Service	235,605.00
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Deficit to be Raised by Tax Increment District	7,535,136.12
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Notes:

¹ PILOT - Safran Lease paid in full

² All FY19 debt payments are paid

TRUSTEES OF THE TRUST FUND REPORT



City of Rochester,
Capital Reserves
MS-9 for Year Ending June 30, 2018

PRINCIPAL ACCOUNT #8000006660										INCOME ACCOUNT #8000006660					TOTAL	
ANNUAL TOTALS										ANNUAL TOTALS						
DATE	TRUST NAME	PURPOSE	% OF TOTAL	BALANCE 07/01/17	NEW FUNDS	GAIN/ LOSS	MGMT Fees	Transf/ Income/ Exp	BALANCE 06/30/18	BALANCE 07/01/17	Gross Income	Mgmnt Fees	Transf/ Income/ Exp	BALANCE 06/30/18		
12/15/15	School Building	School	97%	796,326.00	173,504.00	-	-	(796,329.00)	173,501.00	-	2,908.93	-	-	2,908.93	176,409.93	
	History of Rochester Funds	History	3%	24,031.83	30.00	-	-	2.24	24,064.07	-	47.97	-	-	47.97	24,112.04	
				100.0%	820,357.83	173,534.00	-	-	(796,326.76)	197,565.07	-	2,956.90	-	-	2,956.90	200,521.97



**City of Rochester,
Common Fund
MS-9 for Year Ending June 30, 2018**

PRINCIPAL - ACCOUNT #5233001215										INCOME - ACCOUNT #5233001215					
ANNUAL TOTALS										ANNUAL TOTALS					
DATE	TRUST NAME	PURPOSE	HOW INVESTED	% OF TOTAL	BALANCE 07/01/17	NEW FUNDS	GAIN/LOSS	EXPEND	BALANCE 06/30/18	BALANCE 07/01/17	Gross Income	Mgmt Fees	Transf/Income/ Exp	BALANCE 06/30/18	TOTAL
	Special Funds		Stks/Bnds	0.01%	51.59	0.03	(0.82)	-	50.80	234.06	9.70	(2.57)	-	241.20	292.00
	Old Cemetery-General Emergency	Care	Stks/Bnds	0.02%	150.66	0.04	(0.91)	-	149.78	169.09	10.86	(2.88)	-	177.08	326.86
	Old Cemetery-Special Emergency	Care	Stks/Bnds	0.99%	9,675.88	2.52	(59.28)	-	9,619.13	11,047.70	704.03	(186.35)	-	11,565.38	21,184.51
1890	Old Cemetery Conservation Fund	Conservation	Stks/Bnds	0.84%	13,769.69	2.14	(50.29)	-	13,721.54	3,811.23	597.27	(158.09)	-	4,250.41	17,971.94
1908	Old City Cemetery	Care	Stks/Bnds	0.06%	217.95	0.14	(3.37)	-	214.73	958.51	39.97	(10.58)	-	987.90	1,202.63
1990	Hanson Pines	Carnival Grounds	Stks/Bnds	4.84%	79,759.98	459.12	(286.94)	-	79,932.15	21,083.23	3,412.82	(903.34)	(713.77)	22,878.94	102,811.09
1915	Abbott Family, Lot 130	Cemetery	Stks/Bnds	0.04%	613.82	0.09	(2.11)	-	611.80	122.60	25.02	(6.62)	-	140.99	752.80
1974	Reid, Robert	Cemetery	Stks/Bnds	0.05%	1,036.84	0.13	(3.12)	-	1,033.85	55.13	37.10	(9.82)	(15.98)	66.42	1,100.27
1921	Boothby, Kate M.	Cemetery	Stks/Bnds	0.01%	194.10	0.03	(0.67)	-	193.47	38.76	7.91	(2.09)	-	44.58	238.05
1933	Brown, Mary A.	Cemetery	Stks/Bnds	0.03%	499.85	0.07	(1.72)	-	498.21	99.84	20.37	(5.39)	-	114.82	613.03
1913	Dore, Annie B.	Cemetery	Stks/Bnds	0.18%	1,250.56	0.45	(10.47)	-	1,240.53	2,410.65	124.38	(32.92)	-	2,502.11	3,742.64
1911	Estes, Elizabeth C.	Cemetery	Stks/Bnds	0.02%	418.49	0.06	(1.44)	-	417.11	83.59	17.06	(4.51)	-	96.13	513.24
2008	French-Hussey	Cemetery	Stks/Bnds	0.55%	11,071.89	1.40	(32.82)	-	11,040.47	402.40	389.81	(103.18)	-	689.03	11,729.50
1934	Hammett, Ephraim O.	Cemetery	Stks/Bnds	0.03%	422.37	0.07	(1.55)	-	420.89	119.37	18.40	(4.87)	-	132.90	553.79
1934	Hammett, Ephraim/John Clark Lot	Cemetery	Stks/Bnds	0.00%	54.04	0.01	(0.15)	-	53.90	(2.26)	1.76	(0.47)	-	(0.97)	52.92
1934	Hammett, Ephraim O./Haven Hill	Cemetery	Stks/Bnds	0.01%	111.68	0.02	(0.40)	-	111.30	28.99	4.78	(1.27)	-	32.51	143.80
1916	Haven Hill	Cemetery	Stks/Bnds	0.54%	8,671.96	1.38	(32.50)	-	8,640.84	2,688.75	385.95	(102.16)	-	2,972.54	11,613.38
1902	Moore, John E./Allen	Cemetery	Stks/Bnds	0.02%	418.46	0.06	(1.44)	-	417.09	83.57	17.06	(4.51)	-	96.11	513.20
1907	Morrill, Elizabeth A.	Cemetery	Stks/Bnds	0.01%	194.09	0.03	(0.67)	-	193.45	38.76	7.91	(2.09)	-	44.58	238.03
1934	Torr Family	Cemetery	Stks/Bnds	0.03%	260.70	0.08	(1.96)	-	258.82	425.41	23.31	(6.17)	-	442.55	701.37
1944	Trickey on Chestnut Hill Road	Cemetery	Stks/Bnds	0.04%	418.44	0.11	(2.59)	-	415.96	486.80	30.75	(8.14)	-	509.41	925.37
1934	Willand on Chestnut Hill Road	Cemetery	Stks/Bnds	0.06%	543.72	0.14	(3.33)	-	540.53	622.15	39.61	(10.48)	-	651.28	1,191.81
1916	Wingate on Salmon Falls Rd	Cemetery	Stks/Bnds	0.02%	418.49	0.06	(1.44)	-	417.11	83.59	17.06	(4.51)	-	96.13	513.24
1970	Leighton, Charlotte	HS Library	Stks/Bnds	0.10%	1,952.79	0.24	(5.71)	-	1,947.32	42.12	67.04	(17.75)	(42.12)	49.29	1,996.62
1975	Merriam, Sadie L.	HS Library	Stks/Bnds	0.16%	3,232.00	0.39	(9.44)	-	3,222.95	69.71	110.96	(29.38)	(69.71)	81.58	3,304.53
1986	Edgerly, James	Library	Stks/Bnds	0.15%	3,072.16	0.37	(8.98)	-	3,063.55	66.26	105.47	(27.92)	(66.26)	77.54	3,141.10
1900	Farrington Annex, Jennie	Library	Stks/Bnds	0.10%	1,997.67	0.24	(5.84)	-	1,992.07	43.08	68.58	(18.16)	(43.08)	50.42	2,042.50
1933	Felker, Samuel D.	Library	Stks/Bnds	0.48%	9,884.12	1.20	(28.88)	-	9,856.45	213.19	339.33	(89.84)	(213.19)	249.48	10,105.93
1981	Greene, Pearl & Charles	Library	Stks/Bnds	0.09%	1,843.29	0.22	(5.39)	-	1,838.13	39.75	63.28	(16.75)	(39.75)	46.53	1,884.66
1938	Greenfield, Charles & Aroline B.	Library	Stks/Bnds	0.48%	9,884.12	1.20	(28.88)	-	9,856.45	213.19	339.33	(89.84)	(213.19)	249.48	10,105.93



**City of Rochester,
Common Fund
MS-9 for Year Ending June 30, 2018**

PRINCIPAL - ACCOUNT #5233001215										INCOME - ACCOUNT #5233001215					
ANNUAL TOTALS										ANNUAL TOTALS					
DATE	TRUST NAME	PURPOSE	HOW INVESTED	% OF TOTAL	BALANCE 07/01/17	NEW FUNDS	GAIN/LOSS	EXPEND	BALANCE 06/30/18	BALANCE 07/01/17	Gross Income	Mgmt Fees	Transf/ Income/ Exp	BALANCE 06/30/18	TOTAL
1941	Greenfield, John	Library	Stks/Bnds	0.48%	9,884.12	1.20	(28.88)	-	9,856.45	213.19	339.33	(89.84)	(213.19)	249.48	10,105.93
1943	Hanscom, John	Library	Stks/Bnds	0.48%	9,884.12	1.20	(28.88)	-	9,856.45	213.19	339.33	(89.84)	(213.19)	249.48	10,105.93
1973	Hussey, Wallace	Library	Stks/Bnds	0.25%	5,135.99	0.63	(15.01)	-	5,121.61	110.67	176.32	(46.68)	(110.67)	129.64	5,251.25
1973	Jenness, Charles G.	Library	Stks/Bnds	0.08%	1,536.08	0.19	(4.49)	-	1,531.78	33.13	52.73	(13.96)	(33.13)	38.77	1,570.55
1997	Jones, Mabel H.	Library	Stks/Bnds	0.13%	2,606.11	0.32	(7.62)	-	2,598.81	56.21	89.47	(23.69)	(56.21)	65.78	2,664.59
2011	King, Barbara	Library	Stks/Bnds	0.28%	5,618.97	0.68	(16.42)	-	5,603.23	121.19	192.90	(51.07)	(121.19)	141.83	5,745.07
1978	Phyllis J. Bliss Fund	Library	Stks/Bnds	0.06%	1,228.87	0.15	(3.59)	-	1,225.42	26.51	42.19	(11.17)	(26.51)	31.02	1,256.44
1927	McDuffee, John	Library	Stks/Bnds	0.48%	9,884.12	1.20	(28.88)	-	9,856.45	213.19	339.33	(89.84)	(213.19)	249.48	10,105.93
2007	Nescott, Marcia L.	Library	Stks/Bnds	0.55%	11,256.71	1.37	(32.89)	-	11,225.19	242.78	386.45	(102.32)	(242.78)	284.13	11,509.32
1996	Rose, Carolyn C.	Library	Stks/Bnds	0.06%	1,228.87	0.15	(3.59)	-	1,225.42	26.51	42.19	(11.17)	(26.51)	31.02	1,256.44
1960	Salinger Library Fund, Leon	Library	Stks/Bnds	3.35%	68,345.71	8.32	(199.71)	-	68,154.32	1,474.09	2,346.33	(621.21)	(1,474.09)	1,725.12	69,879.44
2004	Talvio, S. William	Library	Stks/Bnds	1.43%	29,215.32	3.56	(85.37)	-	29,133.51	630.13	1,002.97	(265.55)	(630.13)	737.42	29,870.93
1978	Thompson, Kenneth L.	Library	Stks/Bnds	1.09%	22,253.13	2.71	(65.03)	-	22,190.81	479.97	763.96	(202.27)	(479.97)	561.69	22,752.50
1940	Varney Library Fund, Sarah L.	Library	Stks/Bnds	0.10%	1,997.67	0.24	(5.84)	-	1,992.07	43.08	68.58	(18.16)	(43.08)	50.42	2,042.50
1918	Woodward, Olive M.	Library	Stks/Bnds	0.01%	122.89	0.01	(0.36)	-	122.55	2.65	4.22	(1.12)	(2.65)	3.11	125.65
1978	American Rev Bicentennial	Scholarship	Stks/Bnds	0.12%	2,386.55	0.30	(7.06)	-	2,379.79	82.66	83.89	(22.20)	(100.00)	44.34	2,424.13
1973	Beetar/Samia	Scholarship	Stks/Bnds	0.99%	20,509.21	2.52	(59.32)	-	20,452.41	230.40	704.58	(186.50)	-	748.47	21,200.89
1984	Bennett, Shana	Scholarship	Stks/Bnds	0.32%	6,677.02	0.82	(19.31)	-	6,658.54	74.04	229.35	(60.71)	(100.00)	142.68	6,801.21
1975	Bliss, Phyllis	Scholarship	Stks/Bnds	0.53%	10,915.80	1.34	(31.57)	-	10,885.57	120.23	374.92	(99.24)	-	395.91	11,281.49
2014	Campbell, Kevin	Scholarship	Stks/Bnds	0.95%	19,555.05	2.41	(56.55)	-	19,500.91	213.20	671.58	(177.76)	-	707.01	20,207.93
1955	Class of 1905, 50th Reunion	Scholarship	Stks/Bnds	0.63%	13,060.26	1.61	(37.80)	-	13,024.07	152.98	448.89	(118.82)	(300.00)	183.04	13,207.11
1996	Class of 1946, 50th Reunion Memorial Fd	Scholarship	Stks/Bnds	1.13%	23,356.33	2.87	(67.56)	-	23,291.65	261.03	802.34	(212.38)	(500.00)	350.99	23,642.64
2013	Cocheco Valley Sportsmen Association Scholarship Fund	Scholarship	Stks/Bnds	1.44%	29,786.83	673.75	(86.15)	-	30,374.43	330.13	1,026.88	(271.81)	(675.00)	410.20	30,784.63
1983	Gonic Sportsmen's Club	Scholarship	Stks/Bnds	1.02%	20,795.83	247.62	(60.83)	-	20,982.62	471.69	723.88	(191.61)	-	1,003.96	21,986.58
2007	Goodwin, A. Faye	Scholarship	Stks/Bnds	25.87%	533,543.98	65.64	(1,542.84)	-	532,066.78	5,834.34	18,326.79	(4,851.06)	-	19,310.08	551,376.86
1977	Hanson-Daniels, Ruth	Scholarship	Stks/Bnds	16.84%	347,454.32	42.74	(1,004.62)	-	346,492.45	3,762.10	11,931.70	(3,158.28)	-	12,535.52	359,027.96
1973	Hussey, Charles Edwin	Scholarship	Stks/Bnds	0.60%	12,472.35	1.51	(35.58)	-	12,438.29	(34.96)	422.53	(111.84)	-	275.73	12,714.02
1974	Hussey, Charles L.	Scholarship	Stks/Bnds	0.29%	5,896.50	0.75	(17.56)	-	5,879.69	241.50	208.52	(55.20)	(300.00)	94.83	5,974.52
1994	Manning, Carol A.	Scholarship	Stks/Bnds	0.65%	13,471.04	1,001.78	(41.80)	-	14,431.01	148.16	487.60	(129.22)	(300.00)	206.55	14,637.56
2000	Meader, H. Dwight	Scholarship	Stks/Bnds	0.61%	12,628.11	1.55	(36.51)	-	12,593.15	137.33	433.67	(114.79)	(275.00)	181.21	12,774.36



City of Rochester,
Common Fund
MS-9 for Year Ending June 30, 2018

PRINCIPAL - ACCOUNT #5233001215										INCOME - ACCOUNT #5233001215						
ANNUAL TOTALS										ANNUAL TOTALS						
DATE	TRUST NAME	PURPOSE	HOW INVESTED	% OF TOTAL	BALANCE 07/01/17	NEW FUNDS	GAIN/ LOSS	EXPEND	BALANCE 06/30/18	BALANCE 07/01/17	Gross Income	Mgmnt Fees	Transf/ Income/ Exp	BALANCE 06/30/18	TOTAL	
1978	Meador-Springfield, Lola	Scholarship	Stks/Bnds	0.11%	2,221.15	0.28	(6.57)	-	2,214.86	75.91	78.04	(20.66)	-	133.29	2,348.16	
1994	Mireault, MD, Norman	Scholarship	Stks/Bnds	1.26%	26,008.98	1,253.35	(75.20)	-	27,187.13	282.04	912.59	(241.09)	-	953.53	28,140.67	
1997	Pray, George & Hattie Fund	Scholarship	Stks/Bnds	0.28%	5,714.73	0.72	(16.91)	-	5,698.54	197.04	200.84	(53.16)	-	344.71	6,043.26	
1986	Redlon, Gladys Gilman	Scholarship	Stks/Bnds	0.54%	11,069.86	1.36	(32.02)	-	11,039.20	124.82	380.31	(100.67)	-	404.47	11,443.67	
1996	Roberge, Roland & Lorraine	Scholarship	Stks/Bnds	1.64%	33,658.19	4.17	(97.90)	-	33,564.45	568.76	1,162.77	(307.78)	-	1,423.75	34,988.21	
1960	Salinger, Leon Scholarship Fund	Scholarship	Stks/Bnds	3.30%	68,027.53	8.37	(196.83)	-	67,839.07	783.50	2,337.68	(618.78)	(1,600.00)	902.40	68,741.48	
1992	Torr-McMillan, Bessie	Scholarship	Stks/Bnds	0.91%	18,759.24	2.31	(54.25)	-	18,707.30	208.16	644.37	(170.56)	-	681.96	19,389.26	
1940	Varney Scholarship, Sarah L.	Scholarship	Stks/Bnds	0.48%	9,841.24	1.21	(28.45)	-	9,814.00	104.84	337.89	(89.44)	-	353.29	10,167.29	
1874	Adams, Seth Widows/Orphans	/Maiden Ladies	Stks/Bnds	1.25%	25,516.17	124.70	(74.58)	-	25,566.30	556.74	882.42	(233.58)	(721.60)	483.99	26,050.28	
1951	Pray, George and Hatti Widows	/Maiden Ladies	Stks/Bnds	0.81%	16,432.69	80.37	(48.03)	-	16,465.03	358.56	567.10	(150.11)	(678.40)	97.15	16,562.17	
2017	Whitehouse, Mary McDuffee from Abbie McDuffee Chase Probate		Stks/Bnds	2.56%	50,000.11	6.50	(152.86)	-	49,853.75	3,440.74	1,815.52	(480.56)	-	4,775.69	54,629.44	
2017	Evans, William Charitable Trust		Stks/Bnds	16.05%	315,421.31	53.61	(957.03)	-	314,517.89	19,145.86	11,332.97	(2,999.84)	(6,000.00)	21,478.99	335,996.88	
TOTAL					100.0%	1,997,470.49	4,078.18	(5,965.33)	-	1,995,583.34	87,537.51	70,752.76	(18,728.20)	(16,853.54)	122,708.53	2,118,291.87



**MS-10 City of Rochester, Common Funds
July 2017 - June 2018**

Account #5233001215

HOW INVESTED		PRINCIPAL						INCOME	MARKET VALUE	
# of Shares or Other Units	Description of Investment (Names of Banks, Stocks, Bonds, etc.)	Beginning Year Balance	Purchases	Cash Capital Gains	Proceeds from Sales	Gains/Losses from Sales	Year End Balance	Income During Year	Beginning Year Market Value	Year End Market Value

MONEY MARKET FUNDS

58,261.30	Government II Money Market Fund 033 TCGXX	21,006.12	220,924.07	-	183,668.89	-	58,261.30	593.34	21,006.12	58,261.30
60,000.00	Brokered Money Market Fund (i)	60,000.00	-	-	15,000.00	-	45,000.00	571.26	60,000.00	45,000.00
	Total Cash & Equivalents	81,006.12	220,924.07	-	198,668.89	-	103,261.30	1,164.60	81,006.12	103,261.30

FIXED INCOME

30,000.00	FHLB 1.00% 7/30/18	29,977.09	-	-	-	-	29,977.09	300.00	29,889.90	29,976.90
30,000.00	FFCB 2.03% 08/14/19	29,973.81	-	-	-	-	29,973.81	609.00	30,279.30	29,878.20
795.22	FHLB Pool #B19343 5.50% 05/01/2020	799.71	-	-	344.26	(1.96)	453.49	35.32	817.37	456.10
1,400.26	FHLB Pool #G12688 5.50% 06/01/2022	1,405.94	-	-	478.45	(1.94)	925.55	64.54	1,479.54	949.87
	Total US Government Agencies	62,156.55	-	-	822.71	(3.90)	61,329.94	1,008.86	62,466.11	61,261.07

-	General Elect Cap Corp Med Term Note 1.60% 11/20/17	29,996.40	-	-	30,000.00	3.60	-	240.00	30,018.30	-
-	Intel Corp 1.35% 12/15/17	29,896.50	-	-	30,000.00	103.50	-	202.50	29,992.80	-
25,000.000	Bank of NY Mellon MTN 2.10% 8/1/18	25,147.50	-	-	-	-	25,147.50	525.00	25,124.25	24,990.75
30,000.000	Shell International Finance 4.30% 09/22/2019	30,266.70	-	-	-	-	30,266.70	1,290.00	31,583.10	30,557.10
30,000.000	Stryker Corp 4.375% 1/15/2020	30,033.90	-	-	-	-	30,033.90	1,312.50	31,687.80	30,559.80
30,000.000	State Street Corp 2.55% 8/18/20	30,140.12	-	-	-	-	30,140.12	765.00	30,563.40	29,755.80
30,000.000	Toronto Dominion Bank 2.125% 4/7/21	30,123.60	-	-	-	-	30,123.60	637.50	29,873.70	29,119.50
30,000.000	Newmont Mining Corp 3.50% 3/15/2022	30,397.20	-	-	-	-	30,397.20	1,050.00	31,023.30	29,831.40
30,000.000	Sysco Corp 2.60% 6/12/22	30,227.40	-	-	-	-	30,227.40	780.00	30,135.90	28,999.50
30,000.000	Oracle Corp 2.50% 10/15/22	29,880.60	-	-	-	-	29,880.60	750.00	30,161.70	29,082.60



**MS-10 City of Rochester, Common Funds
July 2017 - June 2018**

Account #5233001215

HOW INVESTED		PRINCIPAL						INCOME	MARKET VALUE	
# of Shares or Other Units	Description of Investment (Names of Banks, Stocks, Bonds, etc.)	Beginning Year Balance	Purchases	Cash Capital Gains	Proceeds from Sales	Gains/Losses from Sales	Year End Balance	Income During Year	Beginning Year Market Value	Year End Market Value
-	Mattel Inc 3.15% 3/15/23	30,214.50	-	-	25,818.90	(4,395.60)	-	737.63	29,654.10	-
30,000.000	Berkshire Hathaway 2.75% 3/15/23	30,079.80	-	-	-	-	30,079.80	825.00	30,397.50	29,358.30
30,000.000	CVS Health Corp 3.375% 8/12/24	30,367.20	-	-	-	-	30,367.20	1,012.50	30,495.90	28,959.90
30,000.000	Burlington North Santa Fe 3.40% 9/1/24	30,240.00	-	-	-	-	30,240.00	1,020.00	31,230.90	29,722.80
20,000.000	United Parcel Service Inc 2.50% 11/15/24	-	20,068.40	-	-	-	20,068.40	227.11	-	19,205.60
20,000.000	National Rural Utilities Coop 2.85% 1/27/25	-	20,018.60	-	-	-	20,018.60	58.58	-	19,118.00
30,000.000	Kimberly Clark Corp 3.05% 8/15/25	30,117.90	-	-	-	-	30,117.90	915.00	30,299.70	29,005.50
30,000.000	Coca Cola Co 2.875% 10/27/25	29,827.80	-	-	-	-	29,827.80	862.50	30,173.70	28,725.60
30,000.000	Exxon Mobil Corp 3.043% 3/1/26	30,063.60	-	-	-	-	30,063.60	912.90	30,256.80	29,180.40
30,000.000	Caterpillar Financial Corp 3.20% 6/15/26	30,097.50	-	-	-	-	30,097.50	960.00	29,512.20	29,211.60
20,000.000	JPMorgan Chase & CO 3.20% 6/15/26	-	20,095.60	-	-	-	20,095.60	312.89	-	18,911.80
25,000.000	Apple Inc 3.35% 2/9/27	-	25,125.25	-	-	-	25,125.25	9.31	-	24,412.50
30,000.000	General Mills Inc. 3.20% 2/10/27	29,763.60	-	-	-	-	29,763.60	1,021.33	29,747.70	27,542.10
30,000.000	Bristol Myers Squibb Co 3.25 2/27/27	30,082.80	-	-	-	-	30,082.80	975.00	30,258.90	28,993.20
20,000.000	Clorox Company 3.10% 10/1/27	-	20,113.20	-	-	-	20,113.20	177.38	-	18,811.40
	Total Corporate & Foreign Bonds	596,964.62	105,421.05	-	85,818.90	(4,288.50)	612,278.27	17,579.63	602,191.65	594,055.15
-	Floyd County Georgia Wtr Rev 3.375% 11/01/2017	25,087.53	-	-	25,000.00	(87.53)	-	421.88	25,145.75	-
15,000.00	New York NY 4.04% 10/01/2020	15,079.54	-	-	-	-	15,079.54	607.06	15,951.30	15,367.95
	Total Municipal Obligations	40,167.07	-	-	25,000.00	(87.53)	15,079.54	1,028.94	41,097.05	15,367.95



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EQUITY

650.000	Abbott Labs	19,240.75	-	-	-	-	19,240.75	708.50	31,596.50	39,643.50
400.000	Abbvie Inc	10,079.67	-	-	-	-	10,079.67	1,180.00	29,004.00	37,060.00
300.000	ADIDAS AG ADR	28,974.00	-	-	-	-	28,974.00	464.84	28,791.00	32,700.00
35.000	Alphabet Inc. CL A	15,462.24	-	-	-	-	15,462.24	-	32,538.80	39,521.65
25.000	Amazon.com	22,460.00	-	-	-	-	22,460.00	-	24,200.00	42,495.00
200.000	Apple Inc.	28,147.70	-	-	-	-	28,147.70	524.00	28,804.00	37,022.00
320.000	AT&T Inc	9,686.56	-	-	-	-	9,686.56	633.60	12,073.60	10,275.20
600.000	Ball Corp	5,187.90	-	-	-	-	5,187.90	240.00	25,326.00	21,330.00
400.000	Baxter Intl Inc.	17,983.84	-	-	-	-	17,983.84	256.00	24,216.00	29,536.00
77.000	Blackrock Incorporated Class A	14,643.17	-	-	-	-	14,643.17	828.52	32,525.57	38,426.08
275.000	Chevron Corporation	7,355.88	-	-	6,820.47	5,557.56	6,092.97	1,333.12	34,637.56	34,768.25
700.000	Cisco Systems Inc	16,744.66	-	-	-	-	16,744.66	840.00	21,910.00	30,121.00
600.000	Comcast Corp CL A	22,832.28	-	-	-	-	22,832.28	397.50	23,352.00	19,686.00
150.000	CostcoWholesale Corp	26,318.25	-	-	-	-	26,318.25	310.50	23,989.50	31,347.00
275.000	CVS Health Corp	28,225.10	-	-	-	-	28,225.10	550.00	22,126.50	17,696.25
384.000	DowDupont Incorporated	14,540.38	-	-	38.89	16.21	14,517.70	551.76	24,213.00	25,313.28
175.000	Ecolab Inc	6,194.67	-	-	-	-	6,194.67	273.00	23,231.25	24,557.75
350.000	Eli Lilly & Co	16,332.03	-	-	-	-	16,332.03	757.76	28,805.00	29,865.50
300.000	Emerson Electric Corp	13,353.62	-	-	-	-	13,353.62	580.50	17,886.00	20,742.00



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300.000	Exxon Mobil Corp	10,929.65	-	-	-	-	10,929.65	939.00	24,219.00	24,819.00
450.000	Franklin Resources Inc	17,905.00	-	-	-	-	17,905.00	1,737.00	20,155.50	14,422.50
-	General Electric Co	10,435.09	-	-	14,056.89	3,621.80	-	384.00	21,608.00	-
850.000	Hartford Financial Svcs Group Inc	17,994.24	-	-	-	-	17,994.24	816.00	44,684.50	43,460.50
200.000	Illinois Tool Works Inc	9,154.06	-	-	-	-	9,154.06	598.00	28,650.00	27,708.00
500.000	Intel Corp	11,145.25	-	-	-	-	11,145.25	572.50	16,870.00	24,855.00
200.000	International Flavors & Frangrences	22,025.84	-	-	-	-	22,025.84	542.00	27,000.00	24,792.00
400.000	JPMorgan Chase & Co	17,761.67	-	-	-	-	17,761.67	872.00	36,560.00	41,680.00
250.000	Kimberly Clark Corp	12,818.17	-	-	-	-	12,818.17	977.50	32,277.50	26,335.00
-	Kraft Heinz Corp	21,897.20	-	-	19,737.34	(2,159.86)	-	312.50	21,410.00	-
250.000	Lowes Inc	6,569.50	-	-	-	-	6,569.50	410.00	19,382.50	23,892.50
-	Marathon Oil Corp	23,793.46	-	-	15,072.35	(8,721.11)	-	100.00	11,850.00	-
425.000	Marsh & McLennan Cos Inc	9,994.89	-	-	-	-	9,994.89	637.52	33,133.00	34,837.25
200.000	McKesson Corporation	16,147.64	-	-	-	-	16,147.64	260.00	32,908.00	26,680.00
500.000	Microsoft Corp	4,209.64	-	-	-	-	4,209.64	825.00	34,465.00	49,305.00
200.000	Nextera Energy Inc	12,104.47	-	-	-	-	12,104.47	837.00	28,026.00	33,406.00
200.000	Norfolk Southern Corp	7,586.60	-	-	-	-	7,586.60	532.00	24,340.00	30,174.00
255.000	Novartis AG ADR	13,073.39	-	-	-	-	13,073.39	748.80	21,284.85	19,262.70
525.000	Oracle Corporation	11,040.99	-	-	-	-	11,040.99	399.00	26,323.50	23,131.50
550.000	Paychex Inc	14,773.57	-	-	-	-	14,773.57	1,133.00	31,317.00	37,592.50



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277.000	Pepsico Inc	4,748.18	-	-	-	-	4,748.18	925.89	31,990.73	30,156.99
275.000	Sempra Energy	14,151.89	-	-	-	-	14,151.89	924.70	31,006.25	31,930.25
250.000	State Street Corp	17,621.60	-	-	-	-	17,621.60	410.00	22,432.50	23,272.50
700.000	Symantec Corp	20,030.57	-	-	-	-	20,030.57	210.00	19,775.00	14,455.00
200.000	Thermo Fisher Scientific Incorporated	5,599.60	-	-	-	-	5,599.60	124.00	34,894.00	41,428.00
100.000	United Technologies Corp	3,401.70	-	-	-	-	3,401.70	280.00	12,211.00	12,503.00
300.000	Verizon Communications	11,925.77	-	-	-	-	11,925.77	704.25	13,398.00	15,093.00
250.000	Wal-Mart Stores Inc	3,059.38	-	-	-	-	3,059.38	515.00	18,920.00	21,412.50
500.000	Waste Management Inc	17,234.98	-	-	-	-	17,234.98	890.00	36,675.00	40,670.00
450.000	Wells Fargo & Co	4,061.25	-	-	-	-	4,061.25	702.00	24,934.50	24,948.00
200.000	3M Co	11,527.10	-	-	-	-	11,527.10	1,014.00	41,638.00	39,344.00
	Total Common Equity Securities	708,485.04	-	-	55,725.94	(1,685.40)	651,073.70	30,762.26	1,313,565.61	1,363,673.15
-	AFLAC Inc PFD 5.50% 9/15/2052	24,900.00	-	-	25,000.00	100.00	-	576.74	25,350.00	-
1,000.000	Cullen Frost Bankers 5.375% 3/15/18	24,874.30	-	-	-	-	24,874.30	1,343.76	25,500.00	24,960.00
1,200.000	Entergy Arkansas Inc PFD 4.90% 12/01/2052	30,079.08	-	-	-	-	30,079.08	1,470.00	29,910.00	29,532.00
966.000	Tennessee Valley Authority 3.955% 05/01/2029	25,154.64	-	-	-	-	25,154.64	811.44	24,150.00	22,720.32
	Total Preferred Equity Securities	105,008.02	-	-	25,000.00	100.00	80,108.02	4,201.94	104,910.00	77,212.32



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300.000	iShares Latin American 40 ETF	9,365.55	-	-	-	-	9,365.55	245.18	9,084.00	8,877.00
272.000	iShares MSCI Pacific Ex-Japan Index Fund	8,251.52	-	-	-	-	8,251.52	570.09	12,098.56	12,514.72
155.000	iShares MSCI South Africa Index Fund	9,977.33	-	-	-	-	9,977.33	228.54	8,791.60	8,921.80
175.000	SPDR S&P China ETF	14,284.55	-	-	-	-	14,284.55	397.50	15,624.00	18,336.50
1,000.000	Vanguard FTSE Developed Markets ETF	38,833.75	-	-	-	-	38,833.75	1,312.20	41,320.00	42,900.00
1,000.000	Vanguard Emerging Markets ETF	39,479.50	-	-	-	-	39,479.50	1,097.20	40,830.00	42,200.00
	Total Closed End Intl Equity Funds	120,192.20	-	-	-	-	120,192.20	3,850.71	127,748.16	133,750.02
300.000	iShares S&P Midcap 400 Index Fund	50,945.97	-	-	-	-	50,945.97	548.08	52,185.00	58,434.00
700.000	iShares S&P Smallcap 600 Index Fund	16,949.98	-	-	-	-	16,949.98	511.19	49,077.00	58,422.00
	Total Closed End Domestic Equity Fund	67,895.95	-	-	-	-	67,895.95	1,059.27	101,262.00	116,856.00
500.000	iShares Barclays MBS Bond Fund	21,302.40	31,962.62	-	-	-	53,265.02	881.95	21,352.00	52,090.00
1,000.000	iShares Core Total US Bond ETF	96,972.75	10,956.85	-	-	-	107,929.60	2,479.82	98,559.00	106,320.00
350.000	iShares Core Total US Bond ETF (i)	37,712.40	-	-	-	-	37,712.40	915.93	38,328.50	37,212.00
300.000	iShares IBOXX High Yield Corp Bond Fund	17,502.14	8,730.87	-	-	-	26,233.01	1,093.09	17,678.00	25,524.00
525.000	iShares IBOXX Invest Grade Corp Bond Fund	23,577.60	39,217.42	-	-	-	62,795.02	1,315.93	24,102.00	60,149.25
275.000	iShares JP Morgan Emerging Bond Fund	28,302.53	2,897.87	-	-	-	31,200.40	1,284.86	28,590.00	29,361.75
	Total Closed End Fixed Income	225,369.82	93,765.63	-	-	-	319,135.45	7,971.58	228,609.50	310,657.00
8,414.114	Vanguard GNMA Fund Admiral #536	87,937.50	-	-	-	-	87,937.50	2,515.63	88,516.48	86,076.39
	Total Taxable Fixed Income Funds	87,937.50	-	-	-	-	87,937.50	2,515.63	88,516.48	86,076.39



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Fees										
	Banking Assistance Fees (1)	-	-	-	-	-	-	(18,728.20)	-	-
	TOTAL FUNDS	2,095,182.89	420,110.75	-	391,036.44	(5,965.33)	2,118,291.87	52,415.22	2,751,372.68	2,862,170.35

(1) \$18,728.20 Collected From Income

