

# FINANCE COMMITTEE

## Meeting Minutes

### Meeting Information

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Date: April 10, 2018  
Time: 7:00 P.M.  
Location: City Council Chambers  
31 Wakefield Street  
Rochester, New Hampshire

Committee members present were: Mayor McCarley, Deputy Mayor Varney, Councilor Walker, Councilor Gray, Councilor Lauterborn, Councilor Keans and Councilor Torr. No other City Councilors were present. City staff present were: City Manager Fitzpatrick, Deputy City Manager Cox, Recreation & Arena Director Bowlen, Chief Information Officer Gonzalez, Fire Chief Klose, Assistant Fire Chief Dupuis, Senior Accountant Sullivan, Library Director Sylvester, Police Chief Toussaint, Deputy Fire Chief Powers, Fire Secretary Gray, Grants Manager Long and Fire Marshal Wilder.

### Agenda & Minutes

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#### **1. Call to Order**

Mayor McCarley called the meeting to order at 7:00 P.M.

#### **2. Public Input**

There was no public input provided to the Finance Committee.

#### **3. Unfinished Business**

There was no unfinished business taken up by the Finance Committee.

#### **4. New Business**

##### **4.1 All Veteran Tax Credit: Willis Correspondence**

Residents Tom and Stacy Willis appeared before the Finance Committee and discussed the Veterans' Tax Credit. The Finance Committee took no action upon this item.

##### **4.2 Riverwalk Project Grant Application for Recreational Trails Program**

Riverwalk Committee Chair Marchionni and Committee Member Turner appeared before the Finance Committee and requested the City Council authorize the Riverwalk Committee to apply for a Recreational Trails Program grant for a project totaling \$100,000. Ms. Marchionni indicated that this program grant was an 80% grant monies/ 20% city matching funds requirement and would be used to create a walking trail in Hanson Pines, including a bridge over Heath Brook.

Councilor Lauterborn moved that the Finance Committee recommends to the full City Council to grant permission to the Riverwalk Committee to apply for a Recreational Trails Program Grant to fund a \$100,000 project that would be \$80,000/ 80% grant funded and \$20,000/ 20% in-kind city matching funds (no city cash). The motion received a second and was adopted on a voice vote.

#### **4.3 Police Department Vehicle Request**

Police Chief Toussaint appeared before the Finance Committee and requested permission to re-purpose unspent capital project appropriated funds. Specifically, Chief Toussaint informed the Finance Committee that the fiscal year 2018 front line vehicle replacement project had been completed with an unspent balance remaining of \$24,500 which he seeks to use for the purchase of one back line vehicle. Deputy Mayor Varney moved to recommend to the full City Council that the Police Department be authorized to proceed with purchase of one back line police vehicle utilizing unspent fiscal year 2018 capital funds appropriated for the replacement of front line vehicles. The motion received a second and was then adopted on a voice vote.

#### **4.4 Library Debt Collections Update**

Library Director Brian Sylvester appeared and informed the Finance Committee that the Library Trustees had adopted a new debt collections policy that would be implemented starting in May. Mr. Sylvester referred to a copy of the policy provided in the Finance Committee's meeting materials. Councilor Walker requested that the full City Council be apprised of this issue. Mayor McCarley directed that the Library Debt Collections policy be placed on the May 1, 2018 City Council meeting agenda as a discussion item.

#### **4.5 IT Projects Update**

Chief Information Officer Gonzalez responded to questions from the Finance Committee regarding ongoing projects and systems upgrades being carried out by her department.

#### **4.6 Arena Funding Strategy Discussion**

Recreation and Arena Director Bowlen, Senior Accountant Sullivan and Deputy City Manager Cox discussed with the Finance Committee the idea of changing the Arena's enterprise fund designation to a special revenue fund. This would eliminate the General Ordinances and City Council policy issues surrounding repeated usage of General Fund unassigned fund balance to

offset Arena revenues versus expenditures imbalances, related to capital project debt service.

**The Finance Department was tasked with evaluating the idea of simply designating the Arena as a General Fund department and reporting back to the City Council.**

#### **4.7 Fire Department EMPG Grant Application**

Fire Chief Klose appeared before the Finance Committee in his capacity as the City's Emergency Management Director regarding the Emergency Preparedness Grant (EMPG) program. Chief Klose informed the Finance Committee that the City has accumulated \$100,000 in expenditures that qualify as in-kind matching funds under the EMPG program. Further, the ability to use these expenditures as in-kind matching funds expires on September 30, 2018. As a result, he requested permission to apply for a \$100,000 EMPG program grant. **Councilor Walker moved to recommend to the full City Council that the Emergency Management Director be authorized to apply for an EMPG program grant in the amount of \$100,000. The motion received a second and was then adopted on a voice vote**

#### **4.8 Fire Department Overtime Budget Update**

Fire Chief Klose, Assistant Chief Dupuis and Fire Marshal Wilder appeared before the Finance Committee to provide a Fire Department fiscal year 2018 overtime pay budget update as well as other personnel related expenditures. The overtime budget is entirely expended to date with three months remaining in the fiscal year. It is estimated that the Fire Department's FY2018 bottom line will exceed the approved budget by \$62k.

### **5. Reports from Deputy City Manager/ Director of Finance**

#### **5.1 Extracting TIF District Reserves Discussion**

Deputy City Manager Cox provided information regarding the statutory provisions restricting the allocation of incremental revenue of a Tax Increment Financing District.

#### **5.2 Dental Plan City Contribution Recommended Change**

Deputy City Manager Cox informed the Finance Committee that the City currently contributes a flat dollar amount of \$250 per employee towards dental insurance and that this amount has not changed since 1998. Mr. Cox recommended this amount be increased to \$300 per employee at an added cost to the City of \$7,050 annually. **Councilor Torr moved to recommend to the full City Council that the City's annual dental premium contribution per employee be increased from \$250 up to \$300. The motion received a second, however, both the motion**

and second were subsequently retracted. Mr. Cox was requested to supply to the City Council data showing the total annual dental insurance premiums and net cost to employees for further discussion at the City Council Committee of the Whole meeting on April 17, 2018.

### **5.3 Budget Development Calendar for Fiscal Year 2019**

The Finance Committee had no questions regarding the budget development calendar for fiscal year 2019.

### **5.4 Gonic School Roof Repair Bond Financing**

Deputy Mayor Varney indicated concern that the \$818,435 in borrowing related to the Gonic school roof repair would result in an estimated interest expense of \$322,259. He suggested that use of unassigned fund balance might be more prudent since the school department's ability to take on more debt service is limited. Councilor Walker moved to recommend to the full City Council that the city's portion of the Gonic school roof repair project remain funded from General Fund unassigned fund balance and not be altered to come from borrowing. The motion was seconded and then adopted on a voice vote.

### **5.5 Monthly Financial Report**

There was no Finance Committee discussion regarding the monthly financial statements.

## **6. Other**

City Manager Fitzpatrick informed the Finance Committee that Comcast was actively pursuing their overbuild project.

## **7. Adjournment**

Councilor Torr moved to adjourn the meeting. A second was received and the motion was adopted by a voice vote at 8:38 P.M.