

**Committee of the Whole Budget Workshop
May 25, 2021
Community Room
150 Wakefield Street and
Conducted Remotely via Microsoft Teams
6:53 PM**

COUNCILORS PRESENT

Councilor Abbott
Councilor Belken
Councilor Bogan
Councilor Gray
Councilor Hainey
Councilor Hamann
Councilor Lachapelle
Councilor Rice
Councilor Walker
Deputy Mayor Lauterborn
Mayor McCarley

OTHERS PRESENT

City Manager Cox
Deputy City Manager Ambrose
Deputy Finance Director Mark Sullivan
Chris Bowlen, Director of Recreation

COUNCILORS EXCUSED/ABSENT

Councilor Hutchinson

Minutes

1. Call to Order

Mayor McCarley called the Committee of the Whole Budget Workshop to order at 6:53 PM. She had read the following preamble prior to the Public Hearing, immediately preceding the Budget Workshop:

Good Evening, as Chairperson of the City Council, I am declaring that an emergency exists and I am invoking the provisions of RSA 91-A:2, III (b). Federal, state, and local officials have determined that gatherings of 10 or more people pose a substantial risk to our community in its continuing efforts to combat the spread of COVID-19. In concurring with their determination, I also find that this meeting is imperative to the continued operation of City government and services, which are vital to public safety and confidence

during this emergency. As such, this meeting will be conducted without a quorum of this body physically present in the same location.

a.) **Public Input:** Due to the ongoing situation with COVID-19, the City of Rochester will be taking extra steps to allow for public input, while still ensuring participant safety and social distancing. In lieu of attending the meeting, those wishing to share comments, when permitted, with the City Council (Public Hearing and/or Workshop settings) are encouraged to do so by the following methods:

- **Mail:** City Clerk/Public Input, 31 Wakefield Street, Rochester, NH 03867 (*must be received at least three full days prior to the anticipated meeting date*)
- **email** PublicInput@rochesternh.net (*must be received no later than 4:00 pm of meeting date*)
- **Voicemail** 603-330-7107 (*must be received no later than 12:00 pm on said meeting date in order to be transcribed*)

Please include with your correspondence the intended meeting date for which you are submitting. *All correspondence will be included with the corresponding meeting packet (Addendum).*

In addition to the above listed public access information, the City Council will be allowing the public to enter the Community Room and speak in person during the Public Input portion of this meeting. In an effort to adhere to CDC guidelines: enter only into the right side door on the Chestnut Hill Road entrance at the rear of the building and exit through the opposing door. Please adhere to 6-foot social distancing while inside. Hand sanitizer and facemasks will be available at the Community Room entrance. The public will be allowed to attend the meeting in-person. Please note, seating will be provided that is arranged such that 6 foot socially distancing can be maintained.

At this time, I also welcome members of the public accessing this meeting by phone. The public can call-in to the below number using the conference code. This meeting will be set to allow the public to "listen-in" only, and there will be no public comment taken via At this time, I also welcome members of the public accessing this meeting by phone. The public can call-in to the below number using the conference code. This meeting will be set to allow the public to "listen-in" only, and there will be no public comment taken via conference line during the meeting.

Phone number: 857-444-0744

Conference code: 843095

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

Let's start the meeting by taking a Roll Call attendance. When each member states their name (and/or ward), also please state whether there is anyone in the room with you during this meeting, which is required under the Right-to-Know law. (Additionally, Council members are required to state their name and ward each time they wish to speak.)

Deputy City Clerk Cassie Givara had taken the roll prior to the Public Hearing immediately preceding the Workshop. The following Councilors were present in the Community Room: Councilors Belken, Gray, Hailey, Rice, Walker, Deputy Mayor Lauterborn, and Mayor McCarley. The following Councilors were connecting remotely and indicated that they were alone in the location from which they were connecting: Councilors Abbott, Hamann, and Lachapelle. Councilor Hutchinson was absent.

2. Public Input

There was no one present to speak during public input.

3. Budget Adjustments

Councilor Rice directed Council to page 83 of the CIP book containing the Recreation department's request for a used passenger van. He stated that after further review from the finance department and discussions with Recreation, it was determined that they would need an additional \$15,000 in order to make the purchase for a new van as opposed to a used vehicle. Councilor Rice **MOVED** to increase project #FY22-REC-1 by \$15,000. Councilor Walker seconded the motion. Councilor Lachapelle stated that he would vote no if this motion was proposed without other motions first being made to make cuts and to ensure that there were adequate funds available without exceeding the tax cap. Councilor Lauterborn agreed with Councilor Lachapelle that there should be cuts made from other projects before adding money and not knowing where that money will come from. Councilor Rice **WITHDREW** his motion. Councilor Walker withdrew his second.

Mayor McCarley asked where the City was in regards to the tax cap. Finance Director Ambrose stated that the City is \$4,514 below the tax cap and School department is \$33,614 below the tax cap.

Councilor Rice directed Council to page 7 of the Issues & Options book

regarding Part-Time assistance in the human resource office to provide a transition between the retiring director and the incoming director. He said that in his experience, this type of arrangement has not been set up during the retirement of any other department head. Councilor Rice **MOVED** to remove the \$50,528 to fund this part-time assistance from the budget. Councilor Walker seconded the motion. Councilor Lauterborn opposed the motion. Councilor Rice stated that there is a potential that if this money for a temporary position is added to the HR budget, it may be overlooked in future budget cycles and left in the budget. City Manager Cox said that he would advocate strongly for this position to be approved. He stated that unlike in other departments where there are multiple deputy or assistant positions who can be elevated as a replacement, HR is a very small department and there is only this one person; when they leave they are taking over 30 years of experience and institutional memory with them. City Manager Cox said that if there is no assistance during this transition period, that it would be a great hindrance to the department. Finance Director Ambrose clarified that in the finance department, they do have a retired employee assisting in a part-time capacity to help with the transition, so there is a precedence for this type of arrangement. Councilor Rice stated that if the employee in question wants to stay on, they could delay their retirement and continue working during the transition. He questioned the legality of collecting both State retirement as well as a City salary. Councilor Gray clarified that there are provisions in place for a person to work a certain number of hours while still collecting retirement and this situation does not violate those provisions.

There was a discussion regarding the process of budget adjustments and whether cuts should be made before additions and how the process should continue throughout the evening.

Councilor Hainey said that she felt that anyone being hired for the position of HR director should be coming into the job with the required skills and she supported cutting the position. City Manager Cox said that whoever is hired will have the technical knowledge, but they will be lacking the institutional knowledge and history. Councilor Walker asked if this part-time position is for the entire fiscal year. Finance Director Ambrose responded that it is for the entire fiscal year. Councilor Walker asked if the position could be cut to 3-6 months of transition as opposed to a full year. Finance Director Ambrose said that any duration the position is approved for would be beneficial, not only for training but to allow the department to get SOPs and documentation in place. City Manager Cox clarified that the City had tried to do some succession training but was unsuccessful and the replacement opted to not continue training for the position.

The **MOTION FAILED** by a 7 – 4 roll call vote with Councilors Rice,

Walker, Hamann, and Hailey voting in favor and Councilors Belken, Bogan, Lachapelle, Lauterborn, Abbott, Gray, and Mayor McCarley voting opposed.

Councilor Lauterborn directed Council to page 25 of the CIP book in regards to a \$12,000 cash request for holiday lighting at the Common. She stated that while the lighting in the downtown area made sense, she felt that it was not necessarily a good idea to attract people to the Common at night. Councilor Lauterborn said most of the perimeter of the Common is lining residential areas and these residents may not want this lighting put in place. Removing the project from the budget would also save on maintenance and energy costs yearly. Councilor Gray said that he is opposed to removing this project from the budget and it goes against the purpose of what the City has been trying to do with revitalization downtown over the past several years. Councilor Belken agreed that having these lights at the Common would be a nice addition. She stated that at the time of year the lights would be in use, the sun goes down very early and there would still be several hours to enjoy the lighting during "appropriate" times. The **MOTION FAILED** by a 7 – 4 roll call vote with Councilors Hailey, Abbott, Bogan, and Lauterborn voting in favor and Councilors Lachapelle, Rice, Gray, Hamann, Walker, Belken and Mayor McCarley voting opposed.

Councilor Walker **MOVED** to include the Issues & Options request on page 17 for the Planner I position at a cost of \$80,330. Councilor Belken seconded the motion. The **MOTION CARRIED** by a 8 – 3 roll call vote with Councilors Hamann, Walker, Belken, Abbott, Rice, Bogan, Hailey, and Mayor McCarley voting in favor and Councilors Gray, Lachapelle, and Lauterborn voting opposed.

Councilor Belken **MOVED** to remove the Issues & Options request on page 13 for two additional police officer positions. Councilor Bogan seconded the motion. Councilor Belken stated that these two positions are requested for 5 years, which would be a \$1 million investment. The narrative included in the issues and options request references the increase in drug and mental health crisis calls, as well as reducing citizens' likelihood of becoming a victim of crime. Councilor Belken said that funding for the police department has increased over the past several years and crime, which is mostly non-violent in Rochester, has not been reduced; additionally the police aren't the ideal professionals to be assisting in mental health crisis situations. Councilor Rice spoke in support of the police department and the importance of approving the two positions. The **MOTION FAILED** by a 10 – 1 roll call vote with Councilor Belken voting in favor and Councilors Gray, Hamann, Rice, Lauterborn, Hailey, Lachapelle, Walker, Abbott, Bogan, and Mayor McCarley voting opposed.

Mayor McCarley **MOVED** that the School Department's bottom line expenses be increased by \$33,615 to put them in line with the tax cap calculation. She stated that the school department did not have their net new construction numbers when they sent their budget over, and this adjustment would put the school budget in line with the tax cap. Councilor Lachapelle seconded the motion. Councilor Rice asked where this adjustment would place the school budget. Mayor McCarley stated that the School Department had indicated they were \$290,000 over, so this would make it approximately \$260,000 over. Mayor McCarley clarified that this money did not need to be identified for a specific purpose; that would be up to the department to decide. The **MOTION CARRIED** by a 12 – 0 roll call vote with Councilors Abbott, Bogan, Lauterborn, Rice, Hamann, Lachapelle, Belken, Walker, Gray, Hainey, and Mayor McCarley all voting in favor.

Deputy Finance Director Sullivan stated that the City is \$75,816 above the tax cap and the School Department is at the tax cap. Councilor Walker asked if Finance could adjust the City's revenues, in particular for motor vehicle registrations. Mr. Sullivan stated that the motor vehicle revenues had already been increased \$750,000 over the historical trend of approximately \$4 million. He said the trend has been a little over \$5 million, but there are still unknowns in how this trend will continue. Mr. Sullivan recommended caution when increasing auto registration revenues.

Councilor Gray asked what was contained in undesignated fund balance. City Manager Cox said there was upwards of \$20 million in that account. Councilor Gray **MOVED** to increase the School funding by \$240,000 with money to come from undesignated fund balance. There was no second to the motion.

Councilor Lauterborn inquired how much fund balance money was contained in the proposed budget. Deputy Finance Director Sullivan stated that there has been \$2,786,000 of fund balance used, largely to fund cash CIP projects. City Manager Cox said that he would feel comfortable increasing the motor vehicle revenues as opposed to taking money from undesignated fund balance. Councilor Walker cautioned against using undesignated fund balance to fund O&M projects. He stated that these are reoccurring expenses and would put the City in a bigger hole the following year. Councilor Walker **MOVED** to increase motor vehicle expenses by \$90,000. Councilor Hamann seconded the motion. The **MOTION CARRIED** by an 11 – 0 roll call vote with Councilors Bogan, Abbott, Hainey, Walker, Lachapelle, Rice, Gray, Lauterborn, Belken, Hamann, and Mayor McCarley all voting in favor.

Councilor Rice **MOVED** to increase Project # FY22-REC-1 for the Recreation Department passenger van by \$15,000. Councilor Walker

seconded the motion. City Manager Cox cautioned that if the motion was for exactly \$15,000, it would put the City over the tax cap by just over \$800. Councilor Rice amended his motion to increase the project amount by \$14,184 to remain within the tax cap. Councilor Walker seconded the motion. The **MOTION CARRIED** by a 10 – 1 roll call vote with Councilors Rice, Walker, Belken, Bogan, Lauterborn, Lachapelle, Hamann, Hainey, Abbott, and Mayor McCarley voting in favor and Councilor Gray voting opposed.

Councilor Rice inquired about the CIP request on page 98 for the Arena Front Renovation. He asked, if the DPW request for a man lift was approved, if much of this renovation could then be completed in-house instead of being contracted out; thus the project costing less than the \$35,000 requested. Director Bowlen stated that approximately \$10,000 of the total project cost would cover the painting of the arena. He said that after discussions with staff, they have decided that some of this work can be done in-house with or without the use of this man lift. Mr. Bowlen asked that if an adjustment was made to the request, it should only be reduced by the \$10,000 and not the full \$35,000. Councilor Rice **MOVED** to reduce the arena front renovation project by \$5000, leaving the additional \$5000 to be used for supplies, etc. Councilor Rice then **WITHDREW** his motion.

Finance Director Ambrose gave an update on the School's Continuing Services budget. She stated that the difference after the motion which had been made earlier is now \$261,064 which would be need to be appropriated for expenses and revenues.

Councilor Walker asked for a listing of all the positions from the various departments which had been included in the budget. Mayor McCarley said that the finance department would provide an accounting of all the changes which had been made up to this stage and they would be distributed to Council for review and for a final vote at the June 1 meeting.

4. Adjournment

Mayor McCarley **ADJOURNED** the Committee of the Whole Budget Workshop meeting at 7:50 PM.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk