

**MINUTES  
WORKSHOP/SPECIAL MEETING  
DOVER CITY COUNCIL  
June 28, 2000  
7:00 PM**

**Workshop  
Old Middle School Library**

Members Present: Berry, Hindle, Andrews-Parker, Schmidt, Mayberry and Boc.  
Members Absent: Reese, Nossiff and Dunnington.  
Also Present: School Board Members, Nick Skaltsis, Marc Vaillancourt, Kevin Quigley and Ray Proulx, Superintendent of Schools Armand LaSalva and Superintendent of Schools Stephania Pearce

**1. AUDIT PRESENTATION**

Scott McIntire, Vice President of Melanson, Heath and Co. reviewed the Proposal for Audit of Financial Accounts and Records for the years ended June 30, 2001-2003 (See 06/28/2000 meeting folder.)  
He explained that the implementation of the Governmental Accounting Standards Board (GASB) Statement 34 will completely revise the reporting format of the City's financial statements and will present most of the City's funds on two basis of accounting and will require City management to write an introduction to the financial statements known as the Management Discussion and Analysis. The City of Dover is required to implement this statement for the fiscal year ending June 30, 2003. He explained that the largest single change to the City's accounting records is that now all infrastructure assets (roads, bridges, drainage systems, etc) are required to be recorded and depreciated. During the next three years, the City will need to establish fixed asset accounting records for Land, Building, improvements, vehicles, equipment and infrastructure. He concluded by stating that these new accounting and reporting requirements will increase the amount of audit time and therefore, the cost will increase 10,000 to 15,000 in the FY2002 and FY2003 audits.

Boc asked if GASB Statement 34 will catch on with other communities or fall by the wayside.

McIntire stated he had felt that it would fall by the wayside as soon as a year ago, but now feels that rating agencies are giving it more importance.

Berry asked if the school audit is included with this estimate.

McIntire stated yes.

Pearce stated that appraisal work would be a big cost for the school district.

Harrington stated that the school district only has the school buildings, but those are city assets anyway.

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Mayberry asked which other municipalities that Melanson, Heath and Co audit will be doing this?

McIntire stated Dover is the first but Portsmouth, Somersworth, Rochester and Concord are some of the others that will follow.

Schmidt asked why we would not inventory our computers as assets (had been previously stated by McIntire as a part of his presentation)

McIntire stated that the city already inventories computers and vehicles for insurance purposes, but feels that for this type of reporting, they should be looked at as one pool of assets.

Andrews Parker asked how long it will take to implement this.

McIntire stated that Dover is getting an early start, but that the appraisal will take a few weeks, asset reports need to be done at historical cost (ie. old middle school value from 100 years ago) and then the realigning reporting of funds in the general ledger will be the final step. He stated this will probably take about 2 years.

Schmidt asked what if Dover says we don't want to do this at this time and let Melanson, Heath and Co. learn somewhere else.

McIntire stated that he will guarantee that the projected increase will be the most it will be and that if it takes less time he will adjust accordingly.

Vaillancourt asked if statement 34 could potentially effect the city's bond rating and if there are deficiencies found will we have a chance to correct it.

McIntire stated it could, but feels that the City would have the opportunity to correct any deficiencies.

Beecher stated that he feels our bond rating will be changing anyway for other reasons. He stated that this reporting will give us the value of our infrastructure capital and feels that it would be good to know the value of our 184 miles of roads, etc. He concluded by stating that a resolution will be brought to the Council on July 12<sup>th</sup>.

## **2. REUSE OF CITY HALL ANNEX**

Mr. Beecher explained that the District Court had been supposed to occupy the front portion of the building but are no longer planning to do so. He stated they may be planning on tearing down the existing building and putting a new one on that site, but feels that we need to figure out the best way to reuse the facility now and not wait any longer. He stated that the Council postponed approving the school maintenance funding, but feels it needs to be done as the school department will need the money for their renovations of this building.

Planning Director, Steve Stancel – reviewed the various space needs of the city and explained that this plan (see 06/28/2000 meeting folder) provides much needed public meeting space and allows use of the gymnasium for the alternative school and recreation division. He stated that this will free up space at City Hall

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and allow for all of the inspection services to be located in one spot including Engineering.

Mike Lassel of Lassel Architects, reviewed the detailed floor plans. He stated they began working in January and have tried to locate departments according to the need for public access. He stated that the structure itself is very durable, but that can also mean that it won't lend itself easily to demolition. He explained that each section of the building has its own costs associated with it as some areas need more cosmetic work than others. He stated that some of the bigger expenses include sprinkler systems and bringing the venting and heating up to code. He also explained that the boilers for the building are located in the front and if it is sold to a private entity, the city wouldn't have access and the cost to add a boiler and a stack would be approximately \$130,000 which is not included in his estimate. He stated his estimate for the *interior* of the entire building would be \$1.9 million. He stated that the roof is in great shape, but the windows are not. He stated that the windows in the old portion of the building would be estimated at \$1,000 per window. He stated that the Human Services Department, including Youth Resources have already relocated and has allowed the personnel a lot more room and privacy than they previously had. He stated the next phase is the alternative school, but the renovations will not be completed by fall. Schmidt asked where the alternative school will be if they can't use the facility this fall, as the current school has been deemed unusable. Beecher stated that they can use the front part of the building as a temporary space.

Andrews Parker asked for a clarification of whether the 1.9 million includes a boiler or not.

Mr. Lassel stated it does not.

Andrews Parker then asked about losing the stage on the 2<sup>nd</sup> floor and why that is necessary.

Mr. Lassel explained that it is necessary because of the current elevator location. Where it is located on the opposite side of the building, an access needs to be constructed to the other side, which means removing the stage area.

Berry asked what happens if we don't worry about the front half of the building and add a boiler to the other part of the building.

Beecher stated that even if we go private with the front part of the building, we will make it a part of the deal that we have access to the existing boilers.

Berry stated that the majority of the Council wants to keep the stage in the building and feels that the plans should be reworked.

LaSelva stated that the alternative school could be located in the front part of the building permanently as far as he is concerned because the cost of renovating the portion of the building proposed for the alternative school is extensive.

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Mr. Beecher stated that the current plan is to make the front part of the building private, but feels that the plan can be reworked.  
Boc stated we still have to get permission from Probate Court.

Hindle asked about the balconies.  
Gary Bannon explained that they had hoped to be able to keep the balconies in the gym for spectator purposes but the cost to upgrade them to current safety standards is too high.

Mayberry stated that we should be looking at incorporating outside interests i.e., Garrison Players, American Red Cross, etc. into the project.  
Beecher stated that he is looking at the immediate needs of the city at this time.  
Mayberry stated he feels we should keep the front part of the building private so that we can use the income to pay for the renovations needed to the rest of the building.

Skaltsis questioned if it is realistic to renovate the entire interior of the building for under \$2 million.  
Lassel stated that this is a minimal renovation.  
Skaltsis stated that he feels that the \$500,000-\$600,000 figures to renovate the alternative school portion should reflect the bifurcated changes that benefit the total annex structure.

Proulx asked why can't we build another elevator on the other side of the building.  
Lassel stated it would cost at least another \$100,000.

The consensus of the participants of the workshop is to rework the plans in accordance with the suggestions discussed.

Workshop adjourned to the City Council Chambers.

**SPECIAL MEETING**  
**City Council Chambers**

**1. Roll Call**

Councilors present: Schmidt, Andrews Parker, Berry, Boc, Hindle and Mayberry.  
Councilors absent: Dunnington, Nossiff and Reese.

**2. PUBLIC HEARING:**

- A. Resolution RE: Fiscal Year 2000 Budget Amendment #1. Sponsored by Mayor Wil Boc, by Request.

Mayor Boc opened the public hearing asking if anyone wished to speak.

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Seeing no one, the Mayor closed the public hearing.

**3. RESOLUTIONS:**

- A. Resolution RE: Fiscal Year 2000 Budget Amendment #1. Sponsored by Mayor Wil Boc, by Request.

(This resolution requires a 2/3 vote of present Councilors for passage.)

Berry moved to adopt, seconded by Hindle.  
Motion passed on a 6-0 roll call vote.

- B. Resolution RE: Transfer of General Fund Unreserved Fund Balance to the School Maintenance Reserve Trust Fund as of June 30, 2000. Sponsored by Mayor Wil Boc, by Request.

Schmidt moved to remove item from the table, seconded by Mayberry.  
Motion passed on a 4-2 vote, Berry and Hindle opposed.

Discussion ensued regarding the requirement of passage. It was determined that RSA requires a  $\frac{3}{4}$  favorable vote of the entire Council and not of only those present. Because 3 members of the Council were absent, the item was withdrawn and therefore, must be brought back as a budget amendment after July 1<sup>st</sup>.

**4. Other Business:**

Schmidt moved to go into a Non-public session to discuss legal matters, seconded by Hindle. Motion passed on a 5-1 roll call vote, Berry opposed.

**Valerie A. French  
Deputy City Clerk**