

**MINUTES
SPECIAL MEETING
DOVER CITY COUNCIL
COUNCIL CHAMBERS**

Wednesday
**APRIL 15, 1998
7:00 PM**

1. ROLL CALL:

Members Present: Councilor Wilson, Mayor Wil Boc, Councilor Berry, Councilor Jalbert, Councilor Johnson, Councilor Landry, Mayor Pro Tem Perry, Councilor Rawding, Councilor Reese.

2. Public Hearing: CIP

The Mayor opened the Public Hearing.

Ronald Cole – Chairman of Planning Board. Ron stated the Planning Board is recommending that the entire resolution be funded and that the council consider adding \$56K to Streets/Sidewalks appropriation and secondly to fund the Public Works Facility Design in whole, which would increase the amount from \$83,500 to \$608,500 and increase the Water Fund Share \$41,750 to \$304,250 and Sewer Fund Share \$41,750 to \$304,250.

Berry asked does Resolution 11B-4 include the School portion.

Ron stated, yes.

Landry asked why would the Planning Board consider putting the construction phase of the Public works facility design all in one year.

Ron stated the Planning Board viewed it is a commitment on the part of the city to show developers we are sincere in relocating the facility.

Reese pointed out the Planning Board did not push out the alternative school two years.

Rawding asked if there is a company ready to move in.

Robert Long – Chairman of Dover Economic Development Committee - stated that Northland Group has put forward a plan for the Waterfront. He stated that next month DEDC would come forth with a recommendation. Long continued by discussing that numerous companies have looked at the property. He stated there is interest, but an uncertainty is when the City will move the Public Works facility.

Robert Carrier – Recreation Advisory Board. Mr. Carrier stated he is here to discuss the Butterfield Gym entrance. He explained the problems with the entrance, and the board has recommended constructing a retainer wall. He also stated \$50K is in this year's CIP and the

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remaining \$100K will be requested in next year's CIP.

The City Manager stated this is the Hearing for bonding \$3 million. The City Manager discussed the Sixth Street project from Liberty Mutual to Chestnut Street. The City Manager also reviewed the items being recommended in the CIP.

Rawding asked where is the priority list for the school side.

Dr. Daley stated the Mayor received a list from Mrs. Walton today. He stated secondly, the School Board did recommend moving the alternative school out two years. Dr. Daley also stated they are recommending keeping the maintenance items intact and that the lighting and track are equally important.

Rawding stated that I guess what the School Board is saying that they are leaving the council with the decisions of what stays or goes.

The Mayor stated the consensus of the board was that they all feel these items were all #1 and realize that whatever council feels they can afford will be appropriate.

John Pomerleau – Ward 2 - Mr. Pomerleau spoke in-favor of the Dover High School track. He stated his first concern is with the liability of the track. His 2nd issue is the state of disrepair of the Middle School.

Kyle Sandahl – 437 Tolend Road. Mr. Sandahl also spoke regarding the track. He applauded Dover has not had a track that is useable for a number of years. He stated we have a great coaching staff, there is a great commitment by the athletes, so it is time to stop depriving our children. He stated both the High School and Jr. High School would use the track.

Alex Otash- Coach for Dover High School Track. Mr. Otash stated the track is not useable and has not been useable for 18 years. He hopes the kids will be able to run in front of their parents and family.

Mike Myers – 18 Mast Road Extension. Mr. Myers stated we already have an Olympian from Dover and who know where the next Olympian is. He invited the Council to attend the track meets and offered the track schedule. He stated other cities have excellent track facilities, he thinks it's time Dover had one.

Mary Akerman - 37 Ayers Lane. Ms. Akerman stated 25 years ago she was here for public kindergarten and hopes it doesn't take that long for the track. A good education is not just sitting in a classroom and taking exams, it includes good sports activities as an incentive for academics.

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Public Hearing was closed. There will be a vote next Wednesday.

3. OTHER BUSINESS - None

4. ADJOURNMENT

Reese moved to adjourn, seconded by Perry. Motion passed on an 8-0 vote.

KAREN L. LARSON
CITY CLERK

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The City Manager stated that on the City side spending is \$17,45815. This amount is a \$1.5 million increase over last year's budget. That includes the \$400,000 for the Middle School debt financing. He stated this reflects an increase of 7.35%.

Jeff Harrington Finance Director -reviewed the estimated revenue. Jeff stated over \$50 million is in revenue, 58% is from taxes. Jeff discussed property tax levies and the tax rate. He stated over a five-year trend, we have only looked at a 2.6% increase. He stated that at the end of FY99, this would include an 81¢ increase for the actual city operations, and a 41¢ increase related to the elimination of the use of Fund Balance, \$1.22 City Side.

Jeff continued by reviewing the Fund Balance for FY99, he stated the policy is to retain 6% of the General Fund Budget, which would be \$2.4 million. He explained the definition- reflects the budgetary expenditures exceed estimated revenue. (a/k/a Deficit Spending). This is not considered a revenue source. He went to explain the Deferred Property Tax.

Jeff stated that Licenses and Permits accounts for \$2.7 million – 93% relates to motor vehicle permits, he added there has been a steady increase each year. Next year the projection will level off. He also stated that seven (7) % relates to other permits.

He continued by discussing Fines & Forfeits – page 6. Which is about .7% of total revenue or about \$364K? He added that 44% relates to interest and penalties on taxes. This is a declining revenue source.

Jeff explained the Use of Property & Money - page 7, which is 1.1% Total Revenue or \$556,191, 73% of this money relates to investment income.

He continued by addressing Intergovernmental - page 8, which is 5.8% of total revenue or \$2.9 million. Jeff stated about half of this is General Fund money Coming from three major sources; shared revenue block grant, the rooms and meals tax, and the highway block grant. He added that Sewer is the other major intergovernmental revenue, again a declining revenue.

Jeff stated current Service Charges are about 14.1% of the budget or \$7.1 million. The water and sewer user fees make up the majority of that revenue. The General Fund has about 13%.

Jeff continued by discussing the Education Revenue, which is about 14.5%, or \$7.3 million. He stated State of New Hampshire and Federal Funding make up 19%.

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He used a graph to illustrate the Use of Fund Balance, which is .1% of total budgeted revenue or \$32K. He stated the last graph explains what the General Fund has used from the Fund Balance. Jeff concluded.

Rawding stated he has three questions. He stated he is trying to assess residential customers' versus business customers' burden. He asked, is the burden more or less on business or residential. What is the percentage?

Jeff stated the split is 75 residential / 25 business which has not changed since 1994. Prior to that there was a higher percentage of commercial.

Rawding's second question was regarding Liberty Mutual, Con Proco. Nameplate, etc How much new money is the city getting from these businesses?

Jeff stated on page 39 of the Budget document, there is a breakout at the bottom of the page. You can only look at 93 forward for comparative purposes. FY99 – \$960K million. Only half of Liberty building was included in the tax bills. Based on their completion as of 4/1 last year. The balance will be picked up on this year's tax bill.

Rawding's stated his last question is a concern with additional residences and subdivisions coupled with the industrial/commercial growth. He asked why are water bills staying stable. Is everyone going on septic?

Jeff stated the sewer is growing, it is up to 91%. Rawding asked if we encouraging new water user ties? The City Manager stated it is mandatory based on how far away from the system. We do maximize our utilities.

Perry questioned the Fund Balance he stated regarding the 6% of the General Fund as the desired level. How far back does use of the Fund go?

Jeff stated 1994 and forward to 1998. Before 1994, the State set the Fund Balance. Jeff also stated the Finance Committee recommended 6%, the State recommends between 5 – 10%; Moody's would prefer it to be higher.

Perry asked if we use zero (0) recommendation what percent would that be?

Jeff stated what we anticipate would be \$1,750,000. He stated his best guess would be 4%.

Landry asked does any of the Fund Balance use exceed 6%.

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Jeff stated no, see page 6 for Fund Balance levels. We never reached the 6% level. Also, page 27 in the budget shows actual numbers.

Landry continued by asking a question regarding page 12 – Other Revenues. Does this include monies received from the Dover Housing Authority?

The City Manager stated, yes, about \$55K.

Landry asked who sets this. The City Manager stated the Federal Government sets it. Landry asked does this figure ever change? Perry stated, no, this is based on cost, minus expenses.

Landry asked does Dover charges Impact fees on business.

City Manager stated some, but they do create a specific impact.

Rawding asked if the Fund Balance is in healthy shape based on the chart on page 6. He also wanted to know if our bond rating is moving in a positive way.

Jeff, yes, in part.

Rawding asked if we spend that Fund Balance, would the Bond Agents look at this as having a negative impact on our portfolio?

Jeff stated yes it would.

Budget overviews continued.

Mike Joyal – discussed overall personnel program. He explained the various line items in the budget. He stated, each of the components of personnel are allocated to each department. On page 34/35 is the summary of the General Fund. He stated he will address personal service costs. The wage increases have not been built in to individual budgets, but has been included in the contingency budget.

Joyal stated, aside from wages, health insurance is a major increase of about 10.4%. Health insurance changes will take place in June. He added Dental/Health insurance is up about 10%.

Joyal stated, a significant increase was seen in Life Insurance which is up 60% and there was a slight increase in our Retirement expense.

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Mike then reviewed page 46; staffing patterns. He stated we are proposing 6 full-time positions. He noted, other citywide changes are on page 155.

He reviewed them as follows:

First item – Debt Service 2.8 increased to 3.2; this includes CIP.

Second item – Transfers. Transfers to other funds (i.e. Tolend). This is where a Capital Reserve would go.

Third item – Inter-Government (County Taxes) – We expect the assessment from the county will remain the same, but that is subject to change.

Fourth item – Fleet Management – Citywide

Fifth item – Dovernet – PC Maintenance Fund – Each department would put money in the budget to cover the costs. In the past, we paid a consultant.

Sixth item - Maintenance Fund - Page 92 – Citywide Charge for LAN – approximately \$12K is funded for maintenance contracts.

Central Stores – Internal Accounting Fund for bulk purchases (i.e., paper, toner, etc.).

Wilson questioned page 34, account 4153 – Life Insurance why was there a 63% increase?

Joyal explained there was a change in vendor and workforce; there was no no coverage change.

Wilson questioned page 155 – self-insurance plan for computer. Why in budgets.

Joyal – This is for all PCs/computers in the building for various departments, he stated this does not include the school department. Joyal stated routine maintenance is specific to a department and is built in to that departments' budget.

The Mayor asked if there is a request for a MIS Director?

The City Manager stated we need one, but we have to get by with current staff.

Jalbert asked a question concerning Self Assurance & Excess Assurance.

Jeff stated there is \$18K budgeted for next year; he further stated it used to be \$35K about eight years ago, last year it was about \$22K. It has been coming down.

Perry asked what is the amount?

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Jeff stated on page 27 – Internal Service Funds that we are looking at a substantial improvement in this area year over last year. He stated we need funding of \$507K, we are \$32K shy at the end of the year.

Rawding referred to page 34 – account #4250 and asked what is the nature of the increase in inventory materials. Jeff stated these are resale items for Parks and Recreation to take over vending machines.

The City Manager reviewed the City Council budget. The budget spending \$89,729 - \$50,569 issued COAST funding subsidy grant.

Wilson asked about televising City meetings. When can we add money in?

City Manager stated they should come back and add television. He suggested adding \$12K for the camera purchase.

City Manager referred to pages 228/229 and stated the cost of supplies is up.

Perry asked if account #4345, can be cut or reduced.

City Manager stated this is for Bill Wardwell.

Berry referred to Membership Dues, which ones increased over last year?

The City Manager stated NHMA went up (New Hampshire Municipal Association).

Jalbert expressed his concern regarding increase of NHMA Insurance; maybe we should change.

City Manager referred to the Legal pages 232/233 and stated this is up due to personnel costs.

Landry questioned the consulting services.

The City Manager stated these are outside services that George Wattendorf can't handle. The City sometimes has to seek outside advice from legal services.

Perry would like a bid of city legal service versus having Wattendorf.

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Rawding would support looking for a city attorney. He stated he feels it would save the city money in outside consulting services.

Wilson questioned account #4368 the recurring training. He asked why is the dollar figure the same amount?

City Manager – this is recurring training for his position.

Jalbert asked when we go out looking for a City Attorney, please review the outside services from previous years.

Business Assist. pages 236, 237, & 238

City Manager stated this whole department was eliminated by the city council. He stated now the City Manager plays a bigger role and looks a business retention. The City Manager stated we are doing a better job than before; for about a \$5K increase in salaries and advertising.

Perry questioned advertising.

The City Manager explained, we have a joint page with Pease/Somersworth/Rochester and we do advertising in trade journals and trade shows.

The City Clerk explained her budget is up about \$7K.

Larson stated in regards to the Election Budget, and increases and decreases based on the number of elections. This year we have two elections, last year we had one; so everything doubles. These are mandated costs set by the State.

Finance

Jeff explained the organization of which there is four divisions. He presented charts. He stated he is asking for one (1) part-time staff and then went to review the requests by division.

Finance & Accounting Division – up 4.0% (\$14K increase)

Tax Collection up 7.1% (\$8,843 increase)

Tax Assessment - 0.7% (\$1K decrease)

Total 22,464 3.5% (does not include wage changes)

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Perry asked how much contingency will we roll into salaries.

Jeff stated \$550K.

Jeff then presented the objectives for the coming year by each account.
Refer to handout from the Finance department.

Rawding asked how is mail-in program going.

Jeff stated it is at about 25%. Jeff suggested the Mayor announce utilizing the mail-in policy.

Rawding asked why with the Financial Management System do we need a part time person.

Jeff stated we are still seeing the volume (75% of the people walk in) and it is necessary to cover lunches and be able to utilize staff in their present position instead of always backfilling.

Rawding offered suggestions for help through colleges, etc. He stated he is not going to vote on the part time.

Wilson stated we appropriated \$18K for a management study and what are we getting for \$150K and the \$18K.

Jeff stated the \$18K was to prepare the RFP and is going out on Monday. The \$150K is a ballpark figure on what we would expect to receive for bids.

Planning

Steve presented handouts regarding the department. He stated most of the funding comes from the CDBG (54%), the remainder comes from the General Fund (46%).

Steve stated the Planning Department budget is \$376K which is a 7% Increase over FY98. He stated the Planning Department is made up of two divisions; the Planning division and the Building Inspection division. Five people staff the Planning division. Four people staff the Building Inspection division.

Steve pointed out that there is a minor change: The dollar amounts are transposed in the Printing & Binding, it should be \$1K and the Postage should be \$5K. Steve stated the postage increase is due to a certified mail out anticipated due to zoning changes.

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Steve continued with Building Inspection stating this budget is \$212K a 13% increase over 1998. The City Manager stated he is increasing the three (3) inspectors from part time to 40 hours per week due to an increased workload.

Wilson would like to support the increase, but is concerned about the complaints and about the permit process.

Steve stated they answer all complaints, he noted 99.5 are for turn around time. This should be resolved by increasing the building inspectors from 35 hours to 40 hours per week.

Perry stated he would like to ensure enough money for printing of Master Plan.

Rawding complimented the Building Inspector on doing a correct job on Liberty Mutual & Con Pro Co.

Johnson also commented on the timely issue of permits problem, but he noted that it is a quality job.

Library

Page 426 - Don Mullen stated there are two Major Components of the Library, first is the product – Books and Materials and second - the Staff.

Don stated we do what we are doing now because of (i.e., computers). Don also reviewed the Library Fines, he stated we are presently at \$26K in that Fund.

Don went on to review changes:

Increase of \$9300 for part time (16 hours) reference library

Increase of \$9800 Health Insurance

Increase of Supplies in books by \$61.6K

Increase of Charges \$4,343 DoverNet.

Increase of magazine index up \$1K via the Internet

Staff Development – Increased \$400

Capital outlay - \$1500 – book stacks for paperbacks

Reader printer one 10 yrs old/ one 20 years old; need
another reader printer

Don stated he did ask for \$13K for new carpet because it is 10 years old.

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Rawding moved to suspend the rules, seconded by Perry.
Motion passed on an 8-0 roll call vote.

Rawding asked what account #4390 was

Mullen stated Cataloging for National Database

Rawding continued by asking why on account #4444 do you need a laptop computer.

Mullen stated we don't, the City Manager has since given us his.

Landry referred to account #4343 and asked why we pay ½ cost of DoverNet maintenance

Mullen stated the school has 5 (56K lines) Fiberoptics to Jr. High and we have the line from the Library to the Jr. High.

Human Services

Poulin explained she has two divisions:
Welfare which has 3 Full Time at 35 hours
Youth Services with 3 Counselors

Welfare

Janet stated computer maintenance charges not covered by the city for \$1K.
Professional Counsel services - \$6,000
Largest increase 3 agency with subsidy
10,000 increase in general assistance, due to rental cost escalating in Dover

We are now carrying working class indigents who can need a place to live.

Youth Division – Janet stated personnel costs are up.

Perry asked if \$10K is enough, Poulin stated I hope so.

Rawding asked if Dover is a better place to come?

Poulin stated the whole seacoast area is.

Rawding asked if there is a shortage of housing?

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Meeting Adjourned

KAREN L. LARSON
CITY CLERK

Posted: 04/10/98