



CITY OF DOVER

JOINT FISCAL COMMITTEE - MINUTES

Meeting Type: Regular Meeting
Meeting Location: Room 305, McConnell Center
Meeting Date: **January 29, 2014**
Meeting Time: **7:00 PM**

City Council Present: Mayor Weston, Deputy Mayor Carrier, Councilor Cheney, Councilor Gagnon, Councilor Garrison, Councilor McManus, Councilor O'Connor, and Councilor Thibodeaux.

School Board Present: Chairperson Russell, Vice-Chairperson Andrews Parker, Secretary Morrison, Ms. Grady, Ms. Greenshields, Ms. Muffett-Lipinski, and Ms. Soule McCammon.

Also Present: City Manager Joyal, General Legal Counselor Blenkinsop, City Clerk Lavertu, and Interim Superintendent Fernandes.

Absent: Councilor Hooper.

1. CALL TO ORDER

2. APPROVAL OF MINUTES

Councilor Cheney moved for the approval of the minutes; seconded by Councilor Garrison.
Vote: Unanimous.

3. DISCUSSIONS

A. TUITION CONTRACT APPROVAL PROCESS

Mayor Weston asked the General Legal Counselor to address the issue of the tuition contracts and why they need Council approval.

General Legal Counselor Blenkinsop referred to his confidential memorandum that explained the process. He said the memorandum hasn't been disclosed and he couldn't get into the particulars too much. He said the gist of it is that Dover is a Municipal Corporation and the School Department is part of that corporation. He said the City Charter controls the relationship. He said the School Board runs the School District, and the City Council rules the finances and appropriating money for the schools. He said the issue with this contract is that it's going beyond one fiscal year, and the City Council will be bound or obligated to appropriate those funds. He said the School Board needs the City Council to ratify that financial component of the contract.

Ms. Russell discussed why she disagreed with the General Legal Counselor. She said it was a revenue contract, and the Council approves the budget annually. She compared it to a vending machine contract, and asked if they need the Council's approval for that contract. She said under RSA 194:22 the School Board has the authority to make any contract. She said the City Charter gives the School Board State rules. She said there is no expense to the City of Dover, but actually created revenue. She said Ms. Andrews Parker had other cases to cite. She added that she felt this discussion wasn't going to be settled this evening. She said they have had these contracts with other communities for decades and decades, and the City Council has never voted on them.

Ms. Andrews Parker referred to the Bedford case regarding a similar situation and said the school district won. She referred to RSA 194:3 and RSA 194:22 stating why the School Board has authority. She wanted to formally object to the notion that the City Council needs to approve contracts for the School District.



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General Legal Counselor Blenkinsop said he cited the Bedford case, and that the Court said the contract authority lies with the School Board. He said some school districts the School Board is also the legislative body, but in Dover the City Council is the legislative body. Superintendent Fernandes asked if the City Council approved the entire budget or contract alone. He said he wasn't certain it was the entire contract that the Council approves, but just the revenue.

City Manager Joyal said the City Council was the legislative body for the municipality, and the only entity that can raise and appropriate funds. He said the revenues need to be appropriated they can't be spent. He said the Council's role is not to approve the contract, but to approve the required obligations of the contract. He listed several instances where a multiple year contract has been brought before the Council. He said the key was if there isn't a non-appropriation clause in the multiple year contracts it has to be brought to the Council.

Ms. Russell said they have revenue lines in the budget and no expenses. She said the expenses for Barrington are appropriated every year in the budget.

City Manager Joyal started a discussion regarding what was in the Council's authority and why they needed the Council's approval for appropriation of the funds. He said the Council doesn't get into the details of the contract, but they need to ratify the funding obligations. Mayor Weston talked about the Council's acknowledgement of the contract.

Ms. Russell said there was a vast difference between acknowledgement and approval. Councilor McManus said the Council approves the whole budget, which is not just spending. He compared it with the State legislators approving Federal funds and whether or not to accept it for the city and towns. He spoke about Barrington School Board having the authority to approve the contract, but they needed a town meeting to fund the contract.

Ms. Russell asked if they had to bring every contract to the Council for approval. She said it was done annually in the budget. She asked if it is more that the Council needs to acknowledge the contract.

General Legal Counselor said he didn't use the word approve in his legal opinion.

Ms. Andrews Parker made a motion to form a sub-committee to figure out the process. There was no second.

Councilor Gagnon asked about Council approving it with the budget.

General Legal Counselor Blenkinsop said the City Council is normally voting on an annual budget, and this is a multiple year agreement. He said the Council acknowledges this contract and accepts that they will appropriate the funds for the term of the contract.

City Manager Joyal said they are appropriating the funds and acknowledging that it is for multiple years.

Ms. Russell talked about the certain Councilor's questions regarding the negotiations and how the Council was going to approve the contract. She said she was fine with the Council acknowledging the contract, but not with the Council approving the contract. It was now her understanding that the Council will acknowledge that this is a 10-year contract, and each year whatever funds are raised by this contract will be appropriated to the School.

Deputy Mayor Carrier said the contract has multiple safeguards. He felt the School Board should have full purview and then have it reflected in the budget.



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There was consensus to have Superintendent and City Manager work on the language, which they can bring forward at the next Joint Fiscal Committee meeting.

B. FY2015 TAX CAP CALCULATION

City Manager Joyal gave an overview of his handout regarding the 2015 tax cap calculation with the committee.

C. FINANCIAL POLICIES AND BUDGET FORECAST

City Manager Joyal referred to the Financial Policies as adopted in April 2011, and discussed current policies of the City.

4. OTHER BUSINESS

Mayor Weston discussed the feasibility study on the High School and establishing a Joint Building Committee.

Councilor McManus asked for a tour of the High School.

Ms. Russell said they will schedule it for an upcoming weekend. She also talked about the video that was created that showed the new classroom and the classroom today.

Mayor Weston went over the Note Card Comments handout with the Committee. She said she would like to see a role playing situation between the City Council and School Board so they can understand where they're coming from and have more insight. She talked about the City Council goal setting workshop this weekend. She would like to set some goals with the School Board.

5. ADJOURN

Councilor O'Connor moved to adjourn; seconded by Councilor Thibodeaux.

Vote: Unanimous.