

## SPECIAL CITY COUNCIL MEETING

**MUNICIPAL COMPLEX**  
**DATE: MONDAY, MAY 12, 2014**

**PORTSMOUTH, NH**  
**TIME: 7:00PM [thereafter]**

### **I. CALL TO ORDER**

Mayor Lister called the meeting to order at 7:05 p.m.

### **II. ROLL CALL**

**PRESENT:** Mayor Lister, Assistant Mayor Splaine, Councilors Shaheen, Kennedy, Lown, Dwyer, Morgan, Spear and Thorsen

### **III. PUBLIC HEARING**

#### **A. PROPOSED FY JULY 1, 2014 THROUGH JUNE 30, 2015 BUDGET**

City Clerk Barnaby read the legal notice into the record.

### **IV. PRESENTATION – JOHN P. BOHENKO, CITY MANAGER**

City Manager Bohenko announced that the public hearing on the budget will be held this evening and that the City Council has decided to keep the public hearing open until May 27, 2014 and that meeting will begin at 6:30 p.m.

City Manager Bohenko reviewed the budget and said we are able to keep the tax rate low by responsible budgeting with long term financial planning and proactive management to control costs. He announced that the City earned AAA bond rating this year, which is the first in the City's history. He addressed the impacts in the FY15 budget. He reported that there are 15 collective bargaining units and 13 will expire on June 30, 2014 and salaries are one of the impacts of the budget.

City Manager Bohenko said we have a new Public Works Director, Peter Rice who took a comprehensive look at the entire public works budget and made certain reallocations that he felt were necessary. He stated that Director Rice will continue to review the services provided and make additional changes.

City Manager Bohenko spoke to the School Department budget and how the teachers offered to forgo step and COLA increases for the first 6 months of FY13 and FY14. Although there has been significant savings, the delayed step and COLA increase is now reflected in a full year budget for FY15, which has impacted this budget. He addressed retirement rates and prior to FY10 the State contributed 35% of employer's contribution for Teacher's Police and Fire personnel. In FY10 and FY11, the State began to eliminate this contribution by reducing it's obligation to 30% and 25% respectively and then reduced to zero for FY12 and all subsequent Fiscal Years. He reported that health insurance has increased by 2.60% and that we received a holiday premium of \$500,000.00, which has it been used to lower the budget.

City Manager Bohenko reviewed the FY15 Proposed Non-Operating Budget of \$21,004,322.008 and debt services. He stated the Rockingham County Tax is estimate for FY15 to be \$4.7 million for which, we are the highest payer in the county. Portsmouth's current proportion is 10.64% while the population is 7.17% of the total county. The rate is arrived at the equalized value. Our Capital Outlay is at \$1.7 million and is 1.8% of the budget, which are projects in the Capital Improvement Plan. Our FY15 estimated revenues are \$96.7 million and our motor vehicle revenues return to pre-recession levels for an increase of \$300,000.00. He spoke to the loss of \$1.1 million in revenue on our investment interests compared to FY08. Our parking revenue has an estimated increase of \$1.5 million from FY14. He reported that the Fee Committee recommends increasing parking garage pass rates to \$135.00 per 24 hour pass and \$110.00 per 12 hour pass with estimated FY15 revenue of \$420,000.00. City Manager Bohenko stated estimated new growth for the City is \$59,800,000.00. He said the effect on the tax rate without growth would be an increase of \$0.56 but the estimated increase of the tax rate for FY15 is at \$0.29. He also stated that the tax rate is set by the State of New Hampshire DRA.

City Manager Bohenko thanked all the Departments, Boards and Commissions for their work on this budget and that he looks forward to working with the City Council moving forward.

#### **V. PUBLIC COMMENT/INPUT**

Mayor Lister opened the public comment/input on the budget and called speakers forward.

Kent LaPage thanked the City Council for their time and allowing him to speak this evening. He stated he was here to discuss the hearing impaired and deaf. He spoke regarding the need to have closed caption for our Government Channel 22. He indicated that people have a right to participate at all City meetings. Mr. LaPage stated there are two avenues to the right for individuals the ADA and the FCC laws, which allow all people to be able to participate and being able to read the closed caption. He provided the City Council with copies of the rights from the ADA and FCC regulations. He said he is asking the City Council set aside funds approximately \$35,000.00 - \$42,500.00 for the time it takes to cover 37 meetings for the first year. He indicated that funding could come from this budget or State and Federal grants. Mr. LaPage spoke to grants available, which are limited in their amounts.

David Noard thanked Mr. LaPage for his comments. He agreed with Councilor Shaheen for the increase of parking rates. He spoke to the Public Works Department and Inspection Department having the adequate amount of people to assist with the inspections of buildings and to ensure that all regulations are being followed.

**With no further speakers, Mayor Lister recessed the public hearing until May 27, 2014 at 6:30 p.m.**

Assistant Mayor Splaine said the comments from Kent LaPage moved us and he would like for the next meeting City Manager Bohenko to provide the actual cost and what we would need to do to start the process for the Government Channel 22 to be closed caption rather of waiting for the budget process.

City Manager Bohenko said this is something that we need to look at out of respect for Mr. LaPage but we need to make sure and provide the right information. He said it is a funding issue and would try to bring it back at the May 27, 2014 meeting.

Councilor Dwyer said we should have the Cable Commission review the matter.

Councilor Spear said these are the types of things we have a contingency fund for and we can act on the policy and do it through due diligence.

Councilor Thorsen said we would have a chance to make adjustments to the budget both up and down. He suggested adding a line item into the budget for this matter. He said he does not feel we have time to do it by May 19, 2014. Councilor Thorsen stated the next step is all the adjustments we would like to see to the budget and having the data to move forward.

Councilor Shaheen asked everyone to weigh in on the budget by sending letters, e-mails or letters to the editor.

Councilor Kennedy offered her assistance with Mr. LaPage's request as she works in this area and could assist City Manager Bohenko.

## **VI. ADJOURNMENT**

**At 7:55 p.m., Mayor Lister moved to adjourn the meeting. Seconded by Councilor Spear and voted.**

A handwritten signature in black ink that reads "Kelli L. Barnaby". The signature is written in a cursive, flowing style.

Kelli L. Barnaby, CMC/CNHMC  
City Clerk