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2006-07

ANNUAL REPORT
2006 ~ 2007



THE CITY OF ROCHESTER, NH
31 Wakefield Street
Rochester, NH 03867
www.rochesternh.net

JUN 18 2008

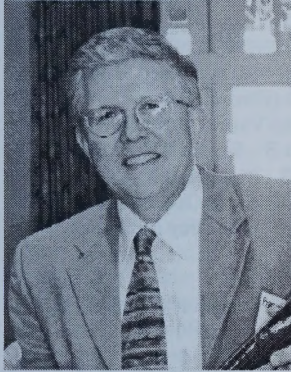
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**REPORT OF THE CITY MANAGER'S OFFICE
2006-2007**

John F. Scruton, City Manager



Andy Warhol said, "They always say time changes things, but actually you have to change them yourself." This past year the City has been taking active steps to do just that and the results have been quite positive.

The City participated in obtaining a permanent easement upon the Gagne Farm to protect it from development. The fields on Rochester Hill will continue to be a scenic reminder of our rural roots. The City hired engineers to work on the Riverwalk Plan. The City also entered into a long-term agreement with Waste Management that will provide millions of dollars of annual benefit. Part of this agreement is the toter program that will start in the Spring of 2008. This program should help keep streets cleaner on trash collection day, encourage recycling and discourage the illegal dumping of trash by nonresidents. The City encouraged the development of a landfill gas to energy project involving UNH that will save the university money while also reducing air emission problems from the landfill. Another environmentally sound project was the installation of Solarbees at the Waste Water Treatment plant. These solar powered devices are saving an average of \$10,000 a month.

The City continued its important economic development efforts. The "rock-pile" is being turned into 329,000 square foot Rochester Crossings Mall. Albany Engineered Composites expansion plans were approved. The City was accepted into the Main Street Program. Several new businesses opened or expanded. Council waived the building permit fee to assist Rochester Housing Authority's work upon Linscott Court Apartments that will soon provide 65 units of workforce housing. William McDonough, author of Cradle to Cradle, said, "When growth stops occurring, decay can set in." The City continues to grow economically.

There are many other chapters in this annual report that speak of the diligent effort of the Rochester government to provide services and maintain infrastructure. Recreation began the Neighborhood camp program that targeted needy youth. The South Main Street project was put out to bid. The Ten Rod Road Bridge reopened after damage from Mother's Day flooding earlier in 2006 while the Chesley Hill Road Bridge reconstruction was delayed while seeking federal assistance. Another hundred-year flood hit on Patriots Day.

I close with two mottos engraved on the San Diego County Building, "The Noblest Motive is the Public Good," and "Good Government Demands the Intelligent Interest of Every Citizen." It is a privilege to serve the citizens of the City. At the same time it requires the participation of all for this City to reach its potential.

CITY GOVERNMENT
As Organized January 1, 2007

Mayor John H. Larochelle

| | | |
|---------------------|---|--|
| Ward 1 | - | Seat A - David R. Stevens (Resigned 05/07), Jeffrey Winders (Appointed 07/07), Brian LaBranch (Elected 11/07); Seat B - Vacant (01/07), A. Raymond Varney (Appointed 02/07) |
| Ward 2 | - | Seat A - Elaine M. Lauterborn, Seat B - Sandra B. Keans |
| Ward 3 | - | Seat A - Peter A. Lachapelle, Seat B - Rick Healey |
| Ward 4 | - | Seat A - Raymond Lundborn; Seat B - Larry Goelz (Resigned 2/07), David Walker (Appointed 04/07) Geoffrey Hamman (Elected 11/07) |
| Ward 5 | - | Seat A - Lisa Stanley, Seat B - Ralph Torr |
| Ward 6 | - | Seat A - Bruce Lindsay, Ph.D, Seat B - Charles "Chuck" Grassie |
| City Manager | | John F. Scruton |

STANDING COMMITTEES

Appointments Review Committee: Elaine Lauterborn, Chairperson; Sandra Keans, Vice-Chairperson; Raymond Lundborn, Ralph Torr, Lisa Stanley

Building Needs Committee: Sandra Keans, Chairperson, Ralph Torr, Vice-Chairperson; Elaine Lauterborn, Raymond Lundborn, Raymond Varney

Codes & Ordinances Committee: Elaine Lauterborn, Chairperson; Charles "Chuck" Grassie, Vice-Chairperson; Peter Lachapelle, Raymond Lundborn, Raymond Varney

Finance Committee: John Larochelle, Chairperson, Elaine Lauterborn, Vice-Chairperson; Charles "Chuck" Grassie, Sandra Keans, Bruce Lindsay, Ph.D., Raymond Lundborn, Lisa Stanley

Public Safety Committee: Rick Healey, Chairperson, Bruce Lindsay, Ph.D., Vice-Chairperson; Larry Goelz/David Walker, Peter Lachapelle, Raymond Varney

Public Works Committee: Ralph Torr, Chairperson, Charles "Chuck" Grassie, Vice-Chairperson; Larry Goelz/David Walker, Rick Healey, Sandra Keans

SPECIAL COMMITTEES

Highway Safety Committee: Rick Healey, Chairperson, Bruce Lindsay, Ph.D., Vice-Chairperson; Larry Goelz/David Walker, Peter Lachapelle, Raymond Varney

Government Channel Committee: Peter Lachapelle, Chairperson; Rick Healey, Vice-Chairperson; Larry Goelz/David Walker; John Fuchs, Joseph Gray; Richard Menzel; Richard Gould; Celeste Plaia

CITY OFFICERS AND DEPARTMENT HEADS

| | |
|--|----------------------|
| Animal Control Officer | Suzanne Paradis |
| Chief Assessor | Brett Purvis |
| Checklist Supervisor Chairperson | Thomas J. Jean |
| Chief Planner | Michael Behrendt |
| City Clerk | Joseph Gray |
| City Engineer | Thomas Willis |
| City Health Officer | Larry Hamer |
| City Manager | John Scruton |
| City Physician | Walter Hoerman, M.D. |
| City Solicitor | Danford Wensley |
| Deputy Assessor | Thomas Mullin |
| Deputy City Clerk | Sheryl Eisenberg |
| Deputy Tax Collector | Karen Paquette |
| Director of Code Enforcement | Larry Hamer |
| Director of Planning | Kenneth Ortmann |
| Economic Development Manager | Karen Pollard |
| Finance Director/Treasurer | Brian LeBrun |
| Finance Director/Assistant | |
| Deputy Treasurer | Linda Merrill |
| Fire Chief | Norman Sanborn, Jr. |
| Fire Chief, Deputy | Francis Zombeck |
| Fire Chief, Assistant | Derek Peters |
| Ice Arena/Recreation, Parks Youth Services Director | Christopher Bowlen |
| Library Director | John Fuchs |
| Police Chief | David Dubois |
| Police, Deputy Chief | Michael Allen |
| Public Works Commission/Public Buildings & Grounds Director | Melodie Esterberg |
| Tax Collector | Doreen Jones |
| Welfare Director | Lynn Carey |
| Mayor | John Larochelle |
| Deputy Mayor | Elaine Lauterborn |

BOARDS AND COMMISSIONS

Arena Advisory Commission: David Ancia, Chairperson; Dale Bickford, Richard Clough, David Colson, Robert W. Brown, Joan Cadorette-Strogen, Raymond McGilvray

Board of Assessors: Brett S. Purvis, Chairperson; Robert Goldstein, Thomas Mullin

Board of Health: Thomas Moon, John Larochelle, Walter A. Hoerman, MD, Larry A. Hamer

BOARDS AND COMMISSIONS

Continued

Conservation Commission: Mark Toussaint, Chairperson; Jeffrey Winders, Meredith (Merry) S. Lineweber, Fred Glidden, Paul D. Marshall, John W. Hackett, Sandra Brenton

County Commissioners: George Maglaras, Chairperson; Paul J. Dumont, Vice-Chairperson; Ronald Chagnon, Clerk

Historic District Commission: Jan Kazlauskas, Chairperson; Victoria Lambert, Vice-Chairperson; Wes Flierl, Lionel Sylvain, Sandra Keans, Herman Ejarque, Raymond Varney **Alternate Positions:** Rick Healey

Library Trustees: Pamela J. Hubbard, Chairperson; Michael Roberts, Vice-Chairperson; Betty Meulenbroek, Treasurer; Joanne V. Pallas, Secretary; Natalie Wensely, Susan S. Hannah **City Manager's Designee:** Martha Ortmann **Trustee Emeritus:** Marcia Nescott

Licensing Board: John Scruton, David Dubois, Norman Sanborn, Jr.

Personnel Advisory Board: Joanne Sylvain, Brian Boudreau, Carol Themelis

Planning Board: A. Terese Desjardins, Chairperson; Lance Powers, Vice-Chairperson; Tim Fontneau, Secretary; John David Meader, Raymond Varney, Lynn Williams, Rick Healey Alan Dews, David Dubois **Alternate Members:** Mark Sullivan, Phillip A. Tewell

Police Commission: Barry K. Flanagan, Chairperson; Paul Dumont, Gary Stenhouse (Resigned 10/07) James F. McManus, Jr. (Elected 11/07)

Recreation, Parks and Youth Services Commission: Joseph Maynard, Robert Plaisted, Jr.; Robert J. Watson, Fred Chisholm, Sheila Colson, Sandra Keans, Jeffrey Turgeon

School Board: At Large: Anne Grassie **Ward 1:** Peggy Parker, Audrey Stevens **Ward 2:** Bill Brennan, Nancy H. Warren, Chairperson **Ward 3:** John F. Connelly, Diane Moody **Ward 4:** Jeannette "Jae" Duntley **Ward 5:** Pamela J. Hubbard, Charles E. DeVito **Ward 6:** Frank Callaghan, Robert J. Watson

Strafford Regional Planning Commission: Sandra Keans, Mary Lou Beaver, Thomas H. Willis, Jr., Kenneth N. Ortmann

Trustees of the Trust Funds: Marsha Miller, R. Bradley Trafton, Robert Pallas

Utility Advisory Board: Lisa Stanley, Henry T. Burks, Kevin Bridges, George Lewis, Denis L. Cormier

Welfare Appeals Board: Irene Creteau, Nancy Morneault, Mary P. Flynn

Zoning Board of Adjustment: Ralph Torr, Chairperson; Peter Meyer, Vice-Chairperson; Randy Lavallee, Richard Groat, Scott Benoit **Alternate Members:** Robert Johnson, Lawrence Spector, Robert Gates

AUTHORITIES

Rochester Economic Development Commission: Robert Mulcahy, Chairperson; David C. Tinkham, Vice-Chairperson; Janet Davis, Laura A. Ring, Warren

AUTHORITIES

Continued

Daniel, Jerome Grossman, Alan Reed-Erickson, David Azarian, Wayne Chick **Ex-Officio Members:** John Larochele, Karen Pollard

Rochester Housing Authority: Arthur Nickless, Chairperson; Wilbur Boudreau, Vice-Chairperson; Mark S. Hourihan, Otis Perry, Cider Berry, Janet Davis, Jerry Grossman

MAYOR COMMITTEES

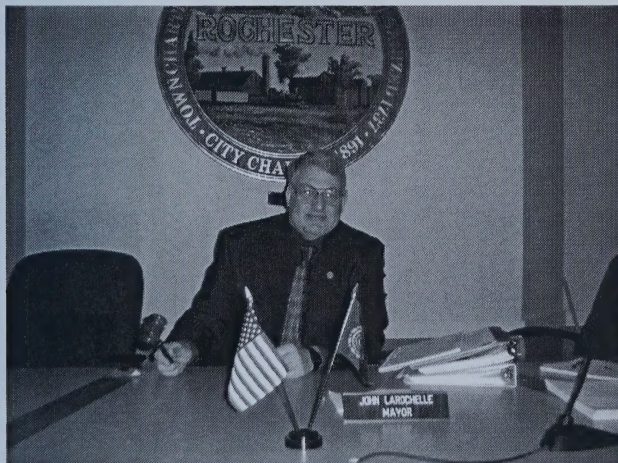
Cable TV Franchise Renewal Negotiations Committee: Gary Stenhouse, Chairperson; Larry Goelz, Deus H. Marchacos, Dennis Schafer, Troy Taylor, Kent Hemingway, Kenn Ortmann, Dave Yasenchock

Community Coalition Strategic Design Committee: John Larochele, John Scruton, Rev. Pierre Baker, Scott Dumas, Gary Stenhouse, Al Miltner, Kent Hemingway, Nancy Warren, Mike Hopkins

Comprehensive Rezoning Committee: Chuck Grassie, Chairperson; Raymond Varney, Rick Healey, Sandra Keans, David Walker, John Scruton, Lance Powers, John Larochele, Terese Desjardins, Arthur Nickless, Arthur Hoover

Energy & Sustainability Committee: Peter Ejarque, Chairperson; Brian Fahrman, Greg Kelly, John Larochele, Christine L. Schadler

River Walk Committee: Daid Walker, Chairperson, George Allen, Lori Chase, Julien Savoie, Janet Pelley, Lisa Stanley, Robert Steele, Jeff Winders, Andrea Lemire, Mark Perry, Peter Bruckner



Mayor John H. Larochele

ELECTION OFFICIALS

Ward 1: Dana Hussey, Moderator; Cindy C. Harmon, Ward Clerk; Shawn Mickelonis, Checklist Supervisor; Rhona L. Panteledes, Joyce Betz, Selectmen

Ward 2: Daniel J. Harkinson, Moderator; Nancy H. Warren, Ward Clerk; Kristie Olivares, Checklist Supervisor; Roger W. "Mickey" Conroy, Brian Brennan, Jean Anne Twombly, Selectmen

Ward 3: Danford Wensley, Moderator; Kenneth Billings, Ward Clerk; Sandra Healey, Checklist Supervisor; Cindy Radey, Jeannine Lambert, Theresa M. Lanoix, Selectmen

Ward 4: Richard Groat, Moderator; Pauline P. Webster, Ward Clerk; Patricia Dunlap, Checklist Supervisor; Anne Letourneau, Geraldine Lacasse, Abigail Collins, Selectmen

Ward 5: Thomas Bonneau, Moderator; Bonnie Bonneau, Ward Clerk; Geoffrey Bonneau, Checklist Supervisor; Kimon Lalas, Leonard West, Selectmen

Ward 6: James P. Gray, Moderator; Joanne Gray, Ward Clerk; Denise Chick, Checklist Supervisor; Peter Ward, Jean Turgeon, Norman G. Sanborn, Sr., Selectmen

Chairperson of the Supervisors: Thomas J. Jean

City Clerk: Joseph Gray



Rochester City Hall in Winter

CITY OF ROCHESTER DEPARTMENTS
www.rochesternh.net
2006-2007

| | |
|--|--|
| Assessor's Office 19 Wakefield Street | Brett Purvis, Assessor 332-5109 |
| Business Office 31 Wakefield Street | Angie Gray 335-7602 |
| City Clerk's Office 31 Wakefield Street | Joseph Gray, City Clerk 332-2130 |
| City Manager's Office 31 Wakefield Street | John F. Scruton, City Manager 332-1167 |
| Code Enforcement Office 31 Wakefield Street | Larry Hamer, Director of Code Enforcement 332-3508 |
| Economic Development Department 150 Wakefield Street | Karen Pollard, Economic Development Manager 332-7522 |
| Finance Office 31 Wakefield Street | Brian LeBrun, Finance Director 335-7609 |
| Fire Department 31 Wakefield Street | Norman Sanborn, Fire Chief 330-7182 |
| Human Resources 31 Wakefield Street | Diane Hoyt 335-7503 |
| Information Systems 31 Wakefield Street | Dennis Schafer 335-7517 |
| Planning & Development Department 31 Wakefield Street | Kenneth Ortmann, Director of Planning & Development 335-1338 |
| Police Department 31 Wakefield Street | David Dubois, Chief of Police 330-7127 |

Public Works Department
45 Old Dover Road

Melodie Esterberg, Public Works
Commissioner
332-4096

Recreation Department
150 Wakefield Street

Christopher Bowlen, Director
of Recreation, Arena & Youth
Services
332-4120

Rochester Ice Arena
67 Lowell Street

Steve Trepanier
335-6749

Rochester Public Library
65 South Main Street

John Fuchs, Librarian
332-1428

Tax Collector's Office
19 Wakefield Street

Doreen Jones
332-1136

Wastewater Plant
175 Pickering Road

David Green
335-6942

Water Billing
19 Wakefield Street

Ann Dupuis
335-7501

Water Treatment Plant
64 Strafford Road

MaryBeth Wiser
335-4291

Welfare Office
31 Wakefield Street

Lynn Carey
335-3505



| |
|---|
| EMPLOYEES OF THE MONTH 2006-2007 |
|---|

| | | |
|---------------------------|-----------------------|--|
| Thomas Abbott | July 2006 | Code Enforcement Office |
| Shelia Hall | August 2006 | Public Buildings & Grounds |
| Madeline Carter | September 2006 | Planning & Development Office |
| Carol Griffin | October 2006 | Police Department |
| Jason de Wildt | November 2006 | Public Works Department |
| Samantha Rodgerson | December 2006 | Economic Development Office |
| Celeste Plaia | January 2007 | MIS Office |
| Martha Swats | February 2007 | Police Department |
| Kenn Ortmann | March 2007 | Planning & Development Office |
| Mark St. Pierre | April 2007 | Public Works Department |
| Lisa Clark | May 2007 | Public Works Department |
| Andrew Neal | June 2007 | Police Department |

| |
|---|
| REPORT OF THE ASSESSOR'S OFFICE 2007- TAX YEAR |
|---|

TO THE CITY MANAGER AND CITY COUNCIL OF THE CITY OF ROCHESTER

ASSESSOR'S INVENTORY

LAND VALUATION:

| | |
|--|-------------|
| Residential..... | 499,794,479 |
| Commercial/Industrial (Does not include Utility land)..... | 184,943,821 |
| Current Use..... | 1,554,640 |

TOTAL VALUE OF TAXABLE LAND.....
686,292,940

BUILDING VALUATIONS

| | |
|---|---------------|
| Residential..... | 1,214,672,669 |
| Manufactured Housing..... | 162,078,400 |
| Commercial/Industrial (Does not include Utility Bldgs)..... | 245,695,031 |

TOTAL OF TAXABLE

BUILDINGS.....1,622,446,100

PUBLIC UTILITIES

| | |
|---------------|------------|
| Gas..... | 6,644,700 |
| Electric..... | 33,636,800 |

TOTAL PUBLIC

UTILITIES.....40,281,500

EXEMPTIONS

| | |
|--------------------|------------|
| Blind (29)..... | 1,229,300 |
| Elderly(422)..... | 28,355,800 |
| Disabled (67)..... | 2,823,200 |

TOTAL AMOUNT OF

EXEMPTION.....32,408,300

Net Valuation on which the tax rate for the Municipal, County & local

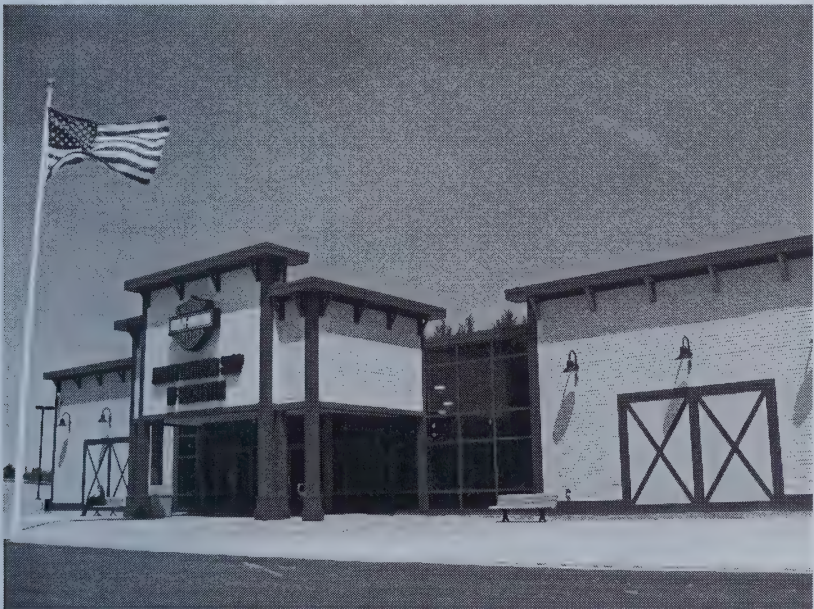
Education Tax is computed..... 2,316,298,140

Less Public Utility
Valuations.....40,281,500

Net Valuation without Utilities on which tax rate for State Education Tax
Computed.....2,276,016,640

Respectfully submitted,

Brett S. Purvis
Chief Assessor



Harley Davidson Shop of Rochester

| |
|--|
| REPORT OF THE CITY CLERK'S OFFICE 2006-2007 |
|--|

The mission of the City Clerk's Office is to provide for the administration of federal, state, and local statutes, the maintenance of official municipal records and issuance of various licenses and documents in a highly efficient and effective manner. In addition, the City Clerk's Office will maintain the integrity of the election process by conducting fair and impartial elections.

The City Clerk's Office recorded the votes and proceedings of the City Council at Regular, Special and City Council Workshop meetings; published and indexed the minutes of all City Council meetings in accordance with RSA 91-A:4; and provided informational copies of minutes to all affected citizens, boards, commissions, and department heads. The City Clerk's Office also prepared agendas, informational packets, and minutes for the following: City Council Regular, Special, Workshop and Public Hearing meetings, as well as the Codes and Ordinances subcommittee of the City Council.

From July 1, 2006, through June 30, 2007, 375 persons were born in the City of Rochester. The State Bureau of Vital Records recorded 250 deaths in the City. The City Clerk's office issued 249 marriage licenses during the same period.

Notary services were provided to 874 persons.

Six Uniform Commercial Code Financing Statement (UCC) searches and terminations were made in this office. UCC's are filed with the Secretary of State's Office, UCC Division, Concord, NH. The City of Rochester receives reimbursement from the Secretary of State's Office for all Rochester UCC's filed with the Secretary of States Office. The City of Rochester continues to conduct UCC searches and accept NH Department of Revenue Administration Liens, Federal Tax Liens, Hospital Liens, and Town Tax Liens on Manufactured Housing. This number should eventually go to zero as the State performs those searches now.

The City Clerk's Office issued 4,550 dog licenses during the year. This included 15 group licenses for owners having 5 or more dogs. The total revenues for the year include civil forfeiture fees totaling \$7,465.00 and late fees totaling \$940.00.

Following is a summary of the City Clerk's revenues for Fiscal Year 2006-2007

| | |
|--|--------------------|
| Certified Copies of Vital Records | \$18,385.00 |
| Marriage Applications | \$ 1,983.00 |
| Dog Licenses | \$42,586.50 |
| UCC Fees | \$ 5,065.00 |
| Notary Services/Miscellaneous Revenues | \$ 8,998.50 |
| Total Revenues | \$77,018.00 |

The City Clerk's Office Supervised the State Primary Election on September 12, 2006 and the State General Election, on November 7, 2006. The City Clerk's Office accepted new voter registrations, declarations of party affiliation, and changes to address/ward and names; provided in-home voter registration for the elderly and disabled; coordinated and attended all sessions of the Supervisors of the Checklist; maintained and updated the City of Rochester portion of the Statewide computer database for the voter checklist, and printed all required checklists.

Five applications for the Adams-Pray Fund were processed for approximately \$273.95 per applicant.

I would like to thank my outstanding staff for their hard work and dedication to the City of Rochester: Assistant Clerks Diane Moses and Kelly Walters. I would also like to commend Appointed City Clerk Joseph Gray, who volunteered to serve our country in the War on Terror. Joe was deployed to Iraq in April of 2007. He served overseas with honor for a year.

Respectfully submitted,

Sheryl L. Eisenberg
Acting City Clerk of Rochester



Rochester Common in Winter

**AMENDMENTS ADOPTED BY THE CITY COUNCIL
2006-2007**

- Relative to Fire Safety Measures Regarding Sprinkler Requirements for Certain Single family Dwelling Units Adopted – 3/06/2007
- Relative to Miscellaneous Technical Changes Fees and Penalties Adopted 05/01/2007
- Relative to Outside Readers – Adopted 3/06/2007
- Relative to Penalties – Adopted 3/06/2007
- Relative to Salaries of Election Officials – Adopted 03/06/2007
- Relative to Sewer User Rate (1) –Adopted 9/05/2006
- Relative to Sewer User Rate (2) –Adopted 06/26/2007
- Relative to Towing Services –Adopted 10/03/2006
- Relative to Water Application Service –Adopted 03/06/2007
- Relative to Water Service Installation and Repair –Adopted 11/14/2006
- Relative to Water User Rates Adopted –06/26/2007
- Relative to Zoning Ordinance Regarding Home Occupation Uses Adopted – 4/03/2007
- Relative to Zoning Ordinance Regarding Lots in Two Zoning Districts –Adopted 04/03/2007 –Amended and Adopted 05/01/2007
- Relative to Zoning Ordinance Regarding Special Downtown District –Adopted 04/03/2007
- Relative to Zoning Ordinance Relative to Public Safety Amplifications –Adopted 01/02/2007

**RESOLUTIONS ADOPTED BY CITY COUNCIL
JULY 2006-2007**

- Accepting Bequest to the Police Department from the Estate of Wesley Martin and Making a Supplemental Appropriation in Connection Therewith – Adopted 09/05/2006
- Accepting Brenda Lane – Adopted 1/02/2007
- Accepting Champlin Ridge Road – Adopted 12/05/2006
- Accepting Donation from Wal-Mart to the Rochester Police Department in Connection with the DARE Program and Making a Supplemental Appropriation in Connection Therewith (\$3,000) – Adopted 5/01/2007
- Accepting Donation to the Rochester Fire Department from the Rochester Wal-Mart and Making Supplemental Appropriation in Connection Therewith (\$1,000) – Adopted 10/03/2006
- Accepting Donation to the Rochester Fire Department from the Rochester Wal-Mart and Making Supplemental Appropriation in Connection Therewith (\$3,000) – Adopted 5/01/2007
- Accepting Drug Forfeiture Distribution to the Rochester Police Department from the United States Department of Justice and Making a Supplemental Appropriation in Connection Therewith – Adopted 5/11/2007
- Accepting Federal Emergency Management Agency Emergency Management Performance Grant for the Rochester Fire Department and Making a Supplemental Appropriation in Connection Therewith (\$43,549) – 5/01/2007
- Accepting Fire Department Donation from Iiene Munoz and Making a Supplemental Appropriation in Connection Therewith (\$200) – Adopted 07/18/2006
- Accepting Fire Department Equipment Grant to Purchase a Camcorder for Fire Department for Fire Investigation Purposes from Factory Mutual Insurance Company and Making a Supplemental Appropriation in Connection Therewith – Adopted 11/14/2006
- Accepting Grant to Rochester Police Department from LGC – Property –Liability Trust and Making Supplemental Appropriation in Connection Therewith – Adopted 5/01/2007
- Accepting Grant to the City of Rochester Police Department from the New Hampshire Charitable foundation Piscataqua Region – Adopted 5/01/2007
- Accepting Grant to the Department of Public Works for Remediation of Illicit Connection and Discharge into the Salmon Falls River and Making a Supplemental Appropriation in Connection Therewith – Adopted 9/05/2006
- Accepting Grant to the Rochester Police Department for OHRV Wheeled Vehicle Enforcement an Making a Supplemental Appropriation in Connection Therewith (\$3,375) – Adopted 9/05/2006
- Accepting Grant to the Rochester Police Department of a Justice Assistance Grant and Making a Supplemental Appropriation in Connection Therewith (\$12,101) – Adopted 12/5/06

- Accepting Healthy Safety Agency Grant to the Rochester Police Department and Making a Supplemental Appropriation in Connection Therewith (\$1,940.34) – Adopted 01/02/2007
- Accepting Highway Safety Agency Grant to the Rochester Police Department and Making a Supplemental Appropriation in Connection Therewith (\$2,700) – Adopted 01/02/2007
- Accepting Lupine Lane – Adopted 02/06/2007
- Accepting New Hampshire Homeland Security Grant and Making a Supplemental Appropriation in Connection Therewith (\$87,000) – Adopted 9/05/2006
- Accepting Northern Utilities Grant for the Rochester Riverwalk Project and Making a Supplemental Appropriation in Connection Therewith – Adopted 6/5/2007
- Accepting Pray Street and Stonewall Drive – 12/05/2006
- Accepting State of New Hampshire Department of Emergency Management Grant and Making a Supplemental Appropriation in Connection Therewith (14,091.44) – Adopted 3/06/2007
- Accepting State of New Hampshire Department of Environmental Services Grant and Making a Supplemental Appropriation in Connection Therewith (\$4,500) – Adopted 11/14/2006
- Accepting State of New Hampshire Department of Environmental Services Grant and Making a Supplemental Appropriation in Connection Therewith (15,000) – Adopted 2/6/2007
- Accepting Unanticipated Grants to the Rochester School Department and Making a Supplemental Appropriation in Connection Therewith (\$3,573,018.97) – Adopted 5/08/2007
- Amended Resolution Authorizing Purchase of Modular Units by the Rochester School Department and Appropriating Funds Therefore as Part of the 2007-2008 Capital Improvement Project Budget (\$350,000) – Adopted 05/22/2007
- Approving Cost Items Associated with Proposed City of Rochester collective Bargaining Agreement with Rochester IAFF – Adopted 5/01/2007
- Approving Cost Items Associated with Proposed Rochester School Department Collective Bargaining Agreement with the Rochester Federations of Teachers – Adopted 5/08/2007
- Approving Cost Items Associated with Proposed Rochester School Department Collective Bargaining Agreement with the Rochester Food Services Bargaining Unit – Adopted 05/08/2007
- Approving the 2007-2008 Community Development Budget – Adopted 04/17/2007
- Approving the 2007-2008 Operating Budget – Adopted 6/26/2007
- Authorizing and Approving 2007-2008 Capital Budget for the City of Rochester and Authorizing Certain Bonding in Connection Therewith – 6/19/2007
- Authorizing Application for Hazard Mitigation Grant (1) – Adopted 9/05/2006
- Authorizing Application for Hazard Mitigation Grant (2) – Adopted 6/19/2007
- Authorizing Change of Purpose for Expenditure of Capital Improvement Funds Drawn from the Proceeds of Bonding, and Making a Supplemental Appropriation in Connection Therewith – Adopted 6/05/2007

- Authorizing City Manager to Acquire and Accept Waterline Easement –Adopted 10/17/2006
- Authorizing City Manager to Enter a License with the University System of New Hampshire Relative to Use and Occupation of Certain Streets – Adopted 6/05/2007
- Authorizing City Manager to Enter into a Contract with Camp, Dresser, & McKee Relative Evaluation of Leachate Discharge to the Rochester Wastewater Treatment Plant, Authorizing such Evaluation Study, and Making a Supplemental Appropriation in Connection Therewith - Adopted 2/06/2007
- Authorizing City Manager to Enter into Agreement with China Palace Restaurant Owner(s) Regarding Construction of City Parking Lot – Adopted 06/12/2007
- Authorizing City Manager to Enter into Host Community Agreement with Waste Management of New Hampshire, Inc. – Adopted 5/08/2007
- Authorizing City Manager to Enter into Purchase and Sale Agreement with the State of New Hampshire to Acquire a Portion of the Former – Gonic Line Rail Road Right-of-Way and Making a Supplemental Appropriation in Connection Therewith – Adopted 11/14/2006
- Authorizing City Manager to Enter into Traffic Signal Maintenance Agreement with State of New Hampshire Department of Transportation Relative to Brock Street and Route 202 Intersection – Adopted 5/01/2007
- Authorizing City Manager to Execute A Conservation Easement Deed with the Strafford County Conservation District – Adopted 2/06/2007
- Authorizing City Manager to File Application for Local Source Water Protection Grant (\$615,000) – Adopted 08/01/2006
- Authorizing Discontinuance and Abandonment of a Portion of Gagne Street – Adopted 11/14/2006
- Authorizing Establishing of Directional Sign in Little Falls Bridge Right-of-way – Adopted 11/14/2006
- Authorizing Fire Department Application for Emergency Management Performance Grant (\$48,228.40) – Adopted 6/5/2007
- Authorizing Fire Department Application for Grant (\$87,089) – Accepted 8/01/2006
- Authorizing Fire Department Application for Grant (\$190,000) – Adopted 10/03/2006
- Authorizing Issuance of Building Permit on Goodwins Way Pursuant to RSA674: 41,I(c) – Accepted 8/01/2006
- Authorizing Police Department Application for JAG Grant – Adopted 6/05/07
- Authorizing Purchase of Modular Units by the Rochester School Department and Appropriating Funds Therefore as Part of the 2007-2008 Capital Improvement Project Budget – Adopted 5/08/2007
- Authorizing Supplemental Appropriation for Additional Dispatcher (\$44,000) – Adopted 10/03/2006
- Authorizing Supplemental Appropriation for South Main Street Project and Deauthorizing Various Previous Appropriations Made with Respect to Such Project – Adopted 2/20/2007
- Authorizing Supplemental Appropriations to the 2006 - 2007 Capital Budget of the City of Rochester for the Acquisition of a Conservation Easement (\$152,000) – Adopted 2/06/07

- Authorizing Supplemental Appropriation to the 2006-2007 Operating Budget of the Rochester School Department (\$175,953) – Adopted 5/22/2007
 - Authorizing Supplemental Appropriation to the Conservation Fund Pursuant to the Provisions of Section 11.21 (c) of the General Ordinance of the City Rochester – Adopted 6/12/2007
 - Authorizing Supplemental Appropriation to the Rochester Housing Authority for Workforce Housing and Affordable Housing Related Purposes (\$20,000) – Adopted 2/06/2007
 - Deauthorizing Capital Improvement Project Appropriation and Making a Supplemental Appropriation to the Rochester School Department – Adopted 10/17/2006
 - Establishing Polling Places and Times for the September 12, 2006 State Primary Election, and November 7, 2006 General Election – Adopted 8/01/2006
 - Establishing Tax Exemptions for the Solar and Wind Energy Systems in the city of Rochester – Adopted 12/05/2006
 - Prohibiting Smoking on Rochester Community Center Building and Grounds – Adopted 09/05/2006
 - Pursuant to RSA 31:105 to Indemnify City Employees, Board Members and Officers, ETS – Adopted 08/01/2006
 - Recommending to the Rochester Planning Board, Amendments to the Rochester Subdivision and Site Plan Review Regulations Relative to enforcement and Penalties – Adopted 5/01/2007
 - Relative to Washington Street/Strafford Square Reconstruction Project –Adopted 6/05/2007
 - Restrictive Parking on Gagne Street and Portions of River Street – Adopted 4/17/2007
- Transferring Funds Between Departments and Making Supplemental Appropriations in Connection Therewith – Adopted 8/01/2006

| |
|---|
| REPORT OF THE CODE ENFORCEMENT DEPARTMENT 2006- 2007 |
|---|

The Code Enforcement Department has been extremely active. As the population of the City of Rochester has grown to almost 32,000 residents, so does the responsibility of the department to enforce applicable rules and regulations of the City of Rochester. This office remains dedicated to this responsibility and will continue its program of proactive code enforcement ensuring the health and safety of the citizens of Rochester.

The total revenue collected by the Code Enforcement Department is categorized as follows:

| | |
|--|------------------------|
| Food Establishment Licenses | \$ 29,735.00 |
| Code Enforcement Permits | 4,795.00 |
| Building Permits | 981,681.92 |
| Miscellaneous Permits & Fees | 1,798.17 |
| TOTAL | \$1,018,010.09 |
| <hr style="border-top: 3px double #000;"/> | |
| Less Refunds, Waived Fees (Veteran & Municipal Status) | <15,696.00> |
| TOTAL | \$ 1,002,068.09 |

The total amount expended by the department was \$420,308.23

BUILDING INSPECTION

The major duties of the department include the administration of National Codes, the review and issuance of building permits, and the inspection of construction sites to ensure conformance of these codes; additionally enforce compliance of the Zoning Ordinance and Planning Board approvals.

A total of 2,483 permits were issued with an estimated building cost of \$112,817,871. With the combination of building, health, and miscellaneous inspections and activities, there were 7,615 inspections completed. Additionally there were 1,745 plans reviewed.

HEALTH

The major health related duties of the department continue to be the licensing and inspections of two hundred thirty two (232) of the City's food service establishments. We have worked closely with the owners and operators to ensure compliance with the

New Hampshire rules for the sanitary production and distribution of food. During the year each food establishment was inspected a minimum of two to three times. As a whole, Rochester's food establishments are in full compliance.

The department also performed inspections of day care and foster home facilities, investigated housing code complaints and responded to various health-related concerns for the citizens of Rochester.

The Board of Health comprised the following members:

Dr. Thomas Moon, D.V.M. - Chairman

John Larochelle, Mayor

Dr. Walter A Hoerman, M.D.

Mr. Larry A. Hamer, Health Officer – Secretary

Vacant

CODE ENFORCEMENT

Other general activities by the department include: Inspections and licensing of mobile home parks, licensing of movie theaters, pool tables, video games, all taxi (company, drivers, and cars), motor vehicle junk yards, second hand dealers, and hawkers & peddlers. The department has also investigated 111 citizen complaints and zoning infractions.

Respectfully submitted,

Larry A. Hamer
Director of Code
Enforcement Services

REPORT OF ECONOMIC DEVELOPMENT 2007

The Economic Development Department completed a very successful year of operations focused on Business Attraction, Retention and Expansion, Downtown Revitalization, Marketing, Fiscal Management and Administration and Establishing Economic Development Strategy and Policy. The year included success in every area, and contributing to the achievements of the year was expansion of the Administrative Assistant hours to full time from 20 per week. Samantha Rodgers was named employee of the month in December 2006 and was promoted to full time in Economic Development in July 2007.

The City's Downtown Revitalization plans experienced a significant advancement in the successful application to the New Hampshire Main Street Program. This formalizes the advisory relationship the state has given Rochester and increases our access to funding and technical assistance at the state and federal levels. The 501c3 Rochester Main Street program had a very successful pledge drive to raise the estimated \$100,000 annually from a combination of businesses and residents. The City has pledged \$35,000 annually and the program will provide bi-annual updates to the City Council. The Board of Directors hired Chip Noon, formerly of Pro Portsmouth, as the first full-time Executive Director and he started in March 2007. Having staff and the structured Main Street approach will increase the focus and effectiveness of downtown revitalization efforts. Several new downtown businesses opened or have expanded into larger spaces including the Jenny~Wren Gallery, Profile Bank, Lou's Pastry, Ben Franklin Crafts and Yo's Thai Cuisine. The China Palace, a downtown anchor, has reopened to much fanfare after a 100% remodel of both inside and out, and is now challenged by parking complications. Plans are underway for a new municipal parking area along Columbus Avenue to service the cluster of businesses in the area as well as supplement parking at the Commons, which is inadequate during events such as Concerts on the Commons and Veteran's ceremonies.

The Rochester Housing Authority has nearly completed construction on 65 units of workforce housing in tax-credit project called Linscott Court Apartments in the former Encore Shoe mill building. In addition to providing much needed workforce housing and increasing the tax base, it is anticipated the residents of this project will contribute to the economic vitality of the Downtown Business District and enjoy the restaurants, shopping and entertainment the city has to offer. New housing construction in the Seacoast Region has taken a downturn, although it has not had the same effect on Rochester that it has in other cities and states.

This has been a benchmark year for Business Attraction particularly in retail and commercial businesses, although strong in industrial as well. The Wilder Company of Boston has purchased the Flatley shopping center, now named Rochester Crossing and under construction at 329,000 sf. Anchored by Lowe's and Kohl's, this center plans to open in October 2007 with a phased opening schedule. Most of the buildings are under construction now, with the exception of the two national chain restaurants, which will

begin when leases are fully executed. The smaller Rochester Crossing East will be anchored by Staples and a 3,000 sf retail building and will be constructed in season 2008 for a fall grand opening.

Also under construction or already open are: Meineke Auto Center, Holiday Inn Express, Harley Davidson Shop of Rochester, Super Wal*Mart (largest in the state), Brooks Drugstore (now Rite Aid), Quiznos, Pizza Hut Bistro, Starbucks, Maurice's and Famous Footwear.

Plans for the Granite Ridge Development District have advanced, seeking future commercial growth in the city. CLD has been contracted to advance our initial build-out analysis done by Bruce Mayberry, and to add an engineering component to the concept of a loop and frontage road system. It is anticipated to have the results of their analysis of the physical area and estimates of associated costs in the next fiscal year. The Buxton Company of Fort Worth, TX will be providing a targeted Retail Analysis and will be assisting in the attraction of national retailers matching our "psychographic profile" or buying habits of the market area. Using this scientific approach we hope to more accurately use our resources to attract companies that will be desirable to our residents and that we will be attractive to them as well. We intend to use this information to fill gaps in existing centers such as Rochester Crossing, the Lilac Mall and Market Basket Plaza, as well as attract developer interest for the Granite Ridge Development District and the large parcels available.

Industry continues to find Rochester attractive and the city has had several new businesses move into town as well as some significant expansions from existing manufacturers. Northeastern Nonwovens has relocated from Utica, NY to the former Flextronics property on Milton Rd, joining Stonewall Kitchen's Warehouse and retail store and Thinking Machine, the computer training and solutions firm that expanded from it's downtown storefront. Newport Computers has set itself up for future success by taking 70,000 sf in the Spaulding Ave. Industrial Complex for the de-manufacture, restoration and recycling of computers and electronic components from their 20,000 sf location in Newfield, NH and have doubled their workforce. Measured Progress, Foster's Daily Democrat and others are occupying the former Cabletron Campus at Ten Rod Road and are ready to grow their businesses.

The City of Rochester sold Laars Heating Systems, also at Ten Rod Road, another 4.6 acre parcel for their expansion plans and Phase I is already nearing completion. Two other phases are in the planning stages, including an R&D facility for development of new products utilizing technology around energy efficiency. Eastern Propane has purchased 17 acres for future expansion adjacent to their Industrial Way facility. Albany International Techniweave has changed their name to Albany Engineered Composites and has nearly completed a 70,000 sf expansion of their facility on Airport Drive, and they intend to add 50 new employees in engineering and production. Also in Granite State Business Park, SpecTex, formerly Specialty Textiles, has purchased two lots for

future construction. Pete Amarosa is constructing an industrial condominium building targeting smaller users that are unable to find suitable space elsewhere. Industrial and warehouse vacancies remain extremely low, most remaining available space is classified as office.



Stonewall Kitchen

REPORT OF THE CITY FINANCE OFFICE
2006-2007

For the fiscal year ending June 30th, 2007 the City's fiscal health is excellent. Continued close monitoring of City accounts and fund balances will ensure future stability.

The following financial statements and auditor's report substantiates the fiscal health of the City.

As of June 30, 2006 the City returned sufficient funds to the General Fund to remain above the required 5% undesignated unreserved portion of fund balance. Subsequent to June 30, 2007, a portion of the fund balance was used to offset taxes.

Fiscal Year 2006-2007 was overall financially positive for the City of Rochester.

Respectfully submitted,

Brian G. LeBrun
Finance Director

EXHIBIT A
CITY OF ROCHESTER, NEW HAMPSHIRE
Statement of Net Assets
June 30, 2007

| | Primary Government | | |
|---|----------------------------|-----------------------------|-----------------------|
| | Governmental Activities | Business-type Activities | Total |
| ASSETS | | | |
| Current Assets: | | | |
| Cash and cash equivalents | \$ 6,792,109 | | \$ 6,792,109 |
| Investments | 13,669,176 | | 13,669,176 |
| Taxes receivable, net | 1,141,715 | | 1,141,715 |
| Accounts receivable, net | 851,012 | \$ 1,977,876 | 2,828,888 |
| Due from other governments | 1,914,615 | 4,370,911 | 6,285,526 |
| Internal balances | 4,792,754 | (4,792,754) | - |
| Prepaid expenses | 14,269 | 14,062 | 28,331 |
| Inventory | 22,972 | 242,083 | 265,055 |
| Tax deeded property | 122,279 | | 122,279 |
| Total Current Assets | <u>29,320,901</u> | <u>1,812,178</u> | <u>31,133,079</u> |
| Noncurrent Assets: | | | |
| Non-depreciable capital assets | 23,590,164 | 10,696,927 | 34,287,091 |
| Depreciable capital assets, net | 70,351,093 | 56,432,616 | 126,783,709 |
| Total Noncurrent Assets | <u>93,941,257</u> | <u>67,129,543</u> | <u>161,070,800</u> |
| Total Assets | <u>\$ 123,262,158</u> | <u>\$ 68,941,721</u> | <u>\$ 192,203,879</u> |
| LIABILITIES | | | |
| Current Liabilities: | | | |
| Accounts payable | \$ 2,177,117 | \$ 437,607 | \$ 2,614,724 |
| Accrued expenses | 4,689,833 | 854,652 | 5,544,485 |
| Retainage payable | 239,468 | 340,836 | 580,304 |
| Deposits | 877,542 | 1,732 | 879,274 |
| Deferred revenue | 15,360,920 | 25,000 | 15,385,920 |
| Deferred bond premium | 174,617 | | 174,617 |
| Current portion of bonds payable | 5,128,197 | 2,100,470 | 7,228,667 |
| Total Current Liabilities | <u>28,647,694</u> | <u>3,760,297</u> | <u>32,407,991</u> |
| Noncurrent Liabilities: | | | |
| Bonds payable | 39,268,245 | | 39,268,245 |
| Notes payable | | 23,347,275 | 23,347,275 |
| Compensated absences | 1,074,777 | | 1,074,777 |
| Total Noncurrent Liabilities | <u>40,343,022</u> | <u>23,347,275</u> | <u>63,690,297</u> |
| Total Liabilities | <u>68,990,716</u> | <u>27,107,572</u> | <u>96,098,288</u> |
| NET ASSETS | | | |
| Invested in capital assets, net of related debt | 49,544,816 | 41,681,798 | 91,226,614 |
| Restricted | (4,339,697) | | (4,339,697) |
| Unrestricted | 9,066,323 | 152,351 | 9,218,674 |
| Total Net Assets | <u>54,271,442</u> | <u>41,834,149</u> | <u>96,105,591</u> |
| Total Net Assets and Liabilities | <u>\$ 123,262,158</u> | <u>\$ 68,941,721</u> | <u>\$ 192,203,879</u> |

See accompanying notes to the basic financial statements

EXHIBIT B
CITY OF ROCHESTER, NEW HAMPSHIRE

Statement of Activities

For the Year Ended June 30, 2007

| Functions/Programs | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | |
|--------------------------------------|-------------------------|--|--|--|-----------------------------|
| | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Total | |
| | | | | Governmental Activities | Business-type Activities |
| | <u>Expenses</u> | | | | |
| Governmental Activities: | \$ 3,683,068 | \$ - | \$ - | \$ (3,632,170) | \$ (3,632,170) |
| General government | 10,114,816 | 450,278 | - | (9,281,883) | (9,281,883) |
| Public safety | 6,111,537 | 494,680 | - | (5,474,883) | (5,474,883) |
| Highways and streets | 651,960 | - | - | (651,960) | (651,960) |
| Health and welfare | 1,673,484 | 296,224 | - | (1,499,204) | (1,499,204) |
| Culture and recreation | 562,202 | - | - | (265,978) | (265,978) |
| Community development | 669,027 | - | - | (80,579) | (80,579) |
| Community services | 48,181,524 | 24,372,500 | - | (23,603,375) | (23,603,375) |
| Education | 1,573,505 | 716,045 | - | 22,452 | 22,452 |
| Food service | 318,172 | - | 1,028,801 | 710,629 | 710,629 |
| Capital outlay | 2,107,189 | - | - | (2,107,189) | (2,107,189) |
| Interest and fiscal charges | 4,653,881 | - | - | (4,653,881) | (4,653,881) |
| Intergovernmental | 80,300,365 | 26,329,727 | 1,028,801 | (50,518,021) | (50,518,021) |
| Total governmental activities | | | | \$ - | \$ - |
| Business-type activities: | | | | | |
| Sewer | 3,718,760 | 4,030,989 | - | 312,229 | 312,229 |
| Water | 2,587,943 | 2,940,026 | - | 352,083 | 352,083 |
| Arena | 435,583 | 405,312 | - | (30,271) | (30,271) |
| Total business-type activities | 6,742,286 | 7,376,327 | - | 634,041 | 634,041 |
| Total primary government | \$ 87,042,651 | \$ 26,329,727 | \$ 1,028,801 | (50,518,021) | (49,883,980) |
| General revenues: | | | | | |
| Property taxes | | | | 41,581,078 | 41,581,078 |
| Licenses and permits | | | | 5,217,895 | 5,217,895 |
| Intergovernmental revenue | | | | 1,718,520 | 1,718,520 |
| Interest and investment earnings | | | | 789,235 | 789,235 |
| Miscellaneous | | | | 3,637,170 | 3,637,170 |
| Capital contributions | | | | (152,500) | (152,500) |
| Transfers | | | | 52,791,398 | 52,791,398 |
| Total general revenues and transfers | | | | 801,481 | 801,481 |
| Change in net assets | | | | 2,273,377 | 3,708,899 |
| Net assets - beginning, as restated | | | | 51,998,065 | 40,398,627 |
| Net assets - ending | | | | \$ 54,271,442 | \$ 41,834,149 |

EXHIBIT C
CITY OF ROCHESTER, NEW HAMPSHIRE
Balance Sheet
Governmental Funds
June 30, 2007

| | General Fund | Capital Projects Fund | Other Governmental Funds | Total Governmental Funds |
|----------------------------|----------------------|-----------------------------|--------------------------------|--------------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 6,695,131 | | \$ 96,978 | \$ 6,792,109 |
| Investments | 13,615,838 | | 53,338 | 13,669,176 |
| Taxes receivable, net | 1,141,715 | | | 1,141,715 |
| Accounts receivable, net | 476,367 | | 374,645 | 851,012 |
| Due from other governments | | \$ 786,807 | 1,127,808 | 1,914,615 |
| Due from other funds | 11,325,110 | | 3,007,101 | 14,332,211 |
| Prepaid expenses | 13,540 | | 729 | 14,269 |
| Inventory | 6,875 | | 16,097 | 22,972 |
| Tax dedeed property | 122,279 | | | 122,279 |
| Total Assets | \$ 33,396,855 | \$ 786,807 | \$ 4,676,696 | \$ 38,860,358 |
| LIABILITIES | | | | |
| Accounts payable | \$ 1,623,660 | \$ 345,538 | \$ 207,919 | \$ 2,177,117 |
| Accrued expenses | 3,854,954 | | 13,091 | 3,868,045 |
| Retainage payable | | 239,468 | - | 239,468 |
| Deposits | 877,542 | | | 877,542 |
| Deferred revenue | 16,006,156 | 25,760 | 325,500 | 16,357,416 |
| Due to other funds | 3,026,762 | 5,403,718 | 1,108,977 | 9,539,457 |
| Total Liabilities | 25,389,074 | 6,014,484 | 1,655,487 | 33,059,045 |

| | | | | |
|--|----------------------|--------------------|---------------------|------------------|
| FUND BALANCES | | | | |
| Reserved for endowments | | | 40,047 | 40,047 |
| Reserved for prepaid expenses | 13,540 | | | 13,540 |
| Reserved for inventory | 6,875 | | 16,097 | 22,972 |
| Reserved for special purposes | 20,000 | | | 20,000 |
| Unreserved reported in: | | | | |
| General fund | 7,967,366 | | | 7,967,366 |
| Special revenue funds | | | 2,951,774 | 2,951,774 |
| Capital projects funds | | (5,227,677) | - | (5,227,677) |
| Permanent funds | | | 13,291 | 13,291 |
| Total Fund Balances | 8,007,781 | (5,227,677) | 3,021,209 | 5,801,313 |
| Total Liabilities and Fund Balances | \$ 33,396,855 | \$ 786,807 | \$ 4,676,696 | |

Amounts reported for governmental activities in the statement of net assets are different because:

| | |
|--|--------------|
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds | 93,941,257 |
| Property taxes are recognized on an accrual basis in the statement of net assets, not the modified accrual basis | 996,496 |
| Deferred debt expense is recognized on an accrual basis in the statement of net assets, not the modified accrual basis | (174,617) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities at year end consist of: | |
| Bonds payable | (44,396,442) |
| Compensated absences | (1,074,777) |
| Accrued interest on long-term obligations | (821,788) |

Net assets of governmental activities \$ 54,271,442

See accompanying notes to the basic financial statements

EXHIBIT E
CITY OF ROCHESTER, NEW HAMPSHIRE
Statement of Net Assets
Proprietary Funds
June 30, 2007

| | Business-type Activities | | | Totals |
|---|--------------------------|----------------------|---------------------|----------------------|
| | Sewer Fund | Water Fund | Arena Fund | |
| ASSETS | | | | |
| Current Assets: | | | | |
| Accounts receivable, net | \$ 1,073,562 | \$ 904,314 | | \$ 1,977,876 |
| Due from other governments | 4,366,674 | 4,237 | | 4,370,911 |
| Due from other funds | 7,114 | 7,000 | \$ 12,661 | 26,775 |
| Prepaid expenses | | 14,062 | | 14,062 |
| Inventory | | 242,083 | - | 242,083 |
| Total Current Assets | <u>5,447,350</u> | <u>1,171,696</u> | <u>12,661</u> | <u>6,631,707</u> |
| Noncurrent Assets: | | | | |
| Non-depreciable capital assets | 5,038,287 | 5,586,667 | 71,973 | 10,696,927 |
| Depreciable capital assets, net | <u>37,910,961</u> | <u>17,491,821</u> | <u>1,029,834</u> | <u>56,432,616</u> |
| Total Noncurrent Assets | <u>42,949,248</u> | <u>23,078,488</u> | <u>1,101,807</u> | <u>67,129,543</u> |
| Total Assets | <u>\$ 48,396,598</u> | <u>\$ 24,250,184</u> | <u>\$ 1,114,468</u> | <u>\$ 73,761,250</u> |
| LIABILITIES | | | | |
| Current Liabilities: | | | | |
| Accounts payable | \$ 222,946 | \$ 211,191 | \$ 3,470 | \$ 437,607 |
| Accrued expenses | 660,862 | 169,509 | 24,281 | 854,652 |
| Retainage payable | 181,755 | 159,081 | | 340,836 |
| Deferred revenue | | | 1,732 | 1,732 |
| Deposits | | 25,000 | | 25,000 |
| Due to other funds | 751,948 | 4,067,581 | | 4,819,529 |
| Current portion of notes payable | <u>1,620,408</u> | <u>422,827</u> | <u>57,235</u> | <u>2,100,470</u> |
| Total Current Liabilities | <u>3,437,919</u> | <u>5,055,189</u> | <u>86,718</u> | <u>8,579,826</u> |
| Noncurrent Liabilities: | | | | |
| Notes payable | <u>18,502,207</u> | <u>3,972,186</u> | <u>872,882</u> | <u>23,347,275</u> |
| Total Noncurrent Liabilities | <u>18,502,207</u> | <u>3,972,186</u> | <u>872,882</u> | <u>23,347,275</u> |
| Total Liabilities | <u>21,940,126</u> | <u>9,027,375</u> | <u>959,600</u> | <u>31,927,101</u> |
| NET ASSETS | | | | |
| Invested in capital assets, net of related debt | 22,826,633 | 18,683,475 | 171,690 | 41,681,798 |
| Unrestricted (Deficit) | <u>3,629,839</u> | <u>(3,460,666)</u> | <u>(16,822)</u> | <u>152,351</u> |
| Total Net Assets | <u>25,456,472</u> | <u>15,222,809</u> | <u>154,868</u> | <u>41,834,149</u> |
| Total Liabilities and Net Assets | <u>\$ 48,396,598</u> | <u>\$ 24,250,184</u> | <u>\$ 1,114,468</u> | <u>\$ 73,761,250</u> |

See accompanying notes to the basic financial statements

EXHIBIT F
CITY OF ROCHESTER, NEW HAMPSHIRE
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the Year Ended June 30, 2007

| | Business-type Activities | | | Totals |
|--|--------------------------|----------------------|-------------------|----------------------|
| | Sewer Fund | Water Fund | Arena Fund | |
| Operating revenues: | | | | |
| Charges for services | \$ 4,030,989 | \$ 2,940,026 | \$ 405,312 | \$ 7,376,327 |
| Miscellaneous | 7,287 | 20,754 | - | 28,041 |
| Total operating revenues | <u>4,038,276</u> | <u>2,960,780</u> | <u>405,312</u> | <u>7,404,368</u> |
| Operating expenses: | | | | |
| Personal services | 902,775 | 1,020,171 | 167,264 | 2,090,210 |
| Materials and supplies | 334,848 | 290,312 | 7,955 | 633,115 |
| Utilities | 501,413 | 108,846 | 88,096 | 698,355 |
| Depreciation | 934,440 | 735,825 | 44,420 | 1,714,685 |
| Miscellaneous | 262,400 | 295,069 | 84,642 | 642,111 |
| Total operating expenses | <u>2,935,876</u> | <u>2,450,223</u> | <u>392,377</u> | <u>5,778,476</u> |
| Operating income | <u>1,102,400</u> | <u>510,557</u> | <u>12,935</u> | <u>1,625,892</u> |
| Non-operating revenues (expenses): | | | | |
| Interest revenue | 186,797 | 15,223 | 1,250 | 203,270 |
| Interest expense | (782,884) | (137,720) | (43,206) | (963,810) |
| Net non-operating revenues (expenses) | <u>(596,087)</u> | <u>(122,497)</u> | <u>(41,956)</u> | <u>(760,540)</u> |
| Income (Loss) before contributions and transfers | 506,313 | 388,060 | (29,021) | 865,352 |
| Capital contributions | 191,232 | 226,438 | | 417,670 |
| Operating transfers in | | 152,500 | - | 152,500 |
| Change in net assets | 697,545 | 766,998 | (29,021) | 1,435,522 |
| Total net assets at beginning of year, as restated | <u>25,758,927</u> | <u>14,455,811</u> | <u>183,889</u> | <u>40,398,627</u> |
| Total net assets at end of year | <u>\$ 26,456,472</u> | <u>\$ 15,222,809</u> | <u>\$ 154,868</u> | <u>\$ 41,834,149</u> |

See accompanying notes to the basic financial statements

EXHIBIT G
CITY OF ROCHESTER, NEW HAMPSHIRE
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2007

| | Business-type Activities | | | Totals |
|---|--------------------------|-----------------------|------------------|-----------------------|
| | Sewer Fund | Water Fund | Arena Fund | |
| Cash flows from operating activities: | | | | |
| Cash received from customers | \$ 4,441,297 | \$ 2,957,419 | \$ 405,312 | \$ 7,804,028 |
| Cash paid to suppliers and employees | (1,885,842) | (1,610,632) | (351,940) | (3,848,414) |
| Net cash provided by operating activities | <u>2,555,455</u> | <u>1,346,787</u> | <u>53,372</u> | <u>3,955,614</u> |
| Cash Flows from Noncapital Financing Activities | | | | |
| Transfer from other funds | | 152,500 | | 152,500 |
| Net cash provided by noncapital financing activities | <u>-</u> | <u>152,500</u> | <u>-</u> | <u>152,500</u> |
| Cash flows from capital and related financing activities: | | | | |
| Purchases of capital assets | (1,364,698) | (3,813,021) | | (5,177,719) |
| Proceeds of note payable | 396,954 | 1,036,386 | | 1,433,340 |
| Principal paid on note payable | (1,614,313) | (1,555,252) | (57,236) | (3,226,801) |
| Interest paid on note payable | (837,759) | (146,918) | (44,151) | (1,028,828) |
| Capital contributions | 191,232 | 215,698 | - | 406,930 |
| Net cash used for capital and related financing activities | <u>(3,228,584)</u> | <u>(4,263,107)</u> | <u>(101,387)</u> | <u>(7,593,078)</u> |
| Cash flows from investing activities: | | | | |
| Interest on investments | 186,797 | 15,223 | 1,250 | 203,270 |
| Net cash provided by investing activities | <u>186,797</u> | <u>15,223</u> | <u>1,250</u> | <u>203,270</u> |
| Net (decrease) in cash and cash equivalents | (486,332) | (2,748,597) | (46,765) | (3,281,694) |
| Cash and cash equivalents (deficiency) at beginning of year | (258,502) | (1,311,984) | 59,426 | (1,511,060) |
| Cash and cash equivalents (deficiency) at end of year | <u>\$ (744,834)</u> | <u>\$ (4,060,581)</u> | <u>\$ 12,661</u> | <u>\$ (4,792,754)</u> |
| Reconciliation of operating income to net cash provided by operating activities: | | | | |
| Operating income | \$ 1,102,400 | \$ 510,557 | \$ 12,935 | \$ 1,625,892 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | |
| Depreciation expense | | | | |
| | 934,440 | 735,825 | 44,420 | 1,714,685 |
| Changes in assets and liabilities: | | | | |
| Accounts receivable, net | (114,012) | (49,801) | - | (163,813) |
| Due from other governments | 517,033 | 46,440 | | 563,473 |
| Prepaid expenses | - | (269) | - | (269) |
| Inventory | | (37,717) | | (37,717) |
| Accounts payable | 115,107 | 123,582 | (559) | 238,130 |
| Accrued expenses | 487 | (1,830) | (3,424) | (4,767) |
| Deposits | | 20,000 | | 20,000 |
| Net cash provided by operating activities | <u>\$ 2,555,455</u> | <u>\$ 1,346,787</u> | <u>\$ 53,372</u> | <u>\$ 3,955,614</u> |

See accompanying notes to the basic financial statements

CITY OF ROCHESTER, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2007

Investment in NHPDIP

The City is a voluntary participant in the New Hampshire Public Deposit Investment Pool (NHPDIP). The NHPDIP is not registered with the United States Securities and Exchange Commission as an investment company.

The NHPDIP was created by state law and is administered by a public body of state, local and banking officials.

Investments in the NHPDIP are not investment securities and, as such, are not categorized by risk. The City's exposure to derivatives is indirect through its participation in the NHPDIP. The City's proportional share of these derivatives is not available. The fair value of the position in the investment pool is equal to the value of the pool shares.

NOTE 6—DUE FROM OTHER GOVERNMENTS

Receivables from other governments at June 30, 2007 consist of various federal and state reimbursement receivables. All receivables are considered collectible in full and will be received within one year. A summary of the principal items of intergovernmental receivables is as follows:

| | | |
|---|----|------------------|
| State of New Hampshire - Bridge Aid | \$ | 148,749 |
| State of New Hampshire | | 642,098 |
| Police grants | | 55,016 |
| Homeland Security grant | | 5,428 |
| Food service reimbursement | | 45,373 |
| State and federal school grant reimbursements | | 1,021,991 |
| EPA grant | | 185,284 |
| State filtration grant | | 197 |
| State revolving loan funds - Sewer | | 157,610 |
| Sewer state aid grant reimbursement | | <u>4,023,780</u> |
| | \$ | <u>6,285,526</u> |

NOTE 7—CAPITAL ASSETS AND DEPRECIATION

The following is a summary of changes in capital assets in the governmental funds:

| | Balance 7/1/2006 | Additions | Reductions | Balance 6/30/2007 |
|--|---------------------|-------------------|----------------------|----------------------|
| Governmental activities: | | | | |
| Capital asset not depreciated: | | | | |
| Land | \$ 6,740,576 | \$ 12,524 | | \$ 6,753,100 |
| Construction in process | <u>10,517,425</u> | <u>10,229,624</u> | <u>\$(3,909,985)</u> | <u>16,837,064</u> |
| Total capital assets not being depreciated | <u>17,258,001</u> | <u>10,242,148</u> | <u>(3,909,985)</u> | <u>23,590,164</u> |

CITY OF ROCHESTER, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2007

| | | | |
|---|----------------------|---------------------|---------------------------------------|
| Other capital assets: | | | |
| Infrastructure | 112,924,739 | 2,119,995 | 115,044,734 |
| Land improvements | 3,833,542 | 455,226 | 4,288,768 |
| Buildings and improvements | 48,945,136 | 457,728 | 49,402,864 |
| Vehicles and equipment | 9,620,846 | 887,840 | 9,955,921 |
| Total other capital assets at historical cost | <u>175,324,263</u> | <u>3,920,789</u> | <u>(552,765)</u> 178,692,287 |
| Less accumulated depreciation for: | | | |
| Infrastructure | (79,507,046) | (3,536,355) | (83,043,401) |
| Land improvements | (1,887,211) | (185,639) | (2,072,850) |
| Buildings and improvements | (16,120,980) | (938,385) | (17,059,365) |
| Vehicles and equipment | (6,028,395) | (678,281) | 541,098 (6,165,578) |
| Total accumulated depreciation | <u>(103,543,632)</u> | <u>(5,338,660)</u> | <u>541,098</u> (108,341,194) |
| Total other capital assets, net | <u>71,780,631</u> | <u>(1,417,871)</u> | <u>(11,667)</u> 70,351,093 |
| Total capital assets, net | <u>\$ 89,038,632</u> | <u>\$ 8,824,277</u> | <u>\$(3,921,652)</u> \$ 93,941,257 |

Depreciation was charged to functions as follows:

| | |
|--|---------------------|
| General government | \$ 274,375 |
| Public safety | 324,202 |
| Highways and streets | 3,742,529 |
| Culture and recreation | 72,048 |
| Community services | 13,705 |
| Education | 906,609 |
| Food service | 5,192 |
| Total governmental activities depreciation expense | <u>\$ 5,338,660</u> |

The following is a summary of changes in capital assets in the proprietary funds:

| | Balance 7/1/2006 | Additions | Reductions | Balance 6/30/2007 |
|---|---------------------|------------------|--------------------|----------------------|
| Business-type activities: | | | | |
| Capital asset not depreciated: | | | | |
| Land | \$ 2,187,830 | \$ 466,000 | | \$ 2,653,830 |
| Construction in process | 4,777,817 | 4,971,590 | \$(1,706,310) | 8,043,097 |
| Total capital assets not being depreciated | <u>6,965,647</u> | <u>5,437,590</u> | <u>(1,706,310)</u> | <u>10,696,927</u> |
| Other capital assets: | | | | |
| Land improvements | 33,600 | 20,000 | | 53,600 |
| Infrastructure | 32,644,303 | 1,166,127 | | 33,810,430 |
| Buildings and improvements | 43,360,772 | - | | 43,360,772 |
| Vehicles and equipment | 3,648,904 | 266,332 | | 3,915,236 |
| Total other capital assets at historical cost | <u>79,687,579</u> | <u>1,452,459</u> | <u>-</u> | <u>81,140,038</u> |

CITY OF ROCHESTER, NEW HAMPSHIRE
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 For the Year Ended June 30, 2007

Less accumulated depreciation for:

| | | | |
|---------------------------------|----------------------|---------------------|-----------------------|
| Land improvements | (33,600) | (1,000) | (34,600) |
| Infrastructure | (9,326,647) | (613,908) | (9,940,555) |
| Buildings and improvements | (11,719,493) | (885,929) | (12,605,422) |
| Vehicles and equipment | (1,912,997) | (213,848) | (2,126,845) |
| Total accumulated depreciation | (22,992,737) | (1,714,685) | (24,707,422) |
| Total other capital assets, net | 56,694,842 | (262,226) | 56,432,616 |
| Total capital assets, net | <u>\$ 63,660,489</u> | <u>\$ 5,175,364</u> | <u>\$ (1,706,310)</u> |

Depreciation was charged to proprietary funds as follows:

| | |
|---|---------------------|
| Sewer fund | \$ 934,440 |
| Water fund | 735,825 |
| Arena fund | 44,420 |
| Total business-type activities depreciation expense | <u>\$ 1,714,685</u> |

NOTE 8—DEFINED BENEFIT PENSION PLAN

Plan Description

The City contributes to the New Hampshire Retirement System (NHRS), a cost-sharing, multiple-employer, defined benefit pension plan administrated by the NHRS Board of Trustees. The plan provides service, disability, death and vested retirement allowances to plan members and beneficiaries. Benefit provisions are established and may be amended by the New Hampshire State legislature. The NHRS issues a publicly available financial report that includes financial statements and required supplementary information for NHRS. That report can be obtained by writing to New Hampshire Retirement System at 4 Chenell Drive, Concord, New Hampshire 03301-8509.

Funding Policy

Covered public safety employees are required to contribute 9.3% of their covered salary, whereas teachers and general employees are required to contribute 5.0% of their covered salary. The City is required to contribute at an actuarially determined rate. The City's contribution rates for the covered payroll of police officers, fire employees, teachers, and general employees were 9.68%, 14.36%, 3.70%, and 6.81%, respectively. The City contributes 65% of the employer cost for police officers, fire employees, and teachers, and the State of New Hampshire contributes the remaining 35% of the employer cost. The City contributes 100% of the employer cost for general employees. In accordance with accounting principles generally accepted in the United States of America (GASB #24), on-behalf fringe benefits contributed by the State of New Hampshire of \$758,858 have been reported as a revenue and expenditure of the General Fund in these financial statements.

Under State law (RSA-100:16), plan member contribution rates are established and may be amended by the New Hampshire State legislature and employer contribution rates are determined by the NHRS Board of Trustees based on an actuarial valuation. The City's contributions to the NHRS for the years ending June 30, 2007, 2006 and 2005 were \$2,039,729, \$1,953,476, and \$1,497,738, respectively, equal to the required contributions for each year.

CITY OF ROCHESTER, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2007

NOTE 9--GENERAL DEBT OBLIGATIONS

General Long-term Obligations

The changes in the City's long-term debt obligations for the year ended June 30, 2007 are as follows:

| | Balance 7/1/2006 | Additions | Reductions | Balance 6/30/2007 | Due Within One Year |
|--------------------------------|----------------------|---------------------|-----------------------|----------------------|------------------------|
| Governmental activities: | | | | | |
| Bonds payable | \$ 49,540,167 | | \$ (5,143,725) | \$ 44,396,442 | \$ 5,128,197 |
| Compensated absences | 967,116 | \$ 408,770 | (301,109) | 1,074,777 | - |
| Total governmental activities | <u>\$ 50,507,283</u> | <u>\$ 408,770</u> | <u>\$ (5,444,834)</u> | <u>\$ 45,471,219</u> | <u>\$ 5,128,197</u> |
| Business-type activities: | | | | | |
| Bonds/Notes payable | \$ 27,094,336 | \$ 1,590,950 | \$ (3,237,541) | \$ 25,447,745 | \$ 2,100,470 |
| Total business-type activities | <u>\$ 27,094,336</u> | <u>\$ 1,590,950</u> | <u>\$ (3,237,541)</u> | <u>\$ 25,447,745</u> | <u>\$ 2,100,470</u> |

Governmental Activities

Bonds payable at June 30, 2007 are comprised of the following individual issues:

| | Original Issue Amount | Interest Rate | Final Maturity Date | Balance at 6/30/07 |
|------------------------------------|-----------------------------|------------------|---------------------------|--------------------------|
| Capital bond issue #5 | \$ 4,605,250 | variable | October 2007 | \$ 247,975 |
| 1991 NHMBB | 5,484,100 | 6.80% | December 2010 | 1,096,820 |
| 1991 NHMBB | 13,031,515 | 6.80% | January 2011 | 2,290,000 |
| 1992 Series D bonds | 1,194,500 | variable | January 2013 | 360,000 |
| Refinancing bonds 1994 | 6,259,500 | variable | November 2009 | 1,472,405 |
| 1995 Series bond issue | 2,440,000 | variable | August 2015 | 1,080,000 |
| 1996 Series bond issue | 1,197,000 | variable | August 2016 | 590,000 |
| 1997 Series bond issue | 1,320,000 | variable | August 2017 | 715,000 |
| 1998 Series A | 1,779,000 | variable | August 2018 | 965,881 |
| 2000 Series bond issue | 12,084,500 | variable | August 2020 | 5,189,645 |
| 2002 Series bond issue | 6,383,000 | variable | August 2022 | 5,083,000 |
| 2004 Series bond issue | 11,169,735 | variable | July 2024 | 9,660,000 |
| 2005 Series bond issue - 20 year | 3,724,700 | variable | January 2026 | 3,525,000 |
| 2005 Series bond issue - 15 year | 285,000 | variable | January 2021 | 265,000 |
| 2005 Series bond issue - 10 year | 2,144,568 | variable | January 2016 | 1,920,000 |
| 2005 Series bond issue - Honeywell | 9,611,575 | variable | January 2016 | 8,645,000 |
| 2005 QZAB | <u>1,382,910</u> | 0% | December 2020 | <u>1,290,716</u> |
| Totals | <u>\$ 66,948,100</u> | | | <u>\$ 44,396,442</u> |

Debt service requirements to retire general obligation bonds outstanding at June 30, 2007 are as follows:

CITY OF ROCHESTER, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2007

| Year Ending June 30 | Principal | Interest | Total |
|------------------------|----------------------|----------------------|----------------------|
| 2008 | \$ 5,128,197 | \$ 1,955,157 | \$ 7,083,354 |
| 2009 | 4,859,317 | 1,722,461 | 6,581,778 |
| 2010 | 4,562,838 | 1,490,906 | 6,053,744 |
| 2011 | 4,240,641 | 1,283,730 | 5,524,371 |
| 2012 | 3,251,257 | 1,096,355 | 4,347,612 |
| 2013-2017 | 13,916,286 | 3,421,817 | 17,338,103 |
| 2018-2022 | 6,314,906 | 1,173,330 | 7,488,236 |
| 2023-2026 | 2,123,000 | 164,234 | 2,287,234 |
| Total | <u>\$ 44,396,442</u> | <u>\$ 12,307,990</u> | <u>\$ 56,704,432</u> |

Business-type Activities

Bonds payable at June 30, 2007 are comprised of the following individual issues:

| | Issue Amount | Interest Rate | Maturity Date | Balance at 6/30/07 |
|--------------------------------|----------------------|------------------|------------------|--------------------------|
| Capital bond issue #5 | \$ 3,388,450 | variable | October 2007 | \$ 207,025 |
| 1991 NHMBB | 615,900 | 6.80% | January 2011 | 123,180 |
| 1992 Series D bonds | 405,500 | variable | January 2013 | 120,000 |
| Refinancing bonds 1994 | 13,240,500 | variable | November 2009 | 837,595 |
| 1996 Series bond issue | 280,000 | variable | August 2016 | 140,000 |
| 1998 Series A | 871,000 | variable | August 2018 | 604,119 |
| 2000 Series bond issue | 1,772,000 | variable | August 2020 | 1,144,855 |
| 2002 Series bond issue | 2,253,000 | variable | August 2022 | 1,773,000 |
| 2002 State Revolving loan fund | 19,036,378 | variable | August 2020 | 13,462,794 |
| 2004 Series bond issue | 2,181,000 | variable | July 2024 | 1,955,000 |
| 2005 Series bond issue | 261,015 | variable | January 2026 | 245,000 |
| 2005 State Revolving loan fund | 716,020 | variable | January 2015 | 572,816 |
| 2006 State Revolving loan fund | 879,685 | variable | August 2025 | 835,701 |
| Totals | <u>\$ 45,900,448</u> | | | <u>\$ 22,021,085</u> |

Debt service requirements to retire general obligation bonds outstanding, net of principal forgiveness from the State of New Hampshire to be forgiven over a period of 10 years from the start of the individual State Revolving Loan Funds of \$85,923 at June 30, 2007 are as follows:

CITY OF ROCHESTER, NEW HAMPSHIRE
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 For the Year Ended June 30, 2007

NOTE 10--INTERFUND BALANCES

The City has combined the cash resources of its governmental and proprietary fund types. For accounting and reporting purposes, that portion of the pooled cash balance is reposted in the specific finds as an interfund balance. Interfund balances at June 30, 2007 are as follows:

| | Due from | | | | | Totals |
|-----------------------------|---------------------|-----------------------------|-----------------------|-------------------|---------------------|----------------------|
| | General Fund | Nonmajor Governmental Funds | Capital Projects Fund | Sewer Fund | Water Fund | |
| General Fund | | \$ 1,108,977 | \$ 5,403,718 | \$ 751,948 | \$ 4,060,467 | \$ 11,325,110 |
| Nonmajor Governmental Funds | \$ 3,007,101 | | | | | 3,007,101 |
| Water Fund | 7,000 | | | | | 7,000 |
| Sewer Fund | | | | | 7,114 | 7,114 |
| Arena Fund | 12,661 | | | | | 12,661 |
| | <u>\$ 3,026,762</u> | <u>\$ 1,108,977</u> | <u>\$ 5,403,718</u> | <u>\$ 751,948</u> | <u>\$ 4,067,581</u> | <u>\$ 14,358,986</u> |

NOTE 11--INTERFUND TRANSFERS

During the year, several interfund transactions occurred between funds. The various operating transfers were made in accordance with budgetary authorizations. Interfund transfers for the year ended June 30, 2007 are as follows:

| | Transfer from | | | Totals |
|-----------------------------|-------------------|-----------------------|-----------------------------|---------------------|
| | General Fund | Capital Projects Fund | Nonmajor Governmental Funds | |
| General Fund | | \$ 340,024 | | \$ 340,024 |
| Capital Projects Fund | \$ 433,412 | | \$ 69,470 | 502,882 |
| Nonmajor Governmental Funds | 139,826 | 68,210 | | 208,036 |
| Water Fund | | | 152,500 | 152,500 |
| | <u>\$ 573,238</u> | <u>\$ 408,234</u> | <u>\$ 221,970</u> | <u>\$ 1,203,442</u> |

NOTE 12--RESTRICTED NET ASSETS

Net assets are restricted for specific purposes as follows:

| | |
|-------------------------|-------------------------|
| Endowments | Governmental Activities |
| Conservation Commission | \$ 40,047 |
| Capital Projects | 847,933 |
| | <u>(5,227,677)</u> |
| | <u>\$ (4,339,697)</u> |

SCHEDULE 1

CITY OF ROCHESTER, NEW HAMPSHIRE

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual (Budgetary Basis) - General Fund

For the Year Ended June 30, 2007

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Favorable (Unfavorable) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 40,923,403 | \$ 40,979,519 | \$ 41,581,078 | \$ 601,559 |
| Licenses and permits | 4,820,450 | 4,820,450 | 5,217,895 | 397,445 |
| Intergovernmental | 22,217,566 | 22,217,566 | 22,215,465 | (2,101) |
| Charges for services | 587,116 | 631,316 | 748,035 | 116,719 |
| Interest income | 525,000 | 525,000 | 785,469 | 260,469 |
| Miscellaneous | 2,728,412 | 2,728,412 | 2,848,694 | 120,282 |
| Total Revenues | <u>71,801,947</u> | <u>71,902,263</u> | <u>73,396,636</u> | <u>1,494,373</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 3,741,192 | 3,705,942 | 3,387,378 | 318,564 |
| Public safety | 9,278,816 | 9,358,016 | 9,312,565 | 45,451 |
| Highways and streets | 2,466,378 | 2,466,378 | 2,358,739 | 107,639 |
| Health and welfare | 843,330 | 843,330 | 651,994 | 191,336 |
| Culture and recreation | 1,566,245 | 1,566,495 | 1,570,237 | (3,742) |
| Community development | 102,555 | 102,555 | 104,494 | (1,939) |
| Education | 42,797,379 | 42,797,379 | 42,606,280 | 191,099 |
| Debt service: | | | | |
| Principal retirement | 5,143,725 | 5,143,725 | 5,143,725 | - |
| Interest and fiscal charges | 2,290,967 | 2,290,967 | 2,289,026 | 1,941 |
| Intergovernmental | 4,653,881 | 4,653,881 | 4,653,881 | - |
| Total Expenditures | <u>72,884,468</u> | <u>72,928,668</u> | <u>72,078,319</u> | <u>850,349</u> |
| Excess revenues over (under) expenditures | <u>(1,082,521)</u> | <u>(1,026,405)</u> | <u>1,318,317</u> | <u>2,344,722</u> |
| Other financing uses: | | | | |
| Operating transfers in | 340,024 | 340,024 | 340,024 | - |
| Operating transfers out | (483,416) | (539,532) | (573,238) | (33,706) |
| Total other financing uses | <u>(143,392)</u> | <u>(199,508)</u> | <u>(233,214)</u> | <u>(33,706)</u> |
| Excess revenues over (under) expenditures and other uses | <u>(1,225,913)</u> | <u>(1,225,913)</u> | <u>1,085,103</u> | <u>2,311,016</u> |
| Fund balances at beginning of year | | | | |
| - Budgetary Basis | <u>7,919,174</u> | <u>7,919,174</u> | <u>7,919,174</u> | <u>-</u> |
| Fund balances at end of year | | | | |
| - Budgetary Basis | <u>\$ 6,693,261</u> | <u>\$ 6,693,261</u> | <u>\$ 9,004,277</u> | <u>\$ 2,311,016</u> |

See accompanying notes to the required supplementary information

| |
|--|
| <p style="text-align: center;">REPORT OF THE FIRE DEPARTMENT 2006-2007</p> |
|--|

The primary mission of the Rochester Fire Department is to provide a range of programs designed to protect and maintain the quality of life within the City of Rochester through Fire Prevention, Fire Suppression and Rescue activities.

ORGANIZATION

The City of Rochester Fire Department is a 78-member “combination” organization providing fire, rescue, and public assistance services to the Rochester, East Rochester and Gonic sections of this community.

The department serves a community with an estimated population of 32,000 residents in a 49.2 square mile area from two fire stations which are covered 24/7.

The Chief of the Fire Department reports to the Rochester City Manager under the City Manager form of government.

On behalf of all the members of the Rochester Fire Department, it is with great pride that we present this annual report for the fiscal year covering July 1, 2006 through June 30, 2007.

The Rochester Fire Department continues to provide a high level of service for a community that is rapidly growing. Our relationship with this community is built on trust, respect and history. This annual report is yet another example of our dedication and is a direct reflection of our personal involvement, sense of pride and belonging to the service area. Our committed firefighters care about the service that we as an organization provide the community.

The increased demand for service is a daily challenge. We continue our emphasis on being proactive by providing programs that assist the community to prevent and minimize fire and safety concerns through continued Fire Prevention efforts and public fire and life safety education programs. The Fire Prevention office continues to work on fire code compliance and also working with the citizens of Rochester to give them a better understanding of the fire code issues.

Increasing the City of Rochester’s preparedness for large-scale emergencies has been a focus throughout the year. Work is continuing in areas such as shelter capabilities, development of a comprehensive All Hazards Plan, interoperable communications and Public Health.

During this period, our department responded to 11 serious building fires, which required the entire department to be called back to duty. Four of the fires required multiple alarms, with many departments providing mutual aid.



Photographed by Craig Osborne

Again this year the department experienced events that have truly been out of the ordinary. In April we had a large fire at a vacant 4-½-story mill building in East Rochester. The City also experienced a large spring snowstorm, which caused major power outages throughout the community. In April the City experienced another round of severe flooding, which caused major infrastructure damage to roads and bridges. This incident also caused damage to many homes and businesses. The department continues to see an increase for emergency calls.

The critical factor in any fire department's emergency calls for service is the firefighters and fire officers. They will be the first contact the citizens will have at an emergency call. What they do and how they perform will be what is remembered. We are very fortunate to have a dedicated, caring staff at all levels of the department who deliver outstanding service.

I would like to recognize the men and women of the Rochester Fire Department for their dedication, hard work and strong commitment to our community. The firefighters and fire officers continue to meet the challenges of a changing fire service. Whether you look at the changing faces of the fire department, equipment changes or changes in service, you will see that the Rochester Fire Department is making significant strides to keep pace with the changing world.

I would like to extend my thanks to Ron Lachapelle, our Department Chaplin, and Craig Osborne, our Department Photographer for their contributions to the department and the community. I also would like to thank the other City Departments, boards and committees who are part of making this department successful in completing its mission.

My thanks also go out to the Mayor, City Council and City Manager for their continued support of the Fire Department. With their support we continue to be an outstanding organization, which is well respected throughout the community.

Respectfully submitted,

Norman Sanborn, Jr.
Chief of Department



Fire Chief Norman Sanborn

Photographed by Craig Osborne

FIRE DEPARTMENT RESPONSE ACTIVITY

| EMERGENCY RESPONSE CALLS | FY 07 |
|--|----------|
| Fire, other | 7 |
| Building Fire | 21 |
| Cooking fire, confined to container | 4 |
| Chimney fire | 5 |
| Fuel burner/boiler malfunction | 10 |
| Trash or rubbish fire | 3 |
| Fire in mobile home | 4 |
| Mobile property (vehicle) fire, other | 2 |
| Passenger vehicle fire | 12 |
| Brush fire | 29 |
| Outside rubbish fire | 1 |
| Outside rubbish, trash or waste fire | 3 |
| Dumpster or other outside trash receptacle fire | 2 |
| Special outside fire | 5 |
| Steam rupture of pressure or process vessel | 1 |
| Explosion (no fire), other | 3 |
| Medical assist, assist EMS crew | 199 |
| Emergency medical service, other | 1 |
| EMS call, excluding vehicle accident with injury | 27 |
| Vehicle accident with injuries | 125 |
| Motor vehicle/pedestrian accident | 14 |
| Motor vehicle accident with no injuries | 143 |
| Lock-in | 1 |
| Search for person/other | 2 |
| Extrication of victim from vehicle | 4 |
| Extrication, rescue, other | 4 |
| Removal of victim(s) from stalled elevator | 6 |
| High Angle Rescue | 1 |
| Water & ice related rescue | 1 |
| Rescue or EMS standby | 1 |
| Hazardous condition | 87 |
| Gasoline or other flammable liquid spill | 32 |
| Gas leak (natural gas or LPG) | 28 |
| Oil spill | 10 |
| Chemical spill, leak, hazard | 3 |
| Carbon monoxide incident | 17 |
| Electrical wiring/equipment problem | 13 |

| | |
|--|-----|
| Heat from short circuit (wiring), defective/worn | 3 |
| Power line down | 111 |
| Arching, shorted electrical equipment | 29 |
| Accident, potential accident | 5 |
| Building or structure weakened or collapsed | 1 |
| Aircraft standby | 1 |
| Vehicle accident, general cleanup | 133 |
| Attempted burning, illegal action, other | 1 |
| Service call | 49 |
| Person in distress | 2 |
| Lockout | 39 |
| Water problem | 52 |
| Water evacuation | 11 |
| Water or steam leak | 14 |
| Smoke or odor removal | 3 |
| Animal rescue | 10 |
| Public service assistance | 2 |
| Assist police | 13 |
| Police matter | 1 |
| Public service | 2 |
| Assist invalid | 7 |
| Unauthorized burning | 47 |
| Cover assignment | 47 |
| Good intent calls | 96 |
| Wrong location | 1 |
| No incident found on arrival at dispatch address | 35 |
| Authorized controlled burning | 14 |
| Smoke scare, odor of smoke | 56 |
| Steam, vapor, fog or dust thought to be smoke | 2 |
| EMS call, party transported by non-fire agency | 2 |
| False alarm or false call | 4 |
| Malicious, mischievous false call | 1 |
| Municipal alarm system, malicious false alarm | 2 |
| Bomb scare – no bomb | 2 |
| System malfunction | 11 |
| Sprinkler activation-no fire-malfunction | 9 |
| Smoke detector activation due to malfunction | 35 |
| Alarm system sounded due to malfunction | 149 |
| CO detector activation due to malfunction | 8 |
| Unintentional transmission of alarm, other | 5 |
| Sprinkler activation, no fire-unintentional | 1 |
| Smoke detector activation, no fire-unintentional | 32 |
| Alarm system sounded, no fire, unintentional | 96 |
| Carbon monoxide detector activation, no CO | 21 |
| Flood assessment | 32 |
| Lightening strike-no fire | 3 |

| | |
|---------------------------------|---|
| Special type of incident, other | 1 |
| Citizen complaint | 2 |
| Special type of incident, other | 1 |

TOTAL **2038**

NON-EMERGENCY ACTIVITY **FY '07**

| | |
|----------------------------------|------------|
| Building inspection | 202 |
| Certificate of Occupancy | 42 |
| Campfire Inspections | 54 |
| Commercial Hood Inspection | 14 |
| Day Care Inspections | 14 |
| Fire Alarm System Tests | 33 |
| Fire Drills | 63 |
| Fire Extinguisher Classes | 13 |
| Fire Investigations | 17 |
| Fire Prevention Education | 25 |
| Foster Home Inspections | 16 |
| Juvenile Firesetter Intervention | 6 |
| Knox Box Inspections | 38 |
| Meetings | 56 |
| Permits of Assembly | 53 |
| Plan Reviews | 87 |
| Pre-construction Meetings | 27 |
| Shift Building Inspections | 16 |
| Site Reviews | 24 |
| Sprinkler Flow Tests | 27 |
| Training Sessions | 227 |
| Walk-through Inspections | 189 |
| Wood Stove Inspections | 34 |

TOTAL **1277**

The City of Rochester and the Northern Strafford County Health and Safety Council (NSCHSC) celebrated its fourth year of public health partnership in 2007.

Emergency Management Director and Fire Chief, Norman Sanborn continued as the board representative. His perspective and commitment to improve the health and well being of Rochester residents has been a tremendous asset to the board. We look forward to our continued partnership in 2008.

2007 was a busy year for the organization in the areas of planning and programs. We were able to access additional funding and add staff to enhance the public health capacity of the region. The following is a summary of 2007 programs:

Emergency Preparedness and Planning

- The City of Rochester was one of three New Hampshire communities selected to participate in a multi-city Center for Disease Control (CDC) statewide exercise on April 13th and 14th, which tested our capacity to distribute anti-viral medication to the general population during a public health emergency. The drill was a success and the region received positive reviews for our multi jurisdiction teamwork and coordinated public health emergency plans. The exercise was lead by Rochester personnel under the leadership of the Emergency Management Director.
- Received a 93% score from the CDC on our mass vaccination plan which will assist Rochester residents should a disaster occur that requires broad vaccination or prophylaxis distribution. This score reflects the regional commitment of emergency responders and community leaders to the regional planning and response.
- Completed the regional public health response plan, risk communication and pandemic response plan for avian flu pandemic and other public health emergencies. Awarded \$32,000 Pandemic Planning grant for regional work. Rochester is an active participant in this process.
- Purchased a trailer and materials to supports emergency shelter operations for residents in the region when disasters occur. This trailer will be housed at the Rochester School Department.
- Awarded \$15,000 Citizen Corps Grant to continue the regional Northern Strafford County Regional Citizens Reserve Corps. Rochester residents are encouraged to contact the NSCHSC at 335-0168 to become a trained volunteer.
- Awarded a Medical Reserve Corps grant to recruit trained and credentialed medical volunteers for regional emergencies.
- Provided Continuity of Operations training to regional partners to help sustain business operations after an emergency.
- Increased working relationships among home health, Community Health Center, mental health, and education communities for emergency planning.

Public Health Programs

- Awarded \$18,000 from the New Hampshire Charitable Foundation to assess and explore possible solutions for the teen health disparities in Northern Strafford County as compared to other regions of the state. This grant will use teens, parents and providers to find solutions to the growing issues faced by the youth in the region.

- Awarded \$24,000 from the Endowment For Health and \$20,000 from the United Way of the Greater Seacoast to explore implementation of a volunteer physician program to address the issue of uninsured residents and the lack of access to medical services. Access to health care for the uninsured in Strafford County, as well as in the rest of the state, is a well-documented problem. Based on federal designations of provider shortages, lack of insurance, and other barriers to utilization, Strafford County residents are using our emergency departments for primary care and entering the system having delayed care. StraffordCare is a comprehensive network of hospitals and primary, specialty and ancillary health care providers generously offering their services to the uninsured at a reduced fee. This is not health insurance; it is a Medical Discount Plan modeled after the Seacare program in the Portsmouth/Exeter area. The goals of StraffordCare are: 1. Increase access to healthcare and existing community resources for low income, uninsured adults. 2. Support healthy behaviors, appropriate utilization of healthcare services, and improved health status outcomes for enrollees. 3. Reduce the burden of collecting bad debt and screening for area providers.
- Continued Lead Action Coalition to examine lead level exposures in the region and the public health risk for children.

Planning and priority setting for health improvement

- Municipal and Health Provider partners signed a Memorandum Of Understanding for coordinated planning which included shared goals of local government, health care and NSCHSC.
- Awarded \$75,000 from the Department of Health and Human Services, Division of Public Health Services for ongoing support of NSCHSC.

NSCHSC looks forward to our continued partnership with Rochester and the region on public health initiatives during 2008. We welcome feedback and increased participation in programs for the town and region. For more information, please contact the organization at:

NSCHSC
 PO Box 564
 Rochester, NH 03867
 Phone: 335-0168
 Email bandrewsparker@nschsc.org

Submitted by:



Betsey Andrews Parker,
 MPH
 Executive Director

REPORT OF INFORMATION SYSTEMS
2006 - 2007

COMPUTERS AND NETWORKING

MIS continued support of City operations in FY07. MIS support includes the Local Area Networks (LAN), Wide Area Networks (WAN) and the Institutional Network (I-NET) with all types of user administration, data maintenance and backup, virus prevention, network and personal computer (PC) hardware repairs, upgrades and maintenance, software installation, training and research and development of computer aided procedures.

The primary responsibility for voice communications and City telephone systems is now under Information Systems. This includes all related hardware, software, cabling, configuration and being the contact with communications vendors.

In FY07 MIS was very involved with the initial planning for modernization of the Emergency Operations Center (EOC). The EOC is based in the Central Fire Station and MIS expertise was used in the planning for future communications methods and access to vital electronic information.

A new messaging system was deployed in FY07. This system replaced separate programs used by City employees for internal and external email and calendaring. Another computerized system that progressed was connection to sewer pump stations for monitoring and automated alarms. The Franchise Agreement from 1998 provides the way for connecting to sewer pump stations. The Franchise Agreement Committee began work in FY07 towards a new agreement with technology reviews and Public Ascertainment Hearings.

In FY07 MIS capital projects included new and upgrades to servers, network operating systems and other network devices. MIS also continued the Hardware Replacement Program for PC's, printers, UPS's and multifunction copier / printers.

I-NET maintenance and configuration continued with a combined effort of City and School. This includes a commonly used firewall for security and content filtering and shared access to the Business System. The City of Rochester, NH has its web site at <http://www.rochesternh.net>.

MAPPING AND GEOGRAPHIC INFORMATION SYSTEMS

In FY07 MIS continued to produce full size tax map prints for departments and the Strafford County Registry of Deeds. MIS also generates tax maps and other maps for the City web site in a commonly used format.

The electronic tax and topographic maps of the City are used for both public and private projects. In FY07 MIS continued to update and publish the City Zoning Maps, Wards Map and produce others for specific projects as needed such as the Comprehensive Rezoning, the Riverwalk, Police and Fire zones, Historic District and for the Main Street Project.

The majority of electronic mapping data is also used for GIS viewing and analysis. One of the primary GIS coverages is the road centerlines which is kept current by MIS with new streets, renamed streets and renumbered streets both public and private. The roads coverage is incorporated into the Police Department specific program. Parcels and structures coverages are updated on a yearly basis to match with current Assessing information.

The mapping data used by the City of Rochester is based on New Hampshire State Plane Coordinates. The tax maps (and topographic maps) produced in 1992 were tied into NH State Plane Coordinates via traditional survey methods and Global Positioning Systems (GPS). The physical monuments used for control points were mostly at the outer boundaries of the City to control the aerial photos. The GPS monuments network was expanded in 1997 with an additional 13 monuments and an analysis report concerning the best future locations.

In FY07 another GPS project was undertaken using the analysis report and the coordinated efforts of City departments. This project included determining the locations of base lines (pairs of monuments with a sight line between), setting 49 new monuments, determining the reliability of older monuments and locating all new and good older GPS monuments using the latest National Geodetic Survey (NGS) coordinate data.

In FY07 the program Pictometry was introduced providing aerial pictures of the City from various heights and angles. The training for employees was done in cooperation with the School Department at a Middle School computer lab.

E-911 COMMITTEE

MIS participates on the E-911 Committee with coordination of most mapping and data needs. MIS is also the primary contact with Verizon E-911 for address / telephone number discrepancies in Rochester, the Master Street Addressing Guide (MSAG)

updates, verification of all City of Rochester owned telephone lines and for Routine Address Changes.

In FY07 the E-911 Committee continued the process of reviewing problem areas, changing or adjusting street numbers administratively as allowed by City Ordinance and recommending street name related changes to the City Council. The E-911 Committee is also responsible for reviewing all new projects relative to street naming and numbering. In FY07 many new streets were created both those to remain privately owned and those dedicated to become public streets.

The E-911 Committee coordinates street names and numbers for many private roads. When access to multiple homes or parcels is over privately owned property, the owner can simply agree to follow the City adopted system and no Public Hearing is required. In FY07 private roadways included Winding Path Lane, Barbaro Drive, Magnolia Circle, Fownes Mill Court and Hynes Court.

On July 18, 2006 the City Council voted to rename a section of Milton Road to Phillips Lane. This section had been separated from the current Milton Road by a project done by the State of New Hampshire when reconfiguring the connections to Route 16 and Route 202. A right-of-way that is the continuation from the City owned portion was also given street numbers and is using the name Phillips Lane. The street name and street numbering changes for the properties involved was completed on September 29, 2006.



Rochester Firefighters at Crash Site

**REPORT OF THE LEGAL DEPARTMENT
2006-2007**

The following is a report of the activities of the office of the City Attorney for the year beginning July 1, 2006 and ending on June 30, 2007:

During the fiscal year 2006-2007, the following cases involving the City of Rochester were concluded:

1. City of Rochester v. Carl B. Highfield, et als / Strafford Docket #04-E-0042;
2. Donald and Heather Bigos v. City of Rochester, et al / Strafford Docket #06-E-0135 and #06-E-0136;
3. Krzysztof and Renata Kozlowski v. City of Rochester / Strafford Docket #06-E-0086.

In addition to the above cases, as of June 30, 2007, the following actions involving the City of Rochester were pending in various New Hampshire and Federal Courts:

1. New England Telephone and Telegraph Company v. City of Rochester / Docket #96-E-0160; **
2. Public Service Company of New Hampshire v. City of Rochester and City of Rochester v. Commissioner of Transportation, et als / Docket #96-E-0165; **
3. Verizon New England, Inc. v. City of Rochester / Docket #03-E-0164 and #04-E-0168; **
4. Verizon New England, Inc. f/k/a Bell Atlantic f/k/a New England Telephone and Telegraph Company v. City of Rochester / Docket #97-E-0123; #98-E-0135; #99-E-0148; #00-E-0185; #01-E-0155; and #02-E-162; **
5. Verizon New England, Inc. v. City of Rochester / Strafford Docket #05-E-0209
6. Verizon New England, Inc. v. City of Rochester / Strafford Docket #06-E-0152
7. City of Rochester v. James Corpening and George Blaisdell / Strafford Docket #04-E-0032; N.H. Supreme Court Docket #2005-0389 and #2005-0638;

8. Schiavi v. City of Rochester / Docket #04-E-0137.

** NOTE: The cases listed in paragraphs 1-4 above were transferred to Rockingham County Superior Court where they were assigned Docket Nos. 05-E-0500, 05-E-0501 and 05-E-0502 and consolidated.

It should be noted that the above listing of cases does not include various bankruptcy proceedings pending in various U.S. District Courts across the United States in which the City of Rochester has filed proofs of claims and/or other pleadings with regard to the City's various interests in such bankruptcy estates, workers compensation proceedings, and various litigation in which the City is, or was, represented by counsel provided through the City's various liability carriers.

The office of the City Attorney also provided representation to the City in numerous matters before the New Hampshire courts with respect to cases in which the City was a party, as well as before various administrative agencies when necessary. In addition, the City Attorney attended Council meetings, as well as meetings of Council committees and other City boards and commissions upon request. Legal opinions and advice were provided to the City Manager, Mayor, City Council, Department Heads and various boards and commissions of the City upon request. Legal instruments, including deeds, leases, contracts, ordinances, and amendments to ordinances, resolutions and other similar documents were drafted and reviewed as required during the year and representation of the City was provided with regard to the acquisition and disposition of real estate.

Respectfully submitted,

Danford J. Wensley
City Solicitor

**REPORT OF THE ROCHESTER PUBLIC LIBRARY
FISCAL YEAR 2007**

Rochester Public Library continued its growth, gaining nearly 1,900 new Library cardholders during the year, and continued to expand its reach into the community and beyond by incorporating new ways of utilizing technology,

The number of items borrowed by our Library users hit another all time high, with annual circulation of 253,047 books and other library materials.

Meanwhile, the number of Rochester Public Library cardholders also reached a new high of 22,627 cardholders as the year ended, while the number of annual visitors to the Library building totaled 170,315.

Throughout the year, online use of the Library's web site continued to expand. The number of "external virtual visits" to the Library's web site, from personal and business computers located beyond the Library, reached 105,717 unique visits this year.

In this first full year in which the Library provided library users with wireless access to the Internet, increasing numbers of residents arrived at the Library with their personal laptop computers. Then a few months into FY 2008, the Library's utilization of technology again expanded as the Library began offering our library cardholders free downloadable audio books, downloadable to MP3 players, from the Library's web site.

6,500 new books and audiovisual materials were added this year to the Library's collection, with total purchases of library items for use by the public exceeding \$100,000 for the third consecutive year as the Library sought to meet the increasing demand.

The Library's popular summer reading programs again offered our children and teens an opportunity to develop and strengthen a personal love of reading. Joining the highly popular Children's Summer Reading Program (the 2007 theme: "Reading Road Trip USA") for the fifth consecutive year was our Teen Summer Reading Program ("Get Lost At The Library").

The 554 children who participated in this year's highly successful Children's Summer Reading Program read an impressive total of 7,431 books! This high level of reading by our children again gave Rochester Public Library one of the highest totals in the entire state for summer reading participants.

Children's Services programming successes extended beyond the Summer Reading Program, incorporating 244 highly popular children's programs with total attendance at those programs exceeding 6,000 attendees during the year. A visit to Frisbie Hospital's Moms To Moms program for new mothers provided additional outreach.

Avid young readers also joined in spirited and fun book discussions as members of the monthly Children's Opinionated Readers Group gatherings.

The Friends of the Rochester Public Library continued providing valuable support to the Library, including coordinating new readings by local novelist Joyce Tracksler and assisting at the Library's annual book sale.

Meanwhile, the Library proudly organized and hosted the Library's popular Annual Photography Show for the 25th consecutive year. A new record total of 208 photos were submitted for judging by the panel of four distinguished local photographers.

This year's Photography Show featured a special silver anniversary category called: "The Silver Category – Images of Rochester". Photographs submitted in this category served as inspiration for a special poetry contest initiated by the Rochester Poet Laureate, Jennifer White, and supported by the Rochester Public Library.

In January, the Library hosted New Hampshire science fiction author James Patrick Kelly who read from his latest novel, "Burn". This series of Rochester Public Library book discussions titled "Speculate: a New Past, a Different Present, an Out-of-This-World Future" was a joint effort with the New Hampshire Humanities Council.

Included in this science fiction series was a moderator led February book discussion on Philip Pullman's highly popular work, "The Golden Compass".

A summertime series of programs on travel destinations by worldwide traveler Ray Turmelle took place at the Library in August, including "armchair visits" to Peru and the American Southwest.

The Library continued to offer a popular series of instructional programs on developing and enhancing knitting skills, and introduced an equally popular instructional series for bridge players seeking to learn and improve their own skills.

Once again hosting the volunteer income tax assistance efforts available for our residents, the Library also provided support for genealogy and writing workshops held at the Library.

An extensive digitized history of the Rochester Public Library, complete with historic photographs, continued to be available on the World Wide Web for viewing on the Library's web site: www.rpl.lib.nh.us

Staff development at the Library during the year continued to include a staff goal of incorporating elements of the nationally recognized FISH! customer service approach.

All of the mentioned library successes and other countless day-to-day successes wouldn't be possible without a dedicated and talented staff. Rochester Public Library is

fortunate to have dedicated individuals who make good things happen for our library patrons and for the City of Rochester.

Respectfully Submitted,

John Fuchs
Library Director



Rochester Public Library

ROCHESTER PUBLIC LIBRARY

FISCAL YEAR 2007

LIBRARY COLLECTION

| | |
|----------------------------|--------|
| Library Collection 7/1/06 | 93,384 |
| Additions | 6,485 |
| Discards | 1,959 |
| Library Collection 6/30/07 | 97,910 |

LIBRARY SERVICES

| | |
|------------------------|---------|
| Public Service Hours | 2,966 |
| Library Cardholders | 22,627 |
| Total Items Circulated | 253,047 |
| Reference Questions | 39,832 |
| Programs Presented | 324 |
| Program Attendance | 7,934 |
| Library Visitors | 170,315 |
| Library Virtual Visits | 105,717 |

ROCHESTER PUBLIC LIBRARY

FISCAL YEAR 2007

INCOME

| | |
|------------------------------------|-----------|
| City of Rochester Operating Budget | \$913,383 |
| Trust Fund | \$ 7,087 |
| Fines, Gifts, Book Sale | \$ 30,615 |
| Revenue For City General Fund | \$ 15,710 |
| City Retirement Fund Adjustment | \$ 10,340 |
| Total Income | \$977,135 |
| Trust Fund Balance 7/1/06 | \$ 21,154 |
| Special Fund Balance 7/1/06 | \$ 753 |
| | ----- |
| | \$999,042 |

**ROCHESTER PUBLIC LIBRARY
FISCAL YEAR 2007**

EXPENDITURES

| | |
|----------------------------------|-----------|
| Personnel Compensation | \$566,788 |
| Benefits | \$155,706 |
| Insurance | \$ 8,380 |
| Staff Development/Travel | \$ 4,901 |
| Supplies | \$ 15,122 |
| Library Materials, City Fund | \$ 73,668 |
| Library Materials, Special Fund | \$ 26,275 |
| Library Materials, Trust Fund | \$ 6,191 |
| Software Maintenance | \$ 10,550 |
| Equipment | \$ 1,958 |
| Equipment Maintenance | \$ 17,465 |
| Electronic Services | \$ 15,613 |
| Utilities | \$ 38,077 |
| Postage | \$ 3,801 |
| Dues | \$ 1,123 |
| Programming | \$ 2,932 |
| Legal | \$ 7,640 |
| Miscellaneous, Special Fund | \$ 0 |
| Miscellaneous, Trust Fund | \$ 590 |
| Transfer To City General Fund | \$ 15,710 |
| | |
| Total Expenditures | \$972,490 |
| | |
| Operating Budget Balance 6/30/07 | \$ 0 |
| Trust Fund Balance 6/30/07 | \$ 21,459 |
| Special Fund Balance 6/30/07 | \$ 5,093 |
| | ----- |
| | \$999,042 |

**REPORT OF PLANNING AND DEVELOPMENT DEPARTMENT
2006-2007**

COMMUNITY DEVELOPMENT DIVISION

The City of Rochester is one of only five designated entitlement communities in New Hampshire to receive Community Development Block Grant (CDBG) funds directly from the federal Department of Housing and Urban Development (HUD). These funds are applied towards housing and community investment projects that directly benefit Rochester residents whose income falls below 80% of the regional median (\$71,900 in 2006).

The City received \$313,952 for allocation during the 2006-2007 fiscal year. This was the second year of the 2005-2010 Community Development Consolidated Plan.

HOUSING

\$129,681 was used to complete handicap accessibility and health and safety improvements on twenty-four housing units under the Community Development Mobile Home Assistance Program. Twenty-seven households at 50% of the area median income or below were assisted directly with improvements under the Weatherization program. CDBG funds comprised \$25,000 of the assistance leveraging New Hampshire State Department of Energy grants as well as utility company grant assistance of \$53,462. Items specifically addressed include insulation, carbon monoxide testing, moisture assessments and the removal or correction of health and safety hazards in order to improve the general living condition of these residents.

ECONOMIC DEVELOPMENT

The Job Opportunity Benefit (JOB) Loan Program - is a program designed to lend money to businesses that hire and employ people of low/moderate income. This loan is generally used in conjunction with traditional bank financing to expand a business with a specific requirement that the assisted business create new jobs. One loan was refinanced due to a transfer of ownership. The new owner remains obligated to comply with the job creation agreement.

The City currently has ten loans as of June 2007 outstanding under the JOB program:

| | Original Loan | FTE Jobs to be created |
|------------------------------------|------------------|------------------------|
| Bee's Day Care | \$31,760 | 4 |
| Fiesta Candy | \$50,000 | 8 |
| First Star Manufacturing | \$35,000 | 4 |
| Nantucket Beadboard | \$50,000 | 3 |
| Slim's TexMex | \$50,000 | 2 |
| Specialty Textile | \$50,000 | 2 |
| Thai Cuisine | \$75,000 | 7 |
| Granite Steak | \$60,000 | 25 |
| Distinctive Forest | \$30,000 | 2 |
| Big Heads/Bitter Creek LLC | \$70,000 | 6 |
| Total loans since May 2002: | \$501,760 | Total Jobs: 63 |

The Small Business Development Center is a Micro Enterprise Assistance Program to provide direct counseling and advisory workshops for local small business owners. Subsidized by a grant of \$7,000, 46 low/moderate income micro-enterprise owners were directly counseled and assisted with their business plans or attended one of the many workshops offered throughout the year.

PUBLIC SERVICE

Nine agencies received grants under this category totaling \$47,093. Crossroads provided 68 Rochester residents with emergency shelter. Dover Adult Education assisted 283 students with literacy, ESOL and basic needs classes. The HUB Family Resource Center served 291 family members with parenting classes, support groups and child education programming. The SHARE fund was able to assure 88 people wouldn't be homeless by providing security deposits for rental housing. My Friends Place saw 41 unduplicated Rochester residents at their shelter in Dover and in their transitional housing program. Project Pride helped 48 returning students (between the ages of 17 and 21) get their GED and prepare to enter the workplace. Sexual Assault Support Services assisted 131 victims of sexual assault in the City with crisis support at the time of attack, peer support groups, counseling and advocacy. The Homeless Center for Strafford County sheltered 17 men, women and children by providing a warm, safe place to stay during the harsh winter months. A Safe Place provided emergency shelter to 212 victims of domestic violence and their children as well as ongoing advocacy and legal assistance.

PUBLIC FACILITIES AND INFRASTRUCTURE IMPROVEMENTS

St. Charles Children's Home – The rehabilitation of the third floor of this facility that houses children who have been removed from their families of origin by the state because of abuse or neglect, is a project that is currently under development. The facility is primarily a historic house and the third floor of the main structure has not been renovated in decades. To create segregated sleeping areas, as mandated by the state for some cases, a delicate and sensitive renovation will need to occur. This project should conclude in 2008.

Community Center Rehabilitation – This is the next phase of a multi year project to renovate this vital community resource. Originally slated to be a new planned set of activities in the FY 07-08 year, there was an exciting opportunity to get a jump on the new activities planned for the center in the spring of 2007, before the FY 07-08 grant was available. Funding left from FY 04-05 originally marked for second floor renovations to the building to accommodate the Family Justice Center project, which sadly was not able to secure the requisite Department of Justice grant to undertake the project, was reallocated to purchase some of the materials slated for the next fiscal year's projects. The City was fortunate to partner with "City Year New Hampshire" for a service project day that brought 90 young people from all over the country to the Community Center to paint, replace ceiling tiles and strip tile floors intended to be replaced that summer.

This activity continues the momentum of improvements to the Community Center located off of Wakefield St/Rte 125 in the heart of the city. The facility, originally built

as a high school, became a mixed-use facility in the early 1990's, with a focus on non-profit commercial office space. Today, the main tenant base is human service agencies, including New Hampshire Health and Human Services, where they provide direct services to families and to the elderly. To best serve the needs of the clientele, including the disabled, families, and the elderly, the building requires these critical updates to modernize and revamp the facility. This project will continue into FY 07-08, including the completion of a new elevator on the eastern end of the building.

PLANNING DIVISION

Mission

It is the mission of the Planning Division to coordinate the physical development of Rochester pursuant to the goals of promoting orderly growth, fostering efficient use of infrastructure, maintaining property values, enhancing the business climate, preserving natural and cultural resources, encouraging beauty in the built environment, and creating a special "sense of place" for present and future residents, landowners, businesses, and industries.

The major responsibilities of the Planning Division include:

- Policy development
- Drafting of ordinances and regulations
- Overseeing the zoning ordinance and processing applications for variances, special exceptions, and amendments
- Reviewing and processing applications for subdivisions and site plan review
- Strategic planning
- Master Planning
- Transportation planning
- Infrastructure planning
- Developing ordinances for the protection of natural and cultural resources
- Coordinating the E911 addressing system
- Coordination of, and service to, land use boards: Planning Board, Zoning Board of Adjustment, Conservation Commission, and Historic District Commission
- To acquire proper surety to insure the development is built in accordance with City standards and the approved plan.

Our Approach

This was a typically busy year for the Planning Division. The Planning Board, Historic District Commission, Zoning Board of Adjustment, Conservation Commission, and staff reviewed a great number of projects.

Most applications were approved with conditions. We work very hard with applicants to see if there is an approach or design that serves the objectives of the applicant while being consistent with the public interest and meeting legitimate concerns of abutters. Happily, we find most applicants are willing and able to modify projects as appropriate.

Projects reviewed by the Planning Board can impact the City in many different ways. There are the very visible impacts of traffic and drainage on our existing infrastructure and the less obvious, but certainly no less important, impacts on our overall quality of life.

The Planning Board and Planning Department seek to carefully consider the "softer" elements of a project as well as the harder elements like traffic, utilities, and drainage. In our professional opinion, the difference between a "*subdivision*" which meets a variety of technical requirements and a "*neighborhood*" that adds value to our community is these softer elements. Those items include the following (many of which also contribute to turning commercial strip development into a "main street", "village center", or "downtown"):

- attractive streetscape
- walkability: sidewalks and footpaths, when and where appropriate
- setting aside some high quality natural open space
- appropriate recreational facilities, passive or active
- great landscaping
- carefully considered street furniture (benches, picnic tables, attractive fencing)
- some attractive shared space
- handsome street trees
- quality architecture (our ability to influence house design in subdivisions is limited)
- high quality infrastructure and use of good materials (such as granite curbing, where appropriate)
- a good layout of houses and buildings
- a sense of order in the development
- relatively narrow streets to calm traffic, reduce pavement, maintain a human scale, and create a pleasing sense of enclosure

Key New Projects

Fownes Mill: The Planning Board approved a terrific project next to the downtown. Steve Miller, one of Rochester's most respected builders, is redeveloping the site at the bottom of River Street (below Gagne Street), next to the Cocheco River.

This property, known as Fownes Mill, was most recently occupied by Camaro Heaven, an automobile dismantling and parts sales business. It was originally developed circa 1880 as the Goodwin and Trask Box Factory. There was also an earlier gristmill there from the 1840's. The adjacency of the river and steep grades presented significant challenges. The high density allowed the developer to cover the expensive site costs, and provide amenities that the City was interested in having included. One of the Seacoast's most prominent architects, Lisa DeStefano of Portsmouth, designed the buildings.

The property is important for its contribution to the downtown revitalization. A reuse for high value condominiums at this attractive riverfront location will provide many new customers for downtown businesses. The centerpiece of the 71-unit condominium project will be a large L-shaped building, evocative of an old mill, wrapping around the river and facing Wyandotte. There will be several groups of townhouses fronting the river and duplexes and triplexes with front porches above on Gagne Street.

Mr. Miller is installing a vortechnix stormwater management system on the site that will treat runoff from nearly 50 acres of land in the Lafayette Street area. He is also cleaning up the degraded sluiceway next to the river. Mr. Miller is building an asphalt footpath along the river that will be the first new phase of the City's Riverwalk. There will be benches and lighting along the path. He is also contributing toward the future construction of a footbridge across the river. Art Nickless, of Norway Plains Associates, said, "this is one of the best projects I've ever had the privilege to be involved with."

University of New Hampshire – Waste Management: This excellent project is being developed by UNH in coordination with Waste Management. A new gas processing facility at the Waste Management Turnkey landfill facility will transport landfill gas through a pipeline – running through Dover and Madbury – to the UNH campus in Durham.

A co-generation plant at UNH will convert the gas to energy. Landfill gas is a renewable, carbon-neutral source, containing about 50% methane that is a natural by-product of landfill decomposition.

There are some challenges to using landfill gas: it contains some contaminants (which will be removed in the processing plant), it has a relatively low energy content, UNH is located 8 miles away from Waste Management, and UNH energy demand is variable through the year while the gas production is steady year round. However, the benefits are significant; this will allow for UNH to obtain 85% of its energy from renewable sources.

Frisbie Foundation / Rochester Hill Family Practice: This new 16,095 square foot medical office building will be adjacent to the existing Skyhaven Internal Medicine facility opposite the airport. The Rochester Hill Family Practice is relocating from its location on the hospital campus. The new facility will have space for seven doctors and about 30 staff members. The barn structure on the property was demolished for the project but Frisbie generously agreed to maintain the historic Greek Revival house.

Other Highlights

Main Street: Rochester became the newest member of the New Hampshire Main Street program on October 25, 2006. The Main Street program is part of the National Trust for Historic Preservation, a nonprofit organization based in Washington. It is

estimated that the New Hampshire Main Street Center provides over \$60,000 worth of intensive technical assistance and support to Main Street communities over the life of the programs. This includes ongoing consultation with staff; training for staff and board members, design education, business contacts, resource materials, help with public relations, and other assistance.

Congratulations to the former "CORE" for its superb work in achieving Main Street designation for the city!

Planning Board Retreats: The Planning Board has been holding "retreats" periodically to address issues that it has not had time to discuss in other meetings. The Board has one regular meeting and one workshop each month, usually on the first and third Mondays, respectively. Theoretically, the purpose of the workshops is to discuss broader planning issues. In reality, the basic workload of project reviews is so sizable that much of the workshop is devoted to that. Thus, the retreats have been useful for discussing both substantive policy issues and process issues.

Planning Board applications (06-07)

| | Total | Approved | Denied | Total Lots | Withdrawn |
|--------------------|-----------|-----------|----------|------------|-----------|
| Subdivisions | 20 | 18 | 1 | 106 | 1 |
| Lot Line Revisions | 8 | 8 | | | |
| Site Plans | 21 | 17 | 1 | | 3 |
| TOTAL | 49 | 43 | 2 | 106 | 4 |

| | Total | Allowed without further review | Sent to PB | Withdrawn |
|------------------|-----------|--------------------------------|------------|-----------|
| Minor Site Plan | 19 | 19 | | |
| Special Downtown | 13 | 13 | | |
| Family Day Care | 5 | 5 | | |
| Home Occupation | 13 | 13 | | |
| TOTAL | 50 | 50 | | |

Zoning Board of Adjustment applications (06-07)

| | Total | Approved | Denied | Withdrawn |
|------------------------|-----------|-----------|-----------|-----------|
| Variances | 45 | 36 | 8 | 1 |
| Special Exceptions | 4 | 3 | 0 | 1 |
| Equitable Waiver | 5 | 5 | 0 | 0 |
| Administrative Appeals | 0 | 0 | 0 | 0 |
| Request for Rehearing | 5 | 1 | 4 | 0 |
| TOTAL | 59 | 45 | 12 | 2 |

Historic District Commission

The Historic District Commission (HDC) has been busy working on possible changes to the historic district ordinance and the boundaries of the district, refining its rules of operation, and drafting a brochure. The HDC issued nine certificates of occupancy over the year for projects in the downtown area.



Parson Main

The purpose of the Rochester Historic District is to promote the general welfare of the community by:

- (1) Safeguarding the cultural, social, political, and economic heritage of the City;
- (2) Fostering the preservation, restoration, and rehabilitation of structures and places of historic, architectural, and community value;
- (3) Fostering civic pride in the beauty and noble accomplishments of the past;

- (4) Furthering the attractiveness of the City of Rochester to homebuyers, tourists, visitors, and shoppers, thereby providing economic benefit to the City;
- (5) Conserving and improving the value of property in the District; and
- (6) Enhancing opportunities, where applicable, for financial benefits for owners of historic properties through grants, low interest loans, tax credits, and other tax benefits.

Approval from the Historic District Commission is required for any activity affecting the exterior architectural appearance of a building within the District that would be visible from a public way. This includes the erection of new buildings; additions to existing buildings; alterations to existing buildings; demolition of existing buildings or portions of existing buildings; and relocation of any building into, out of, or within the District.

The Rochester Conservation Commission

The Conservation Commission focus for 2007 was as follows:

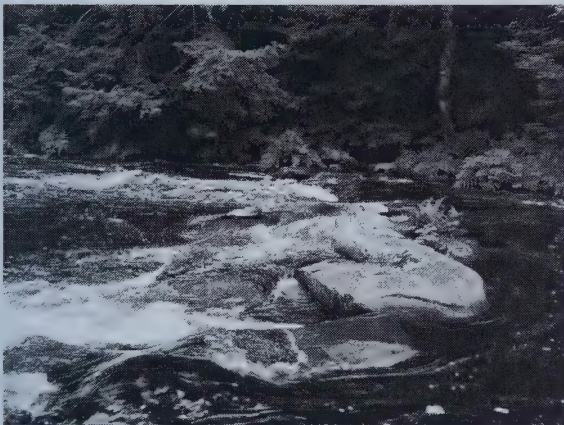
- 1) Educating and delegating certain functions to individual Commission members; and encouraging members to work together.
- 2) The Commission was very busy reviewing site plans that will impact wetlands and buffers. It also received and investigated several complaints of wetland violations.
- 3) The Commission worked to keep the City Council and Planning Board aware of its activities.
- 4) The Commission finished work on the Gagne Farm preservation project, and assisted with closing costs to preserve the 15-acre Towne property on Estes Road. The owners of this property donated a conservation easement. The Commission has secured a DES Drinking Water Protection grant to help protect approximately 75 acres on Dry Hill Road.



Pickering Woods

The Commission worked closely with the planning department to take advantage of the professional expertise available which increased our efficiency and scope of operations. The commission is delighted and grateful for this assistance.

Respectfully Submitted,
Mark Toussaint, Chair
Rochester Conservation Commission



Pickering Woods

**REPORT OF THE POLICE DEPARTMENT
2006-2007**

"THE PRIME MISSION OF THE ROCHESTER POLICE DEPARTMENT is the protection of life and property. This is accomplished through fair and equal enforcement, always keeping in mind the rights and dignity of the public. The basis of all Police Action is the law and credibility of the Agency. The measure of our service will be judged by the Public in the way we deliver our service. We will hold all personnel to a high level of ethical practices. This mission can be achieved through crime prevention, public relations and community policing."

Overview

Rochester consists of an approximate area of 46 square miles, with an estimated population of 30,000+. The Police comprises the second largest Department in the City. Although very separate in their job functions, all of the members of the Department work together to produce a high level of service to the citizens. Our staff consists of sworn officers and a civilian support staff, including school crossing guards. The Department also maintains a Police Explorer Post. This nationally recognized division of the Boy Scouts of America "explores" law enforcement careers with young adults.

The City is divided into zones, on an east / west matrix through the center of the city for police coverage. Our Communications Center operates with enhanced 911 and is staffed 24 hours per day, by specially trained personnel. This combined center dispatches calls for service for police, fire and Frisbie Hospital ambulance.

A three-member-board of Police Commissioner's elected by the citizens, serves the City. Chairman Barry Flanagan, and Commissioner's Gary Stenhouse and Paul Dumont represent the citizens.

Personnel

The following personnel were hired to fill open vacancies during this reporting period: Officer Michael Brinkman, Officer Todd Pinkham, Officer Andrew Swanberry, Brian O'Connor, Lieutenant Joseph Fricano, Officer Dominique Benoit and Officer Travis Stroud..

The following personnel resigned or retired during this reporting period: Officer Loconte resigned to go to a neighboring community. Officer George Cahill retired after serving 20 years.

Recognition was given to the following members:

Twenty-year Plaques: Officer George Cahill.

Military Service Bar: Officer Michael Brinkman, Officer Travis Stroud, Lt. Joseph Fricano.

Distinguished Unit Action Award: This award is issued to Officers and members for outstanding service which resulted from teamwork as a unit rather than an individual effort. Recognized are: Spec. Bruce Daigle, Spec. Brian Daigle, Spec. Barton and Spec. Neal.

Presentations: The 5th Annual Chief Theodore Blair Memorial Award was presented to Sgt. Anthony Triano.

Support person of the year was presented to Deb Houle.

Civilian Service Awards were given to Nicholas Blougouras reporting an attempted suicide, which was thwarted, and John Cook who performed the Heimlich maneuver on a person choking.

Lifesaving Award given to Officer's Ball, Lambert, Livingstone and Ouellette

The Communications Center was lauded during National Tele-Communicators Week in April with a proclamation from the Mayor.

The Department was recognized with a proclamation from the Mayor during National Police Week in May.

Police Volunteer Ted Barrett was recognized by the Mayor.

The NH Police Standards and Training Proactive Law Enforcement Award was given to Det. Balint and Det. Mangum. The Department was also recognized with a proactive award for the MV Lock Warning Flyers.

NH Police Training Academy Recognition was given to Officer Matthew Flathers who received the academic award, graduating first in the class.

The Chief's Award was given to Capt. Dumas for his patrol work, demonstrating leadership, and a strong passionate commitment to the City.

The Chief's Award was given to Communications Center Supervisor Martha Swats for fostering growth of the center, preparing the center to accept ambulance calls and coordination of the tactical dispatch program for high profile incidents. Other communities are looking to us as a model.

The Chief's Award was given to Deb Houle for her work with juveniles and youth initiatives in the city.

Acknowledgments by Citizens or the Department: The following officers and members were thanked during this year by the Department or by citizens for their assistance in the community: ACO Sue Paradis, All members of the Regional Swat Team, Capt. Callaghan, Capt. Dumas and Patrol Division, Comm. Supervisor Martha Swats, Det. Macaione, Det. Bonneau, Det. Boudreau, Det. Tapscott, Det. Mangum, Off. Loignon, Off. MacKenzie and Fina, Off. Babine, Off. Ouellette, Off. Lambert, Off. Livingstone, Off. Rousseau, Off. Miehle, Off. Aucoin, Off. Jeremiah Murphy, Off. Pinkham, Off. Jackson, Off. Kusnierz, Off. Kimbrough, Off. Emerson, Secretary Roberta Young, Sgt. Dugas, Spec. Griffin, Spec. Bowley, Spec. Bruce Daigle, Spec. Brian Daigle, Spec. Neal, Spec. Leonard, Spec. O'Connor, SRO Off. Don Funk, SRO Off. Tom Blair, Volunteer Kelly Brochu.

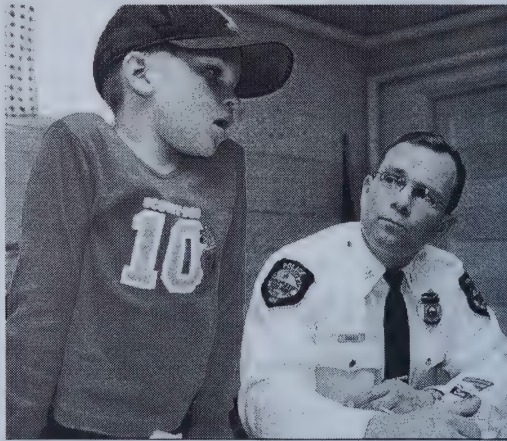
The Project Good Morning program, initiated in 1995 for our elderly residents living alone held a luau luncheon at the community center, with the assistance of several

persons, including the dispatchers who talk to the residents each morning, and Stafford County who assisted with transportation. The luncheon was funded from accounts made possible due to a bequeath from the estate of Wesley Martin.

Major Service Responsibilities

Our major service responsibilities are to protect life and property through an effective partnership with the public and to address the needs and concerns of citizen customers. We set two broad goals for the year, with several objectives. Our goals and progress on them are as follows:

1. Build and Improve Relationships Internally and Externally Through Team Building and Communications. Our objectives under this goal included: Achieve Accreditation; Promote and increase diversified decision-making through the department at all levels as measured through employee surveys; Creation of website upgrades to include increase crime prevention information and crime reporting options; Creation of community surveys targeting citizen satisfaction/ request of/for policing services conducted through the website; Modification of department lobby to include receptionist and implementation of citizen-generated recommendations; Complete updated ethics training with community participation; Establish Ward-based community representatives through the City with Commission/Council involvement; Develop a solid, sustainable well functioning volunteer program to aid in workload reduction of sworn and non-sworn personnel



Chief David Dubois participating in a mentoring program

Accreditation – While this goal was not achieved this year, as we had desired, we are moving forward. A mock review in March 2007 showed that we had more work to do in the area of “proofs” to show we are meeting the standards. Further more work was required in filing and documentation. Through cross training we moved some personnel into various job functions

and we are taking a fresh look at our progress with accreditation and plan to achieve the same in within the next calendar year.

Promote and increase diversified decision-making through the department at all levels as measured through employee surveys – We developed some internal surveys that provided valuable feedback, one in particular relating to youth interaction. We have developed a youth curriculum to be taught to all officers. Further our weekly mission statement allows officers at all levels to interact and make suggestions relating to crime and quality of life issues.

Creation of website upgrades to include increase crime prevention information and crime reporting options – Progress is being made in this area, but it is not fully complete. Input from various levels of staff in the agency will make the site more information interactive and user friendly. Upgrades will allow citizens to report crimes and make suggestions. Through the volunteer coordinator, we will be seeing a person that may be able to assist us on a semi permanent basis with this.

Creation of community surveys targeting citizen satisfaction/ request off/for policing services conducted through the website – Upgrades will allow citizens to report crimes and make suggestions. A simple survey has been created but has not been uploaded, yet. However, informal surveys have been conducted through the Main Street program business meetings, talking to citizens on walking beats, working with the Recreation Department. Citizen input was sought during grant applications and decisions. Formal surveys will be done with the use of a patrol volunteer in the police lobby.

Modification of department lobby to include receptionist and implementation of citizen-generated recommendations – We have begun to address better lobby service through the use of a motivated volunteer who has given countless hours during the week and on weekends. The station officer in place during peak hours on a more regular basis has helped in addressing some lower priority calls. Citizen generated recommendations are made through various venues including, the website when the same has been fully launched. Such recommendations are evaluated for possible implementation.

Complete updated ethics training with community participation – This was completed for the entire Department in November and December 2006. Further additional training was scheduled which included department members and community members in late March of 2007.

Establish Ward-based community representatives through the City with Commission/Council involvement – This is a work in progress. Two areas in the City are up and running, with more planned in the near future.

Develop a solid, sustainable well functionary volunteer program to aid in workload reduction of sworn and non-sworn personnel – This is one goal/objective that we can enthusiastically report as a success. Our volunteer base has grown to five. These persons are doing a variety of work that is assisting the Department in lobby assistance, cruiser maintenance and office support. We will be using a volunteer in patrol to implement citizen surveys.

We are developing a manual for the volunteer program that will guide our development of this program into the future.

2. Enhance Preventative Proactive Policing with Community Involvement. Our objectives under this goal included Creation of Family Unit within Support Services Division with goals of increased positive contact with juveniles through referral from within and outside of Department and reduced recidivism; Expand work with Crime line to include distribution of officer cards and increase of reward pay outs by 10% over last year; Expand work with outside agencies/ sources in the areas of alcohol, bank fraud, Internet education/ crime prevention/ intervention by 50% over last year; Implement a bicycle registration program in the City; Complete upgrade of technology to include interactive capability of current mapping system for comp stat process; Complete updated Community Policing throughout the Department with citizen/ business leader involvement; Implement programming within the Department to deliver quality service for low priority items through non-traditional means.

Creation of Family Unit within Support Services Division with goals of increased positive contact with juveniles through referral from within and outside of Department and reduced recidivism – the juvenile curriculum being developed by Deb Houle with input and assistance from officers is nearly complete. Training is scheduled for the month of August 2007. Patrol Officers and School Resource Officers were assigned to work with the Recreation Department at summer camps. One day per week was designated as Police Officer Day. All reports proved this was successful from view of the officers, the recreation staff and the participating youth.



Officer Brandon Kimbrough entertains children at Summer Camp

Expand work with Crime line to include distribution of officer cards and increase of reward payouts by 10% over last year – Det. Lustwerk has been very active with the program. We introduced the baseball “cop” cards, which has been very successful. We hope to have payouts increased by the end of the calendar year. Crime line is mentioned in virtually all press releases and in patrol a “crime of the week” is highlighted. Information is also listed through Metrocast Cable.

Expand work with outside agencies/sources in the areas of alcohol, bank fraud, Internet education/ crime prevention/intervention by 50% over last year; Much has been accomplished in communication and collaboration with outside agencies this past year, and we continue to develop new relationships and renew old relationships with agencies including State Liquor Commission, Drug Task Force, US Attorney, Attorney General, US Marshals, as well as surrounding local agencies. This has produced good results overall. Best example would be the peer precision task force related to crimes on the Internet, particularly child pornography. The Attorney General attended a public information meeting regarding the safety of children on the Internet in Rochester this year.

Implement a bicycle registration program in the City – This was completed this year, making it easy for the community to use and allows for more bikes previously held in evidence to be returned to their rightful owners. This can be accessed on line or by visiting the Department in person.

Complete upgrade of technology to include interactive capability of current mapping system for comp stat process – This is being met and further developed as time goes on. The City has purchased new software (Pictometry) that can be used in a variety of means for public safety operations. Many of the maps used by the Crime Analyst are much more evolved than in the past.

Complete updated Community Policing throughout the Department with citizen/ business leader involvement – One of the best examples of this, as previously mentioned is the assignment of our School Resource Officers, and other officers on shift to the summer camp programs. Engagement of all age groups, which will spill over, to their SRO roles in the fall. This can only get better with time. We have several special reporting areas in the City that have been developed after input from the stakeholders (residents and business owners). Major arrests have been made and a decrease in crime has been noticed in the last two months. Positive reports have been made in various media venues.

Implement programming within the Department to deliver quality service for low priority items through non-traditional means – The increased hours of the station officer, and the addition of the volunteer have been instrumental. The volunteer contacts witnesses for paperwork service, thereby alleviating sending an officer out, often without results (i.e., person not home, person moved, etc.) The patrol supervisor has taken an active role in monitoring low priority calls and may make adjustments as needed. Other non-traditional

means include saturation patrols, ICAC investigations, compliance checks, and ongoing work with JJPO's on the JOLT Program.

Fiscal Year Accomplishments

We are pleased to report the following year-end achievements by your police department:

Participated in internship programs for students at Spaulding High School as well as college level students.

Instituted Ward-based policing to build better relationships between officers and community as well as allow for higher level of accountability of officers through "ownership" of areas.

Added a sworn position to the Department, as well as recognizing the police certification of our prosecutor and making his position a sworn officer position as well.

Communication center consoles were all upgraded.

Conducted updated training in several areas including community policing and ethics

Expanded tactical team to the county, and continue to work in this area to merge with other existing teams in the county.

Established a "youth issues" group with department and community support.

Completed E911 and AFIS Upgrades to current technology

Updated our AED Systems

Drafted FY-08 Budget, with four project areas for better financial oversight and cross training of command personnel.

Work continues on our accreditation goal

Improved volunteer program, which has five members, one assigned to the lobby to assist with citizen contact, one assigned to assist with cruiser maintenance, three assigned to records and prosecution to help manage generated paperwork.

We continue to observe the benefits of the comp stat system.

Commentary

The fiscal year accomplishments are a direct credit to the Police Commission and staff. I would like to publicly thank the men and women of the Rochester Police Department for the hard work and dedication over the past year. We also recognize the City Council for the funding and support of various projects and programs. Paramount to our success is the support of the citizen's of the City. With areas that we track on the rise, we remain creative and enthusiastic, providing safety services in the fifth largest community in the State.

Future

It is our vision that the Rochester Police Department will continue to be a cornerstone of progress and a model police department in service to our citizens, constantly improving the quality of services that we render. We are prepared to do our part in balancing and prioritizing our services to the community. We will continue to develop our expanded ability in some areas to provide diversified services along with the rest of progressive law enforcement. We are committed to offering the best service to the residents and visitors to the City, which can be accomplished through our community policing programs, advanced technology and input from our citizens.

Respectfully Submitted,

Chief David G. Dubois



Police Chief David Dubois

**REPORT OF THE PUBLIC WORKS DEPARTMENT
2006 -2007**

The Public Works Department is committed to protecting the safety, health, and welfare of its residents and visitors by providing clean water, removing and treating sewage, and maintaining our roads, sidewalks, public buildings, parks and City cemeteries. This department works with the Mayor, City Council, City Manager, and all other departments, to provide the best service within our means.

The Department helped with community projects such as: Lilac Family Fun Festival, Moonlight Madness, the Summer Festival, the Christmas Parade and the hanging of downtown Christmas holiday season decorations.

The 2006-2007 winter was a fairly light winter with 13 treatable storm events. The amount of sand applied to the roads was approximately 445 tons and 2933 tons of salt was used.

Highway/Fleet Supervisor, Richard Cousins was called up to active duty in Iraq. He left in January 2007 and is due back in December.

Starting the weekend of April 14, 2007, a snow and rain storm caused significant flooding and damage in low-lying areas around the city's rivers and streams. DPW employees rose to the occasion as they do with all such emergencies. Many Rochester residents were again evacuated as result of flooding in the Salmon Falls Road area and Little Falls Bridge Road area.

Many of the steeper sections of the city's streets experienced shoulder washouts that were repaired by the city's highway forces. Additional damage was caused at the Chesley Hill Road Bridge and the culvert under Ten Rod Road between Four Rod Road and the Farmington town line. The Salmon Falls Road culvert was closed to all traffic as the abutments were severely undermined. There were also culvert washouts on Blackwater Road and Hansonville Road. Finally, the Hanson Pond dam was breeched causing most of Hanson Pond to drain.

The Public Works capital improvement projects initiated or completed during the Fiscal Year include:

- The following Streets were paved with final layer of paving this Fiscal year: All streets in the Longview Acres neighborhood (Pincrest, Maplewood, Rioux, Rochester, Vernon, Hampshire, Ashwood, Sprucewood, Paradise, Watson, and Sonata; all the streets in the Ridgewood neighborhood (Ridgewood, Barrington, and Durham); Estes Road between Washington Street and Oak Street; Cemetery Road, and Dry Hill Road north of Washington Street; Old Dover Road from Charles Street to Tebbetts Road and Tebbetts Road from Old Dover Road to Pickering Road;
- Minor roadside drainage improvements that began in the neighborhood that includes Crockett Street, Cider Hill Road, Edgewood Drive, and Richardson Streets were completed and all the streets in this neighborhood were reclaimed and paved including: Harding, Richardson, Howe, Dodge, Preston, Small, Brook, Dustin, Crockett, Strawberry Hill, Sweetbriar, Tall Pine, Apple Orchard, Cider Hill, Edgerly, and Brookfield.
- The water main on Washington Street between the water division's quonset hut at Hussey Hill Road and Brock Street was upgraded from a 10-inch diameter main to a 16-inch diameter main. Additionally, about 800 feet of a 12-inch water main was replaced on Brock Street beginning a Washington Street as part of this job. This work was done in anticipation of eventually discontinuing the cross-country main feed water main that extends between Chesley Hill Road and Brock Street and crosses under the Spaulding Turnpike and through the middle school grounds.
- Farmington Road about 1500 feet on either side of Little Falls Bridge Road intersection was widened to accommodate increase traffic in the vicinity of the Wal-Mart store that was doubled in size during the year. A concrete traffic separation median was installed as part of this work.
- Work continued on the comprehensive two-year program to reduce inflow and infiltration of storm water and groundwater into the sanitary sewer system in East Rochester. Work on Portland Street was completed, as was work on Unity Street, Harmony Way, Cocheco Avenue, Broadway, Green Street, and Crow Hill Road.
- Constructed a water booster station at the water division's quonset hut at the intersection of Washington Street and Hussey

Hill Road. Initially, this booster station will provide water pressure to the Chesley Hill Road area, however the booster station was sized to accommodate future expansion of the water system and to pressurize a water tank that is planned for Hussey Hill.

- Replaced the culvert under Ten Rod Road that was partially washed out in the Mother's Day storm of 2006. The pipe was slightly enlarged to accommodate future increases in flows.

Public Works reviewed and oversaw privately financed construction of the following streets in preparation for acceptance by the City: Phase III of Pray Drive and Stonewall Drive, all of Champlin Ridge Road, Brenda Lane, and Lupine Lane.

Additionally, the department reviewed and issued 74 driveway permits and 49 excavation permits

The department manages the regional household hazardous waste collection effort annually. A household hazardous waste collection took place on May 5, 2007, at the Waste Management of New Hampshire Landfill. Approximately 259 vehicles dropped off waste at the event.

WATER DIVISION

The staff at the Water Treatment Plant continues to comply with the State and Federal Drinking Water standards. This is accomplished through teamwork and a dedicated staff. We provide a quality product and service and seek complete customer satisfaction. The Water Treatment Plant staff listens, acknowledges, responds, takes action, reports and follows up with all aspects of operations.

The plant continues to run very well and produces a high quality drinking water. The Water Treatment plant treated and filtered 914,120,000 million gallons of water with an average daily flow of 2.50 million gallons per day. This is 158 million gallons more than the previous year.

As part of the hydrant maintenance program, approximately 1300 city-owned and privately owned fire hydrants were located and numbered.

A security video surveillance system was added to the entrance to the Water Treatment Plant.

Work began on the mid-life maintenance effort to seal cracks and line the walls of the sedimentation and flocculation basins at the water plant. One basin was taken out of service at a time, drained, cleaned, inspected for

cracks. Any cracks were sealed and then the walls were lined with a cementitious coating.

The Salmon Falls 2.0 MG water storage tank was painted and inspected to ensure sanitary and structural integrity to help improve water quality.

Distribution:

The distribution crews were very busy repairing water main leaks, water services, and relaying services. Spring and fall fire hydrant flushing was completed.

Continued to efforts to explore for additional sources of water supply to meet the city's future water consumption needs. Exploration efforts were focused in the Salmon Falls River basin in the southeastern quadrant of the city.

SEWER DIVISION

The Division of Public Works Wastewater Treatment Facility is dedicated to the treatment of wastewater that flows into our facility from Rochester, East Rochester and Gonic and to delivering a clean, clear and safe effluent into the Cocheco River.

The present day advanced Wastewater Treatment Facility is designed to treat an average of 5.0 million gallons per day (mgd) with a peak design flow of 16 million gallons per day (mgd). The City operates under the strict effluent limitations and monitoring requirements contained in the July 23, 1997 National Pollution Discharge Elimination System (NPDES) Permit issued by the U.S. Environmental Protection Agency.

During the fiscal year we had one record setting rain event (third such event in two years). We successfully completed the one-year pilot study using solar powered pond circulators in our lagoons to replace our mechanical aeration blowers. These circulators have enhanced the mixing, natural aeration and maintained effluent quality while reducing energy consumption and sludge volume without producing odors. We are saving over \$10,000 per month in electrical costs with a complete payback period of fourteen months (including State Aid Grant Funding). We completed our cloth disk filter replacement project to include SCADA and control panel reprogramming. We continue to work with and support the efforts of the Cocheco River Coalition by performing E-Coli testing and reporting data. We replaced the Old Route 125 pump station generator set. The alum

sludge residual study testing has been completed for the proper drainage, treatment and disposal options of alum sludge in the holding basins – preliminary management report has also been completed. Norway Plains Road Pump Station has been installed. Completed and awarded the critical 3 yr. laboratory and toxicity bid. We have continued to install SCADA systems at our remote wastewater pumping stations to provide monitoring, reporting and alarming capabilities – project completions is scheduled for next year. We are very excited and pleased to announce that plant operator David Lovely received the operator of the year award from the New England Water Environment Association.

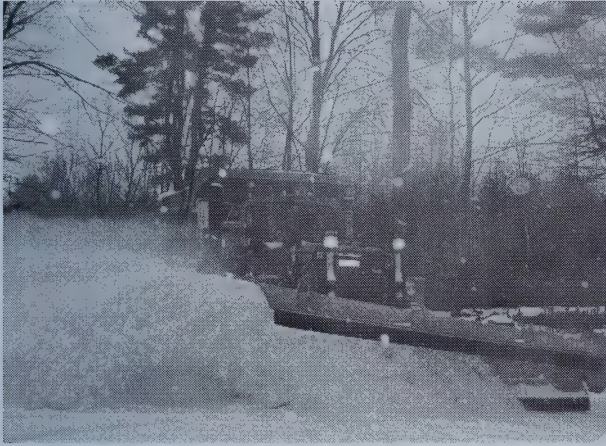
The Wastewater Treatment Facility continues to operate below projected O&M costs for power, chemicals, equipment maintenance and plant staffing levels. The staff continues to put forth an outstanding effort to achieve permit compliance through operational control, preventative maintenance, teamwork & training.

The Wastewater Treatment Facility treated 1,343,989,000 gallons of wastewater. The average daily effluent flow was 3,682,162 gallons. The facility continues to produce a high quality effluent and is running extremely well as we have removed 395,684 pounds of CBOD (97 %) and 693,090 pounds of TSS (99%). We have also received and treated 2,293,320 gallons of septage.

HIGHWAY/FLEET DIVISION

The Highway/Fleet Division is dedicated to ensuring the City's streets are maintained in the best possible condition within funding constraints. Responsibilities include maintaining all paved and gravel roads, sidewalks, pavement markings, traffic signals, street trees, drainage facilities, as well as insuring that the public works fleet of vehicles and equipment are in good running order.

This fiscal year the Highway crews were diligent in emergency repairs due to the April floods as well as completing repairs from the May 2006 floods. Highway crews also shimmed several streets. In support of the pavement rehabilitation program, crews redefined ditch lines and graveled shoulders on several streets. Numerous pavement cuts were repaired. Crews installed culverts at various locations.



Rocky Nau Plowing Snow

BUILDINGS & GROUNDS DIVISION

The Buildings and Grounds staff has been very busy keeping the City's thirteen buildings and several parks in the best condition possible. The division has received many compliments on the jewel of Rochester's parks – the Rochester Common.

Touring Actors Company has signed a lease for space on the second floor of the Community Center.



City of Rochester Municipal Complex Sign - Adopt a Spot

**REPORT OF THE DEPARTMENT OF
RECREATION, ARENA AND YOUTH SERVICES (RAYS)
2006-2007**

The following Vision Statement exemplifies RAYS philosophy. *The Department of Recreation, Arena and Youth Services (RAYS) is committed to providing recreational and community programming aimed at enriching the quality of life in Rochester. We strive to maintain meaningful connections with the community by providing programs, services and facilities that foster a healthy community.*

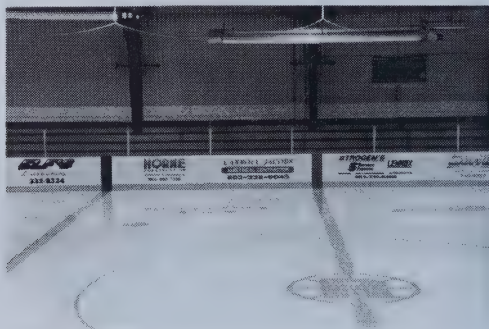
RAYS continued to be responsive to community needs by offering a wide variety of opportunities for Rochester residents to participate in programs at no cost or programs with easily affordable fees.

This year saw the introduction of some great new programs at RAYS: Flag Football, Lacrosse, Community Holiday Party, Rec on the Road Yoga for Seniors and Preschool Play Class. Neighborhood Camp for which no fee was required was a very successful expansion of our Summer Camp program. In addition perennial favorites continued to gain participant numbers – basketball, Learn To Skate, Summer Camp, swim lessons, House Hockey, 3-5 year old programming and Concert on the Commons.

Highlights for the year included a Rochester relay team which qualified for the August Hershey Track and Field finals in Hershey, PA. In September Metrocast filmed every step of putting ice in at the Arena and then broadcast it for Rochester audiences.

The Recreation and Arena Commissions met monthly to offer support and guidance for the programming in the department.

For more information on RAYS programs, visit www.rochesterrec.com



Rochester Ice Arena

REPORT OF THE SUPERINTENDENT OF SCHOOLS 2006-2007

To the School Board and Citizens of Rochester:

During the 2006-2007 school year, Rochester School Department continued the focus on reading and math instruction at all levels. All eight elementary schools are making progress toward the 90% Reading Goal.

Reading and Mathematics Instruction

The district intensified its quest for stronger reading and mathematics instruction and improved student performance in these two crucial areas. The district adopted a Three Tier Reading Model. This model provides high quality instruction 90 minutes per day in reading. Any students needing additional help are taught for 30 additional minutes, tier-two instruction. Some students require further intervention, the third tier of support.

The District continued to implement the K-12 Standards-Based Math Program. Spaulding High School piloted the Math Connections program for several ninth grade students; the District adopted Math Connections for full use during the 2006-2007 school year.

In addition to the remarkable mathematics improvement, the District continued to enjoy progress toward its goal of 90% of its students reading at or above grade level by the end of grade three, and maintaining that level of performance in subsequent grades.

Chamberlain Street School, William Allen School and Maple Street School continued their participation with the Reading First Grant. This grant provides intensive support for grades K-3 students in reading and reading interventions.

Staff Changes

The High School and Middle School administration changed considerably during the Spring of 2007. Mr. John Shea was hired as the Spaulding High School Principal. Three new Assistant Principals were hired, and a new Technology Director, David Robbins. The new staff's enthusiasm and ideas re-energized the school. The Middle School's new Principal, Mrs. Valerie McKenney, and two new Assistant Principals, changed the discipline procedures, and renewed the focus on academics within the school.

Facilities

The renovations as part of the Honeywell Project created a busy summer and school year. The heating system renovations were completed during the summer of 2007.



Spaulding High School

Rochester Special Education Revenues and Expenditures
As required by RSA 32:11-a

Table 1: Special Education Revenue

| | 2004-05 | 2005-06 | 2006-07 |
|------------------------------------|------------|--------------|--------------|
| Tuition from other districts | 291,764.84 | 288,775.70 | 232,543.07 |
| Tuition for foster children | 0.00 | 0.00 | 0.00 |
| Catastrophic Aid (State) | 436,283.75 | 653,998.74 | 655,668.29 |
| Medicaid Reimbursement (Federal) | 425,690.06 | 429,868.72 | 454,301.57 |
| Special Education Grants (Federal) | 942,038.07 | 1,000,119.00 | 1,274,693.91 |

Table 2: Special Education Expenditures

| | 2004-05 | 2005-06 | 2006-07 |
|--------------------------------------|--------------|--------------|--------------|
| Salaries and Benefits | 7,925,940.10 | 8,560,899.10 | 9,055,696.00 |
| Tuition and Contracted Services | 2,159,697.40 | 1,742,511.04 | 1,650,658.10 |
| Supplies and Equipment | 73,307.09 | 53,676.33 | 198,724.66 |
| Other expenses | 37,978.19 | 102,370.71 | 109,057.98 |
| Special Area Administrative Services | 386,823.56 | 512,782.84 | 677,911.62 |
| Transportation | 533,326.56 | 483,468.08 | 564,639.46 |

Table 3: Revenue to Expenditure Analysis

| | 2004-05 | 2005-06 | 2006-07 |
|--------------------|---------------|---------------|---------------|
| Total Revenues | 2,095,776.72 | 2,372,762.16 | 2,617,206.84 |
| Total Expenditures | 11,117,072.90 | 11,455,708.00 | 12,256,687.82 |
| Net Local Cost | 9,021,296.18 | 9,082,945.84 | 9,639,480.98 |

Table 4: Sources of Revenue as Percent of Total

| | 2004-05 | 2005-06 | 2006-07 |
|--------------------|---------|---------|---------|
| Federal Sources | 12.30% | 12.48% | 14.11% |
| State Sources | 3.92% | 5.71% | 5.35% |
| Other Sources | 2.63% | 2.52% | 1.90% |
| Local Property Tax | 81.15% | 79.29% | 78.64% |

School Board Membership and Staffing

Rochester School Department
July 1, 2006 - June 30, 2007

July 1, 2006 - December 30, 2006

| <u>Seat</u> | <u>Member</u> |
|-------------|----------------------------------|
| Ward 1 | Peggy Parker Audrey Stevens |
| Ward 2 | Nancy Warren William Brennan |
| Ward 3 | John Connelly Diane Moody |
| Ward 4 | John Rossi "Jae" Duntley |
| Ward 5 | Pamela Hubbard Charles DeVito |
| Ward 6 | Frank Callaghan Robert Watson |
| At-Large | Anne Grassie |

January 1, 2007 - June 30, 2007

| <u>Seat</u> | <u>Member</u> |
|-------------|-----------------------------------|
| Ward 1 | Peggy Parker Audrey Stevens |
| Ward 2 | William Brennan Nancy Warren |
| Ward 3 | John Connelly Diane Moody |
| Ward 4 | Anthony Pastelis "Jae" Duntley |
| Ward 5 | Pamela Hubbard Charles DeVito |
| Ward 6 | Frank Callaghan Robert Watson |
| At Large | Anne Grassie |

Standing Committees

July 1, 2006 - December 30, 2006

| <u>Committee</u> | <u>Members</u> |
|------------------|---|
| Building | John Connelly, Chair Frank Callaghan Diane Moody John Rossi Robert Watson |
| Discipline | Pamela Hubbard, Chair "Jae" Duntley Rotating Third Member |
| Finance | Nancy Warren, Chair |

January 9, 2007 - June 30, 2007

| <u>Committee</u> | <u>Members</u> |
|------------------|--|
| Building | John Connelly, Chair Frank Callaghan Diane Moody Anthony Pastelis Robert J. Watson |
| Discipline | Pamela Hubbard, Chair "Jae" Duntley Rotating Third Member |
| Finance | Nancy Warren, Chair |

| | | | |
|------------------|--|------------------|--|
| | Charles DeVito John Connelly "Jae" Duntley Anne Grassie Pamela Hubbard Audrey Stevens Robert J. Watson | | Charles DeVito John Connelly "Jae" Duntley Anne Grassie Pamela Hubbard Audrey Stevens Robert J. Watson |
| Instruction | Anne Grassie, Chair William Brennan Charles DeVito Pamela Hubbard Robert J. Watson | Instruction | Anne Grassie, Chair William Brennan Charles DeVito Pamela Hubbard Robert J. Watson |
| Personnel | Audrey Stevens, Chair John Connelly Anne Grassie Peggy Parker Nancy Warren | Personnel | Audrey Stevens, Chair John Connelly Anne Grassie Peggy Parker Nancy Warren |
| Policy | "Jae" Duntley, Chair William Brennan Charles DeVito Anne Grassie Nancy Warren | Policy | "Jae" Duntley, Chair William Brennan Charles DeVito Anne Grassie Nancy Warren |
| Special Services | Peggy Parker, Chair Frank Callaghan Diane Moody John Rossi Robert Watson | Special Services | Peggy Parker, Chair Frank Callaghan Diane Moody Anthony Pastelis Robert J. Watson |



Spaulding High School

Central Office Administrators

Michael L. Hopkins, Superintendent of Schools
Kent Hemingway, Assistant Superintendent of Schools
Sharon Pray, Director of Pupil Services
Sally Riley, Curriculum Coordinator
Susan Deese, Curriculum Coordinator
Marty Brennan, Title I Director
David Yasenchock, Chief Technology Coordinator
Richard Kalisz, Facilities Manager
John Laverdiere, Director of Buildings & Grounds

Principals

Robert Pedersen, Spaulding High School
Steven Beals, Rochester Middle School
Steve LeClair, Chamberlain Street School
Nancy Loud, East Rochester Annex (Teaching Principal)
Teresa Bailey, East Rochester School
Martha Wingate, Gonic School
Barbara McDowell, Maple Street School (Teaching Principal)
Arlene Walker, McClelland School
Nancy Booth, School Street School (Teaching Principal)
Robert "Rob" Hanson, William Allen School

Assistant Principals

William Douglass, Spaulding High School
Susan Randall, Spaulding High School
James O'Rourke, Jr., Spaulding High School
Richard Towne, Spaulding High School
John Safina, Rochester Middle School

Linda Sutton, Rochester Middle School
Gwen Guess, Chamberlain Street School
Maureen Oakman, East Rochester School
Robin Brown, McClelland School
Rebecca Ruel, William Allen School

School Nurses

Nancy Graham, RN (Head Nurse)
Christine Ballentine, RN
Claudette Bayko, RN
Holly Borrazas, RN
Karla Deinstadt, RN
Robin Hutchins, RN
Stepahnie McSharry, RN
Jennifer Saucier, RN
Bethann Welch, RN



Richard W. Creteau Regional Technology Center

REPORT OF THE TAX COLLECTORS DEPARTMENT 2006-2007

The responsibilities of the Tax Collector's office consist of collections of property taxes, water & sewer utility bills, and other city department collections from the library, police department, recreation etc. The Tax Collector's office executes property tax liens on delinquent taxes, files tax redemptions & notifies all mortgagees for all property owners that are at risk of going to Tax Deed. We collect all monies from Current Use, & Tax & Timber.

The Tax Collector's office also processes auto registrations. In 2006-2007 we processed approximately 35,083 registrations totaling \$4,113,176.59. We are a Municipal Agent through the State of NH therefore we issue plates & decals for an added cost of \$2.50 per registration. In the year 2006-2007 we collected a total of \$64,975.00 in municipal agent fees. We started processing auto registrations online as of Jan. 06. We processed 870 online registrations from July 2006 through June 30, 2007.

For the 2006-2007 year we collected on approximately 27,193 water & sewer bills.

Revenues collected by the Tax Collector's Office:

| | |
|------------------------|---------------|
| Total Warrant | 40,794,160.00 |
| Timber & Gravel Tax | 25,377.00 |
| Int Delinquent Taxes | 498,220.49 |
| Chg Tax for CU Removal | 139192.00 |
| Motor Vehicle Permits | 4,113,176.59 |
| Misc-RR Natl Bk Tax | 1,401.51 |
| Water | 2,817,264.65 |
| Sewer | 3,773,256.09 |

The Tax Collector's Office consisted of three full time employees and four part-time employees. Our goal in the office is to provide courteous & efficient service to all of our customers.

I would like to thank my staff for all their hard work through out the year:
Karen Paquette-Deputy Tax Collector, Virginia Gray-Clerk Typist, Shirley

Gray-Clerk Typist, Patricia Cox-Clerk Typist, Lorraine Morin-Clerk Typist,
& Annette Dashnaw-Clerk Typist.

Respectfully submitted,

Doreen Jones, CTC
Tax Collector



Rochester Revenue Building

REPORT OF THE WELFARE DEPARTMENT 2006-2007

In compliance with RSA 165, the welfare department for the City of Rochester administers local emergency assistance for individuals and families who may be poor, needy and require assistance in a financial crisis. It is our mission to provide effective assistance to those in difficult circumstances and to do so in a cost effective manner for city taxpayers.

The City of Rochester budgeted \$651,994.15 for direct assistance for fiscal year 2006-2007. A total of \$437,487.46 was expended. Our office assisted 470 families and 360 single households.

Rochester City Welfare staff takes pride in our pro-active case management approach that has resulted in increased self-sufficiency for clients, at a lower cost to city taxpayers. The hiring of two additional part-time secretaries has contributed to this effort.

Although rental rates appear to have stabilized, the increase in home foreclosures has not only affected homeowners, but also renters, as they have been given notice to vacate buildings being foreclosed upon. The increases in heating fuel costs have also affected resident's ability to heat their homes and/or results in less money for residents to expend for other basic expenses.

As has been true for the last several years, the waiting lists for subsidized housing remained at 3-5 years. Disability decisions at the state and federal level continued to average about 1 year.

Rochester City Welfare works closely with local homeless shelters, including the *Homeless Center for Strafford County* located in Gonic, to find appropriate emergency housing for residents in need. Homeless shelters not only shelter residents from the elements, but often provide needed support and case management to ensure a more long term solution to their current crisis. This is a great benefit to those in need of shelter and a cost savings to city taxpayers.

We continued our annual Toy Bank collaboration with the Rochester Fire Department helping families in financial distress at Christmas. Our Back-to-School collaboration with Grace Community Church outfitted many children with new backpacks and needed school supplies. As in years prior, our office received \$10,000.00 from the McKinney Grant (HUD money). These monies are discretionary, and are used generally for utility arrears, and from time to time with those individuals who may be categorically ineligible to apply for General Assistance.

Issuance of General Assistance Vouchers for Families:

| | | |
|--------------------------------|--|---------------------|
| Burial | | \$3,000.00 |
| Dental | | 5,597.68 |
| Electricity | | 22,384.49 |
| Food | | 652.00 |
| Fuel Heating | | 15,660.78 |
| Gas | | 2,256.95 |
| Household Goods..... | | 355.00 |
| Medical | | .00 |
| Miscellaneous | | 43.29 |
| Mortgage | | 15,818.11 |
| Prescriptions | | 23,976.52 |
| Rent | | 171,537.73 |
| Temporary Shelter (motel)..... | | 4,151.00 |
| Transportation | | 00 |
| TOTAL | | \$265,433.55 |

Issuance of General Assistance for Individuals

| | | |
|--|--|---------------------|
| Burial | | \$4,000.00 |
| Dental | | 1,825.00 |
| Electricity | | 5,305.44 |
| Food | | 287.00 |
| Fuel Heating | | 7,620.27 |
| Gas | | 1,695.01 |
| Household Goods..... | | 70.00 |
| Medical | | 5,284.86 |
| Miscellaneous | | 99.00 |
| Mortgage | | 3,833.95 |
| Prescriptions..... | | 34,965.73 |
| Rent..... | | 127,260.69 |
| Temporary Shelter (motel) | | 3,531.86 |
| Transportation | | 184.50 |
| TOTAL | | \$195,963.31 |

Average cost per case/Family \$564.75

Single \$544.34

Total vouchers issued: \$461,396.86

I extend a special thanks to Welfare Director Lynn Carey who has been on extended Medical Leave. Our thoughts are with her daily. I would like to thank the following staff for their dedicated service to this office: Gail Bennett, departmental secretary (more than 25 years); Crystal DeButts and Nancy Sirois. Their assistance through this busy and challenging year has been greatly appreciated.

Respectfully submitted,

Todd M. Marsh
Acting Director of Welfare

DATE DUE

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