

MINUTES OF THE FINANCE COMMITTEE  
MEETING HELD VIA ZOOM PLATFORM  
January 25, 2021 @ 4:15 p.m.

Committee Members present      Councilor David A. Witham, Chairman  
electronically via Zoom:      Councilor Donald Austin, Vice-Chair  
   Councilor Martin Dumont  
   Councilor Martin Pepin

Administration/Staff present      Bob Belmore, City Manager  
electronically via Zoom:      Scott Smith, Finance Director  
   Ammy Ramsey, Deputy City Clerk  
   Michael Bobinsky, Director of Public Works & Utilities  
   Steven Potter, School Board Vice-Chair  
   Robert Gadomski, Superintendent  
   Lori Lane, Assistant Superintendent

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The meeting was called to order by Chairman Witham at 4:15 p.m.

As Chair of the Somersworth Finance Committee, I, Councilor David A. Witham find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

We are utilizing Zoom for this electronic meeting. All members of the Committee have the ability to communicate contemporaneously during this meeting through this platform. The public was asked to submit comments via email to [jslaven@somersworth.com](mailto:jslaven@somersworth.com) or [bbelmore@somersworth.com](mailto:bbelmore@somersworth.com) by Tuesday, January 19, 2021 at 4:30 p.m.

Please note that all votes that are taken during this meeting shall be done by roll call vote.

APPROVE PAST MEETING MINUTES OF DECEMBER 9, 2020

***Councilor Pepin made a motion to approve the minutes of the December 9, 2020 meeting. The motion was seconded by Councilor Dumont and passed 4-0 by roll call vote.***

SCHOOL SURPLUS BUDGET FUNDS POLICY – PER MAYOR HILLIARD

City Manager Belmore stated the Mayor has asked the Finance Committee to review possible options and perhaps formulate a policy whereby the City Council could authorize the School Department to use some or all of their budget surplus funds. This would be beneficial as their budgets move forward to avoid cutting operational lines including staffing to meet the tax cap requirements when there are revenues. City Manager Belmore said that the concern is that the School Department is estimating approximately \$350,000.00 in budget surplus this year, due to lost revenue and an increase in retirement costs.

Councilor Austin asked if the City could create a non-capital reserve fund that this budget surplus could be placed in and then could be utilized for this purpose.

Director Smith responded that he and Manager Belmore had discussed this, but it could get complicated because it would have to define a purpose for which these funds could be used, and furthermore this is more of an issue in developing the budget. The thought is that the City Council could authorize the School Department to use fund balance in the same manner that is done with the City side of the budget.

The discussion continued concerning which way is best to move forward with using surplus funds to offset the lost revenue in order to keep the staffing levels or other operational needs staying within the tax cap. Superintendent Robert Gadomski and Assistant Lori Lane explained that budget challenges this year include increases in health insurance and NH retirement rates.

Further discussions centered around any ability to create School Dept. Reserve Funds or how to time a Council vote to allow part or all of the projected School Unexpended Funds (Surplus) to be used in advance as School Revenue. After further discussion from Committee members, City Staff and School Officials, it was agreed that having a vote in February by Council to dedicate a certain amount of School funding surplus to be used as additional revenue by the School Department would be the best approach. There was further discussion on how to memorialize this as a City Policy. The Committee agreed that it could be added to the City Council's Tax Cap Policy that directs the City Manager to inform the School Board and SAU what the next Fiscal Year Tax Cap parameter are being put into place.

The consensus of the Committee is to have the City Staff formulate a Resolution for a first reading at the February 1, 2021 Council Meeting with Councilors Witham, Austin, Pepin, and Dumont as sponsors.

#### APPROVE VORTEX SERVICES CONTRACT – STROM DRAIN PIPE LINING

City Manager Belmore informed the Committee that the City received five bids and the Public Works & Environment Committee discussed staff's recommendation to award the project to Vortex Services in the amount of \$29,900.00. City Manager Belmore recommended an additional \$3,000.00 available for contingency purposes.

***Councilor Dumont made a motion to approve the Vortex Services Contract with contingency plan funds not to exceed an amount of \$32,900.00 allowing the City Manager to spend the contingency funds if needed. The motion was seconded by Councilor Pepin, and passed 4-0 by roll call vote.***

#### ROAD RESURFACING BIDS / FUNDING SOURCE/S

Finance Director Scott Smith stated they received three bids and that the apparent lowest bidder was Continental Paving. Director Smith explained that the memo sent to the Committee explains where

the funds would come from since \$130,000.00 was used from the Road Resurfacing Appropriations for the purchase of a sidewalk tractor. There is \$770,000.00 available in the Road Resurfacing appropriation, approximately \$22,000.00 available in the special one-time Highway Block Grant funding, and \$190,000.00 in the Municipal and Transportation Fund which would allow for some contingency plan. The Nadeau Street portion of the project can be funded by supplemental appropriation and will be refunded over a 10-year period through a betterment assessment to the residents affected. He also mentioned that the Municipal Transportation Fund grows about \$5,000.00 a month in response to Councilor Witham's question.

Councilor Witham mentioned that the High Street projected work can be postponed because it is somewhat related to the TAP Grant Project and that project most likely won't occur until 2022

After more Q & A and discussion, the Committee consensus was to move forward with these action items.

*Councilor Austin made a motion to sponsor a Resolution to award the Road Resurfacing and Nadeau Street Reconstruction project to Continental Paving in the amount of \$1,054,771.05. The motion was seconded by Councilor Dumont and passed 4-0 by roll call vote.*

*Councilor Pepin made a motion to sponsor a Resolution to utilize \$190,000.00 from the Municipal and Transportation Fund for the road resurfacing projects. The motion was seconded by Councilor Austin and passed 4-0 by roll call vote.*

*Councilor Pepin made a motion to sponsor a supplemental appropriation in the amount of \$85,752.00 for the Nadeau Street project. The motion was seconded by Councilor Dumont and passed 4-0 by roll call vote.*

## REPORTING

Finance Director Scott Smith mentioned they will continue to monitor the budget as we proceed through the winter but as of right now we seem right on track. He did mention the Park and Recreation budget projects to have a surplus that will match the loss in revenues due to the lack of programming because of the pandemic.

## ADJOURNMENT

*Councilor Pepin made a motion to adjourn. The motion was seconded by Councilor Austin and passed 4-0 by roll call vote. The meeting adjourned at 5:13 p.m.*

Respectfully submitted,

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Ammy Ramsey, Deputy City Clerk