

MINUTES OF THE FINANCE COMMITTEE
CITY COUNCIL CHAMBERS
September 28, 2022 – 4:30 p.m.

Committee Members present: Councilor David A. Witham, Chair
 Councilor Don Austin, Vice-Chair
 Councilor Matt Gerding
 Councilor Robert Gibson

Administration/Staff present: City Manager Bob Belmore
 Finance Director Scott Smith
 Police Chief Timothy McLin
 Welfare Officer Kristen LaPanne

Chairman Witham called the meeting to order at 4:30 p.m.

MINUTES OF THE PREVIOUS MEETING

Councilor Austin made a motion to approve the minutes of the July 26, 2022 meeting. The motion was seconded by Councilor Gerding and passed 4-0.

SCHOOL DEPARTMENT BUDGET SURPLUS

Manager Belmore provided a draft of Ordinance No: 6-23, Supplemental Appropriation for Capital Improvements Projects for the School Department which would be funded by the School Department's receipt of \$262,833 in unanticipated State of New Hampshire Extraordinary Needs Grant. Manager Belmore added that the intention of the funds is to be used on Capital Improvements Projects (CIP) regarding enhanced security and upgrades to the schools. Councilor Austin questioned if the grant was a one-time opportunity and if not, suggests the funds be used towards staffing and/or programs rather than CIP projects. Discussion continued with the understanding that the grant is not expected each year and it would be in the best interest of the school to use one-time funds on one-time projects such as the CIP projects.

Director of School District Operations Dana Hilliard arrived at 4:40 p.m. and he was asked about this unanticipated revenue. Hilliard stated this funding cannot be depended on. Hilliard provided an example to the Committee that if the funding were to be used towards creating a new program, the School Department would then have to make the tough decision to end the program should the funding not be available in the future year. He added that the School Department worked with NH Homeland Security and Emergency Management conducting school facility surveys with school staff and walkthroughs at each of the schools throughout Somersworth to identify safety gaps. The Committee discussed the issue and handouts provided by the School Superintendent and her staff as well as the Draft Ordinance.

Councilor Gerding made a motion to sponsor Ordinance No. 6-23 Supplemental Appropriation for Capital Improvements Projects for the School Department to appropriate \$262,833.00 from

New Hampshire Extraordinary Needs Grant Revenue to the School Department Budget. The motion was seconded by Councilor Gibson and passed 4-0.

Director Hilliard excused himself after this discussion topic ceased.

INVESTMENT POLICY – REVIEWED/ADOPTED ANNUALLY

Chairman Witham reported that there are no recommended changes to the policy and that the Committee is required by State Statute to review it annually. Councilor Gibson asked for examples of what type of changes could occur that would be cause for changes. Director Smith mentioned that if the State of New Hampshire made changes to best practices or to the language within the law, changes would be brought to the Committee for review. The Committee agreed to move the policy on to Full Council for adoption without any changes.

RETENTION

Manager Belmore reported that the Government Operations Committee discussed retention bonuses to current certified police officers and referred to the Finance Committee to determine where the funding would come from if approved. Chairman Witham added that he agrees with providing incentives or taking other steps to retain employees and would like to discuss retention efforts involving every department within the City of Somersworth.

Director Smith noted that AARPA funds could potentially be used or using general funds. Staff believe that it would be more beneficial to work on retention plans to keep current employees within the City of Somersworth. Councilor Gibson added that the City had previously implemented longevity bonuses and perhaps that is something that should be discussed; Manager Belmore confirmed that longevity bonuses were being considered. The Committee agreed to table the discussion and add it to a future agenda when necessary.

OAKS WATER RATE AGREEMENT

Manager Belmore stated that The Oaks Principal Operator, Peter Harrity, and Course Superintendent, Steve Malloy, presented to the Public Works & Environment Committee regarding their request for permission to conduct a timber cut. In addition, presently The Oaks Golf Course receives a discounted rate of 2% off City water rates as this water is untreated and it isn't processed at the Water Plant. Director Smith reported that the City's Water Department provided Municipal/Irrigation Well Cost Projections for review and consideration on adjusting the discount, which was tasked by the Public Works & environment Committee. Director Smith added that The Oaks is the only entity that uses the well other than the City should an emergency present the need.

Discussion continued with Staff explaining that the water does not go through the Water Treatment Plant leaving it untreated and used for irrigation purposes only, and the Oaks receives no discount on any potable water their facility uses. It was noted that if the City takes priority of the water supply from this well in the event of emergency needs. Councilor Gerding expressed concern of the environment to which Chairman Witham added that with the approved timber cuts, The Oaks ensured the Committee that it would allow for less pesticides and chemicals being used with increased sunlight and airflow.

Councilor Austin made a motion to sponsor a Resolution to amend the water rate agreement with The Oaks to a 35% discount. The motion was seconded by Councilor Gibson and passed 3-1. Councilor Gerding opposed the motion.

REPORTING

Director Smith provided a General Fund budget update and informed the Committee of the need to monitor the Fire Department operating budget due to an unanticipated Engine repair which cost roughly \$42,000 and overtime expenses due to staff injuries and the need for shifts to be covered. When projecting the budget using last year's overtime expense as a reference, Smith's forecast shows the potential for the Fire Department budget to be over spent by around \$100,000 at the end of the fiscal year. Director Smith added that it is still early in the budget year but wanted the Committee to be aware of the situation.

MISCELLANEOUS

Manager Belmore provided the Committee with a Bullet Proof Vest Grant Update and NH Highway Safety Enforcement Grant memorandums from Chief McLin. The Police Department was awarded \$8,525.00 which covered 50 percent of the total \$17,050.00 to purchase 20 bullet proof vests. Manager Belmore noted that the grant acceptance does not require a signature signifying specific governing body approval and the Committee agreed that there was no need for a formal Resolution so that the Manager could handle as has been done with these grants in the past. The NH Highway Safety Enforcement Grant awarded the City \$8,200.00 requiring a maximum soft City in-kind match of \$2,050.00 towards enforcement patrols/overtime. The City did not apply for, but was awarded a Community Outreach and Betterment (COB) Grant of \$20,000.00 requiring a maximum soft City in-kind match of \$5,000.00. The COB Grant requires a minimum of 5 presentations of highway safety messages via in-person to traditionally underserved NH drivers, outreach to Refugee/New American Groups, Low-Income Neighborhoods, Older Drivers, Low-Vision and Hearing-Impaired Drivers, Youth Drivers, Limited English-Speaking Proficiency Groups, and Elementary/High School and Driver's Education Groups.

Chairman Witham expressed concern in accepting the COB Grant since the Police Department is experiencing a staffing shortage. Chief McLin mentioned that the Police Department has been providing senior residents with presentations on being aware of and avoiding scams in which they are utilizing administrative staff as opposed to patrol staff.

Councilor Gibson made a motion to sponsor a Resolution to accept the NH Highway Safety Grant of \$8,200.00 with a maximum soft City in-kind of \$2,050.00. The motion was seconded by Councilor Austin and passed 4-0.

Councilor Gibson made a motion to sponsor a Resolution to accept the Community Outreach and Betterment (COB) Grant of \$20,000.00 with a maximum soft City in-kind of \$5,000.00. The motion was seconded by Councilor Austin and passed 4-0.

Manager Belmore provided a memorandum updating the Committee on the Police Department boiler system. The Police Department has a two-boiler system in which one of the boilers has failed; the other boiler had a leak and was repaired with a weld a few years ago. Previously, the Committee authorized Manager Belmore to approve repairs to the failed boiler in an amount not to exceed \$19,000. During the quote and analysis process, it became evident that replacing only one of the boilers would be problematic due to the boilers not having the capability of communicating with each other.

One quote for the proposed project was received by Pro-HVAC of Dover, NH for the installation of two new boilers for a total cost of \$34,430.00 which includes the kit to switch from propane to natural gas in the future as planned. Staff recommends proceeding with Pro-HVAC for the work and noted that the company is currently providing maintenance at the Police Department. The Committee agreed to approve the City Manager to authorize spending up to \$40,000.00.

Councilor Austin made a motion to approve the Pro-HVAC proposal to install a two-boiler system at the Police Department for an amount to not exceed \$40,000.00. The motion was seconded by Councilor Gibson and passed 4-0.

Councilor Gerding asked for an update on the America the Beautiful Challenge 2022 grant. Staff confirmed they are pending notification and will provide an update.

ADJOURNMENT

Councilor Austin made a motion to adjourn. The motion was seconded by Councilor Gerding and passed 4-0. The meeting adjourned at 5:30 p.m.

Respectfully submitted,

Welfare Officer, Kristen LaPanne