

MINUTES OF THE FINANCE COMMITTEE
EXECUTIVE CONFERENCE ROOM
April 28, 2020 @ 3:30 PM

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

Administration/Staff present: Bob Belmore, City Manager
 Scott Smith, Finance Director
 Kelly Gagne, Deputy City Clerk
 Shanna Saunders, Director of Planning & Economic
 Development (left @ 3:57pm)
 Fire Chief George Kramlinger (entered @ 3:43pm)

Other:

The following statement was included with meeting notice:

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, and although the meeting is open to the public, the public was encouraged not to attend. The public was encouraged to offer written comment by email, via USPS, or by drop-off at the City Hall Tax Collector drive-thru window.

The meeting called to order by Chairman Witham at 3:30 PM.

Chairman Witham announced that **all votes** that are taken during this meeting shall be done by **roll call vote**.

Attendance was taken by roll call vote; all members were present and all Committee members had no one in the room with them.

APPROVE PAST MEETING MINUTES

Councilor Austin, seconded by Councilor Dumont made a motion to approve the minutes of the March 11, 2020 meeting. Roll call vote Motion passed 4-0.

LEOP (LOCAL EMERGENCY OPERATION PLAN-UPDATE)/EMPG GRANT –
CONSULTING AGREEMENT

Manager Belmore directed the attention to the meeting packet memo regarding the EMPG Grant overview. We are required to update our local emergency operations plan; Fire Chief Kramlinger is taking over where former Fire Chief Hoyle left off regarding the Grant process. As a condition of that grant award, the City is required to update our local emergency operations plan. There is a grant available in the amount of \$4,500 to pay for this update, and the City can match this grant with in-kind services, which will be the staff time required to complete the update. City Staff suggests that we move forward with this.

Chairman Witham questioned that he is familiar with this emergency operations plan update and knows that it has been done before and was curious as to the last time this was updated, maybe every 5 years? Manager Belmore agreed, stated around every 5 years.

Councilor Pepin, seconded by Councilor Dumont made a motion that the Finance Committee sponsor a Resolution to authorize the City Manager to enter into a grant agreement with the State of New Hampshire Department of Safety, Division of Homeland Security and Emergency Management (HSEM) to update the city's local Emergency Operations Plan. Motion passed by roll call vote 4-0.

JULES BISSON GRANT FUNDING CITY MATCH & REVIEW PROJECT BIDS

Manager Belmore pointed out the various docs in the meeting pack from Director Saunders that outlined the grant. We have received the grant and are moving forward. An RFP was issued for the playground equipment and we received two proposals, City Staff interviewed the two companies. Of the two proposals received, City Staff liked UltiPlay's proposal of \$45,816. This will provide multi-faceted upgraded playground structure. The Grant was to incorporate a river theme for this project as the Park is close to the Riverwalk.

Manager Belmore also informed the Committee we will also need action to provide the funding for the City's match. Staff is recommending we utilize \$30,000 from the City's Parks and Parks Facilities Reconstruction/Rehabilitation Capital Reserve Fund. This will require a Resolution since it is a Capital Reserve Fund and the City Council are agents to expend. Additionally, I am recommending we utilize a combination of recreation escrow accounts that are available from discontinued activities, and contingency funding for a total of \$15,000 to make up the total funding needed for our match.

Chairman Witham asked what playground equipment companies have we used in other City Parks in the past Director Saunders stated that we have used UltiPlay and Miracle Play within the City.

There was discussion regarding the price and type of woodchips that would be allowed within the park for safety. Director Saunders stated that the woodchips are specked specific for playground use and the company assists in the amount needed based on the dimensions.

There was also an RFP issued to build a gazebo and the City received proposals. TCD Construction was low bid for a 16x16, ADA accessible octagonal gazebo in the amount of \$27,449. Staff is recommending we award the contract for the Gazebo to TCD Construction.

Councilor Austin, seconded by Councilor Dumont, made a motion to award the purchase and installation of the playground equipment at Jules Bisson Park to UltiPlay in the amount of \$45,816. Motion passed by roll call vote 4-0.

Councilor Pepin, Seconded by Councilor Dumont made a motion to award the construction of the gazebo at Jules Bisson Park by TCD Construction in the amount of \$27,449. Motion passed by roll call vote 4-0.

Councilor Austin, seconded by Councilor Pepin made a motion that the Finance Committee sponsor a Resolution to withdraw \$30,000 from the Parks and Parks facilities Reconstruction/Rehabilitation Capital Reserve Fund to fund the Jules Bisson Park playground upgrades. Motion passed by roll call 4-0.

Councilor Pepin, seconded by Councilor Austin made a motion that the Finance Committee support using \$8787.00 from the Contingency line item in the FY 2020 budget and an additional \$6213.00 from Recreational Escrow Funds to fund the additional \$15,000 of the Jules Bisson grant match. Motion passed by roll call vote 4-0.

REPORTING: COVID-19 FINANCIAL IMPACTS DISCUSSION

Chairman Witham has been following along with the State and Governor with tightening their belts. Revenues from the State might be slashed with less being sent to Municipalities. Manager Belmore pointed out three documents in packet which are estimates that Director Smith provided. Current estimates are \$270,000 will be turned back to the General Fund balance from the 2020 budget on the expenditure side. We also provided estimated revenues for the current year, and it looks like we will collect almost \$500,000 in excess revenues that will be turned over to the General Fund. We are very comfortable moving forward over the next few months for this fiscal year budget. He stated that recently on a conference call the Governor stated during his update that he is very confident that school funding provided by the State will not be reduced. We are concerned on the City side that Room and Meals and Highway Block Grant revenue could be reduced. Furthermore, there is a revenue sharing distribution in the amount of \$273,000 that we are concerned with as well. Some communities are peeling back some their capital projects. The City doesn't currently have any large number of projects except the road resurfacing budget of approx. \$1M. The Fire Station and Cemetery Road are Bond projects that would affect future year's budgets not necessarily large impacts on the next fiscal year. Director Smith stated that we are watching vehicle registrations. Currently, looking at April we are down a little bit compared to last April, but year over year our total registration revenue is good. We are not sure if this is due to economic results of the emergency, or residents having difficulty getting in to register, also the 20 day plates being extended through the end of May which could be playing a factor or that people are not registering new cars right now. Currently, our budget estimate is \$185,000 from investments on investments. Investment rates were around 2% and have dropped to 1.5% in March, and we expect considerable reductions in April and moving forward which will jeopardize our ability to realize the amount of revenue that was budgeted.

Property Taxes due in July might be a concern, but do not create a revenue problem, but perhaps may create a cash flow problem. We have a good track record of our collections over the years, and we usually collect about 94% of the warrant states by tax due date. Once tax bills go out, and we get close to the due date we will have a good indication of how our collections will compare to prior years. We went through the properties escrowed by banks/mortgage companies within the City and discovered that makes up about 40%. As far as utilities we haven't seen anything there yet, but again still early.

Chairman Witham asked if the School Department would be turning back any funds from this year's budget. Director Smith stated he is unsure that he will ask the Business Administrator..

Chairman Witham also questioned in regards to the budget we passed, do we re-open the budget? Manager Belmore explained that it is too early to open the budget until we get some idea from the State as to what they are doing He noted that the City can revise our estimated revenues for tax rate setting purposes in September, and he suggested waiting until July, or maybe even August if needed.

The Committee consensus agreed with Director Smith and Manager Belmore to wait to open the budget later in regards to revenues, if needed.

Chairman Witham wanted to talk about the Fire Station and the Cemetery Road bond and how this will affect the budget or not. Manager Belmore responded that in regards to Cemetery Road bond will be either the second meeting in May or the first in June and the Fire Station will be soon after that.

Director Smith stated that there will be no impact on the 2021 budget in regards to the Fire Station or Cemetery Road. The Cemetery Road project will impact the 2022 Budget, and the Fire Station project will impact the 2023 Budget.

Chairman Witham stated that he thinks the timing is right for these projects. As a reminder that we have bonds retiring now and if we don't capitalize on these retiring bonds we will have a large impact on the tax rate. Committee consensus was to support moving forward with the City capital projects, road resurfacing, and new personnel positions.

Manager Belmore stated that NHDES sent out a survey regarding shovel ready projects. He sent them info on the Wastewater Plant, Cemetery Road and a few other projects that should be considered shovel ready.

ADJOURNMENT

Councilor Dumont, seconded by Councilor Pepin made a motion to adjourn at 4:27pm. Motion passed by roll call vote 4-0.

Respectfully submitted,

Kelly Gagne, Deputy City Clerk