

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Thursday, May 11, 2021

5:30 PM

**Hybrid Meeting –
Council Chambers/via Zoom**

Members Present:

Thomas F. Powers, Chair
Stephen L. Hooper, Vice Chair
Bettina A. Chadbourne
Michael J. Remy
Raleigh C. Ormerod

Members Not Present:

All Present

George S. Hansel, Mayor

Staff Present:

Elizabeth A. Dragon, City Manager
Thomas P. Mullins, City Attorney
Rebecca Landry, Assistant City Manager/IT
Director
Merri Howe, Finance Director
Patricia A. Little, City Clerk
John Rogers, Building and Health Officer
Natalie Darcy, Human Services Manager
Elizabeth Fox, Human Resources
Director/Assistant City Manager
Dan Langille, City Assessor

Chair Thomas Powers read a prepared statement explaining how the Emergency Order #12, pursuant to Executive Order #2020-04 issued by the Governor of New Hampshire, waives certain provisions of RSA 91-A (which regulates the operation of public body meetings) during the declared COVID-19 State of Emergency.

1) Call to Order – Committee Chair

Chair Powers called the meeting to order at 5:30 PM. Roll Call was taken.

2) Resolution R-2021-22 Relating to the FY 2022 Proposed Fiscal Budget

Chair Powers informed everyone that they would begin reviewing the proposed operating budget and a link to that information could be found on the City of Keene's website on the home page.

3) Introduction – City Manager

City Manager Elizabeth Dragon stated that the recommended 2022 fiscal operating and capital budget is estimated to raise the city portion of the tax rate by 1.69%. She went on to state that the adjustment follows two years of level city proportion of the tax rate proposed. Ms. Dragon clarified that two years ago she had proposed the municipal tax rate that was level and during the

budget review process the council made some adjustments to war credits, which increased the municipal rate slightly during that year.

Ms. Dragon stated that the budget will meet the service delivery and capital needs currently and into the future. She reported that the tax rate adjustment proposed is \$930,470.00 less than the city's fiscal policy budget index, which considers the consumer price index expenditures and expenditures required by law. She noted that the tax rate estimates are based on a projection of no increase to the tax space, further explaining that it's a good conservative estimate as the city is in the midst of a city-wide property revaluation.

Ms. Dragon informed the committee that at that point in the budget review process both the school and county had approved their budgets, which meant that the city setting their portion of the tax rate was the last piece needed. She went on to state that, with the budgets approved by the school and county, the total tax rate is expected to increase 3.57%, with the largest increases estimated in the school portion of the budget. She noted that there has been additional funding flowing from the Federal Government through the American Rescue Plan and was hopeful the numbers would change before the final tax rate setting. As the city continues to receive additional funds from the Federal Emergency Management Agency (FEMA) and the American Rescue Plan, Ms. Dragon stated her budget anticipates the offsetting of some revenue losses. In the general fund she reported a loss of \$350,000 dollars and in the parking fund, there being no adjustment to the actual parking budget revenue estimates, but a loss of \$108,642. She noted that the city anticipates covering both of those losses as part of the American Rescue Funding.

Lastly, Ms. Dragon reported that the Treasury Guidance recently came out and the loss of revenue is included in those materials. Additionally, the changes to the capital plan were made as part of the operating budget for 2021 and 2022.

Councilor Chadbourne joined the meeting at 5:37 PM.

4) FY 2022 Proposed Fiscal Budget Departmental Budget Review

Finance Director Merri Howe reminded everyone that an online version of the FY 2022 proposed fiscal budget book exists on the City of Keene's website. She began the review by pointing out an error on page 8, 4th bullet down, stating the last line of that bullet should read "development and change part time tech position to full time." They inadvertently omitted the word "tech."

Ms. Howe informed the committee that finance would maintain a list and tally of all recommended budget changes as they move forward through the budget process, including the Mayor and City Council budget changes that would be mentioned further along in the meeting.

Ms. Howe pointed out that the cost center detail reports that were previously located in the back of the book were moved into the corresponding departments. To help distinguish between the department expenditure budget report and the department cost center detail budget report, the headings were colored green. Additionally, they created a new cost center, 007-01 titled Virtual Technology. Ms. Howe stated that over the course of the past several years the City has incorporated online and virtual means to conduct daily business and meet the needs of its

customers. Beginning in FY22 items such as cloud based software renewals were removed from individual departments and into the new Virtual Technology cost center in an attempt to make items easier to identify and track in the budget. She informed the committee that the new cost center could be found on page 89.

At 5:48pm members of the meeting experienced technical difficulties. Chair Powers paused the meeting while technical support worked on the issues and zoom was restarted.

Chair Powers resumed the budget review at 6:01pm and prompted the Finance Director to continue where she left off talking about the items on page 2-13.

Introduction to General Fund Proposed Budget (Page 2-13) – Ms. Howe stated that the general fund is the primary operating fund utilized by the city and accounts for the majority of the city departments and functions from Fire, Police, ambulance service, maintenance of parks and licensing dogs. Property taxes collected, along with other current revenues, are used to support those departments that the citizens of Keene use and depend on each day. She went on to state that the City Manager had provided several overviews of the FY22 budget, anticipated revenues, and challenges presented, and thus moved on to discuss department budgets listed on the agenda.

Ms. Howe had everyone turn to page 11 and explained that it provides a solid overview of the budget and shows where your tax dollars go, breaking it down by department and based on different costs of homes in the city. She pointed out that the majority of taxes go towards public safety and capital projects.

Chair Powers asked if anyone had questions on page 2-13. Councilor Ormerod referred to page 12, Use of Fund Balance, noting the fluctuations from year to year, and asked if that was a way to balance the budget. Ms. Howe replied that the Use of Fund Balance helps balance the budget to keep property taxes in line to where fiscal policies and their goals say they should be.

Councilor Ormerod next referred to page 16 and the building code violations line 45202, where he noticed that the number is particularly low in the budget. Knowing that there had been a number of complaints regarding building code violations in the city, he requested an explanation on projections and why that budget item was set to remain relatively low. Ms. Howe passed the question to John Rogers, Building Official. Mr. Rogers stated that they are trying to align the budget more with the actual violations issued to reflect a truer number. He confirmed for Councilor Ormerod that that number is \$500 per year for assessing building code violations. Chair Powers added that every action doesn't always result in a fine, further explaining that they could cease and desist or make corrections.

General Fund Debt Service (Page 23-25) - Ms. Howe referred to page 24 where there is a list of all general fund bonds that are still open and active. She stated that in the budget for the current year the list is organized by project that it funded, date of issue, maturity, the rate, what the original bond was, principal, interest and where they will be at the end of FY22.

There were no questions on this section.

Mayor & City Council (Page 30) – Ms. Howe reported an error in Other Services, line 62175, stating that some of that expenditure budget is supposed to be allocated to account number 62301 Office Equipment Maintenance, 62442 Mayor’s Official Expense, 62510 Communications/Phone and 62701 Office Supplies. She noted that they will do that redistribution and track it on a recommended staff changes worksheet to be ready for the next meeting, and reassured the committee that there would be no budget impact in the changes that they need to make.

Next, Ms. Howe reported a supplemental item in the Mayor’s budget, noting that the budget in total is down \$5,390. She referred to account number 61305, Administrative Personnel, reporting that it decreased by \$15,853 which is offset by an increase in the Administrative Personnel account in the Human Resources budget. She explained that they reallocated hours for an individual that works in both departments. Additionally, account number 61307 Part Time Employees increased by \$5,000 to cover minute takers for additional committees and meetings.

There were no questions on this section.

Outside Agencies (Page 31-34): Ms. Howe introduced the Human Services Manager, Natalie Darcy, to present an overview of the FY22 Outside Agencies budget and the process used to come up with selection.

Natalie Darcy stated historically Human Services is tasked with taking the lead on outside agency funding. This year the committee consisted of individuals from Human Services, Finance, Community Development, Keene Police Department and two City Councilors, who worked diligently to assure that any organization looking to apply for funding had the opportunity to do so. A public notice was placed in the Keene Sentinel on December 10, 2020 and the deadline for submission was January 15, 2021. Recommendations for funding are based in part on each agency’s response on the following established criteria: Impact on the city if the agency was not in operation, the agency provides service with a direct financial impact on expenditures of city departments, the number and percentage of Keene residence served by agency, other local service agencies providing similar services, financial impact in terms of prevention and intervention services that potentially saves future city spending, demonstrated efforts to cooperate and avoid duplication with other agencies. Ms. Darcy reported that this year Human Services received 13 requests for agency funding, one agency rescinded their request, and an additional request was received on April 2, 2021 from Project Share, which the committee determined could not be considered because the application was late. The director of Project Share was informed of the present meeting in the event that the director wanted to speak to the committee members. Ms. Darcy continued to state that the committee met via zoom to discuss the agency requests and assigned each agency a date and time to meet with them to discuss their agency funding needs. On February 23, 2021 the committee met and made recommendations, which were forwarded to the City Manager for budget review. Ms. Darcy stated some considerations to keep in mind were that many of the agencies received Paycheck Protection Program money, and due to COVID-19 some agencies had not been open to the public since March of 2020. She then invited the agencies present to speak on their organizations.

- a. Big Brothers/Big Sisters of Western New Hampshire: Stacy Callahan, Director of Programs, explained that they are a one to one mentoring agency statewide asking for continued funding to make and support all of their matches throughout the Keene region, which is what they refer to as their West Region. They have two program functions, a school based function and a community based program, which is where matches meet out in the community.
- b. Court Appointed Special Advocates (CASA): Tarah Bergeron, Development Assistant, explained that they are requesting funding to aid in recruitment, advertisement and training of additional CASAs for the Keene district. They provide volunteer advocates to children in cases of abuse and neglect and speak on behalf of the child at the court hearings. They also meet with the child once per month to stay in contact and help them thrive in a safe household.
- c. Harbor Care: Wendy LeBlanc, Vice President of the Southern NH HIV/AIDS taskforce, a program of Harbor Care, stated that in October of 2020 their agency merged with Harbor Homes, so they have a different name but none of their services have changed. In 2015 the AID services of the Monadnock Region was no longer able to remain fiscally viable so Harbor Care took over the Keene area. The office in Keene is a satellite office of the office in Nashua, NH and funding has been shared between the two locations for the past 5 years. The agency provides hands on case management and other support services to low-income individuals living with HIV/AIDS and makes sure they have access to insurance or a payment source for their medication and medical care, support with housing, transportation assistance and service referrals. They also have a small food pantry. Ms. LeBlanc stated they know that a person who is living with HIV and who is compliant with their medication, not only maintains their own health but also becomes unable to transmit the virus to their sexual partners, even without protection, which is prevention to the larger community. Additionally, they are able to leverage Federal funds for their client population which is why it is very rare that their clients approach the city for rental assistance or prescription assistance. Ms. LeBlanc ended by stating that they need Keene's support to continue their operation.
- d. Home Health Care Meals on Wheels: Susan Ashworth stated Home Healthcare Hospice and Community Services maintained City Express services throughout the entire year. They went from running one bus to now three buses and will hit their goals of 17,000 trips this year. They added a shopping shuttle to promote social distancing, provided shields for the drivers and established cleaning protocols throughout the day to be able to provide service in a safe manner. They are actively working with Southwest Regional Planning Commission on new concepts that may provide better transportation to the residents of the City of Keene.

Ms. Ashworth went on to state that they also maintain Meals on Wheels and reported that on a daily basis they are serving 195 homebound seniors and individuals with disabilities

in the City of Keene. Those individuals each receive a lunch and ¼ of them receive a breakfast meal. They all receive a safety check and if they have additional needs staff can mobilize resources to meet those needs and hopefully not call on city services. The average age served is 80, they are getting more people who are caregivers and are caring for a spouse, and 28% of those in the City of Keene who are over the age of 65 are living with dementia, resulting in an increased need for their services. This year they anticipate delivering approximately 50,000 meals in the City of Keene's and would greatly appreciate support from the City as it is critical to continue with their current level of service.

- e. Hundred Nights: Melinda Cambiar stated their organization has provided over 10,000 bed nights of shelter during 2020, which is the highest number they've done and is in part due to COVID-19. They made several changes in the shelters including flame retardant curtains between the beds, people sleeping head to toe, and removed the conference room to space the beds out further. Monadnock Family Services and St. James Church donated a larger space for them to operate their resource center out of. They are currently at 36 beds and will have the hotel rooms until May 31st, after which they will be back down to 24 beds.
- f. Keene Housing Kids Collaborative: Liz Chipman, Executive Director, stated that they work with kids that live in Keene housing properties and apartments on the private market that receive rent assistance for Keene housing. They connect these individuals with existing opportunities in the community. She suggested that it makes economic sense for the City of Keene to support them, explaining that in 2020 they paid nearly \$80,000 directly into the local economy in the form of tuition and program fees to local businesses and non-profits because the kids contribute to local economy. This number was higher in 2019, due to the impact of COVID-19 and the closing of programs in 2020. Their expected tuition and program fees for 2021 are around \$100,000. A short term return on investment for the city means that an investment of \$10,000 in the Kids Collaborative will return to the city as \$100,000 directly into the local economy. There is also a social return on investment. She went on to state that in 2020 they served 216 children, most of whom were Keene residents. Their outcome goals include lowering the special education rate for kids living in Keene housing. Their model connects children with activities in the community that increase school readiness, communication and teamwork skills. Gains in those areas result in decreased enrollment in special education, which is ultimately reflected in lower cost for schools and tax payers. Ms. Chipman pointed out the importance of that after Ms. Dragon previously mentioned that the largest increase in this year's tax increase was the school portion of the budget. She continued to state that they also partner with afterschool programs in Keene and pay for Keene housing children to attend, which in turn allows their parents to continue to maintain steady employment and depend less on social safety net programs. For the past three years they have partnered with the Keene Family YMCA to offer 8 weeks of summer day camp to children living in Keene housing, which is another way they support not only the

wellbeing and development of children but enable their parents to stay in the workforce or attend summer school to maintain employment. Their programs and outcome goals ultimately reduce juvenile crime and truancy, and increase school attendance and engagement. The students that live in Keene housing represent nearly 10% of the students in the Keene School District, which means positive gains for the children, the school district, and the community.

- g. Keene Senior Center: Cameron Tease, Executive Director, stated that their organization serves older adults age 50 and above. Their activities are designed to enhance dignity, support independence and promote social connections. Mr. Tease went on to state that numerous reports show that social isolation is a growing epidemic in America, even before the pandemic. Older adults are also a growing demographic and he mentioned that in Cheshire County it's predicted that 30% of the population could be 65 and older. Their last member survey completed in January 2020 showed that 45% of respondents live alone, 40% are on fixed incomes and 20% are over age 85. More than 70% of their members are over age 70. The center has a unique foundational objective and collaborates with many other agencies in the area to provide integration with their wellness programs, which the City of Keene supports. Wellness programs can include exercise, nutrition, socialization and education. They aim to keep their costs affordable and have scholarships and discounts, with the current cost to be a member per year at \$60. Mr. Tease stated that during COVID-19 their revenues and expenses have been down, although not as much as they could be due to receiving a grant in 2020. They have cut salaries and started a building project which they are doing separate fundraising for. The City of Keene's support has always been critical to their financial sustainability and they would appreciate their continued support in the next year of critical transition, as they look to reopen in the summer or early fall.
- h. Monadnock MFS Substance Abuse Services: Gigi Pratt, CEO, stated that their organization serves the uninsured and underinsured population for community mental health. This specific request is for their substance abuse program requesting \$5,000. She went on to state that epidemics in the area are increasing with regards to substance abuse and she was pleased to say they continued to remain open throughout the COVID-19 pandemic and utilized telehealth and in-person settings to provide many services. They employ substance abuse professionals who provide evidence based treatment modalities for the Keene clients and surrounding regions. The request goes towards salaries and benefits for their clinicians and she wanted to make it clear how much they would appreciate the City of Keene's continued support so they can provide valuable services.
- i. Southwestern Community Services: Keith Thibault stated they are a local community action agency administering a host of federal, state, local and regional programs to assist people in their quest to become more self-sufficient. In 2020 they were able to provide over 3.5 million dollars to Keene residents on the variety of programs that they administer and run. They are requesting funds from every city and town in Cheshire and

Sullivan counties, as they do each year, to help people who fall through the cracks and need assistance. Each year they calculate how much they assist local communities and ask back 1% of that assistance. For the City of Keene that would be \$35,000 but they've capped that at \$10,000 and ask for assistance at that level. Mr. Thibault went on to mention a few highlights of the program. The Head Start program had 54 households involved last year, which is a preschool program that assists children in preparing them for public schools. They had 191 families who got assistance to their WIC program, nutrition, breast feeding, peer counseling, food vouchers and general assistance with nutrition. 635 Keene families were assisted through their fuel assistance program, where they provided almost \$650,000 directly into fuel vendors on behalf of Keene families. Their electric systems program helped 681 Keene families, mostly elderly and handicap individuals. They have 144 units of housing in Keene and have paid over \$180,000 in property taxes to the City of Keene over the last year. They launched a program last year where they provided over 7,500 lunches to mostly City of Keene residents, serving the camp at Wheelock Park, the public library, the YMCA and the middle school. They anticipate providing over 10,000 lunches this summer. Mr. Thibault thanked the City of Keene for their past support.

Councilor Ormerod asked if the electricity assistance they provide includes the work they do for qualifying for NH Saves, or other weatherization type programs the City promotes. Mr. Thibault replied no, they have another program that specifically provides a discount on electric bills every month. It is based on income and can save someone anywhere from 5-80% of their electric bill depending on their need. Beyond that they have a robust weatherization program assisting households which they will be rolling out to the City of Keene in the near future.

- j. The Community Kitchen: Phoebe Bray, Director, stated they operate a food pantry which is open to all financially qualified residents of Cheshire County, and a soup kitchen that is open to all. Throughout the Pandemic they remained open and are serving both programs on a to-go basis. Hot meals are provided in a bag, and for the pantry program clients walk or drive to the back of the building to collect pre-packed bags of food. She reported that they are about to go into the construction phase of their solar project and have decided to continue with this model until after the construction is completed. Throughout the pandemic they have been collaborating with other agencies in the area and have been putting food boxes together for Monadnock Family Services, Southwestern Community Services and Hundred Nights. She thanked the City of Keene for their past and continued support.
- k. The Samaritans, Inc.: Carmen Trafton, Executive Director, stated their mission is to reduce the incidence and impact of suicide. They primarily serve Keene and the surrounding communities but they never say no to anyone if they were to reach out for help outside of those areas. During the COVID-19 pandemic they were able to modify all of their programs and services to provide them virtually, which was important because

they have seen a significant increase in people needing support, both the people who are experiencing mental health issues themselves and those who have lost a loved one to suicide. Their office reopened in-person services on April 1, 2021 and continues to offer a hybrid of in-person and virtual options. They have three interns from Keene State who have been a great help. They distributed 530 COVID care kits in the last year to their most vulnerable citizens, consisting of items such as hand gel, masks, hand warmers, food and supplies. The idea was to help people withstand the lack of assistance available due to closings from COVID-19.

Councilor Ormerod stated he noticed that overtime they have provided services to 22,000 Keene residents, and inquired about what the increase was and if it corresponded to their increased request in funding. Ms. Trafton replied that they generally don't correspond numbers to increases or decreases in services or funding. They are a small agency and gradually increase the funding request each year, regardless of how many people they serve. They have inadequate funding and lost United Way funding because they didn't fit into the new parameters, so they are looking to fill a \$13,000 shortfall. They would like to eventually have a program coordinator position again as well.

Councilor Remy asked if the 22,000 residents indicated the number of residents served this past year, noting that that would be the entire population of Keene. Ms. Trafton replied that they don't track unique clients aside from support group participants, because they identify themselves, everything else is anonymous. The numbers are tallied mostly through events, such as trainings at schools. She clarified that the 22,000 refers to communications such as mailings and social media, and direct contacts would be about 6,000 per year. She added that they consider every contact a prevention opportunity whether that be through social media or a direct contact.

1. Project Share: There was no one present from this agency.

There were no further questions. Chair Powers concluded the section and had Ms. Howe continue with her report.

Unclassified Items (Community Funded Events) – Ms. Howe referred to pages 34 and 35 showing the budget for community funded events, cost center 00003 Unclassified. She explained that in November of 2020 the City Clerk's Office sent in requests for applications with a deadline to return them by December 21st. The budget decreased by \$4,119, mainly because the Keene Pumpkin Festival did not submit a request for funding in FY22. Other items in the unclassified cost center include Partner City, Planning and Zoning Boards, Marketing and Development, Energy and Climate Committee, Conservation Commission, Historic District Commission and the Heritage Commission.

Chair Powers welcomed any questions. He asked about account 62102 Professional Services, wondering if it was a new item. Ms. Howe stated that it was new and explained that they regrouped marketing and technical services for branding for downtown and economic

development. Chair Powers then asked what account 62192 Branding and Communications would be used for. Elizabeth Dragon replied that there was a line for \$25,000 that was allocated to the downtown coordinator, and that line no longer exists. She went on to state that line 62102 is for some of the marketing and that the branding is a separate line. Chair Powers clarified for everyone that it was just the movement of some items around.

Councilor Greenwald added that he feels branding is great but is concerned that they have no plan, even after spending money on the downtown coordinator. He made a plea to the City Manager to have a plan and some organization before spending the money. He also mentioned that after hearing Ms. Trafton's presentation on The Samaritans, he felt the agency should definitely receive funding.

Ms. Dragon replied that they do have a plan for branding and it's a project that will continue over two fiscal years. She went on to state that they will be presenting the plan to the City Council before they move forward with any branding or outreach efforts. Councilor Greenwald requested that the plan reach all City Councilors.

Chair Powers invited representatives to present on their community funded events.

Pathways for Keene: Jan Manwaring stated they appreciate being considered for a community event. The purpose of Pathways for Keene is to raise money for the trails. This year and the next couple years moving forward, they are focused on the bridge over Route 101. They are all volunteers so the money they raise goes to the city, oftentimes as part of the matching funds that are required by grants that the city writes. She reported that this is their 19th year.

Clarence DeMar Marathon and Half Marathon: Race Director Alan Stroshine of 27 Salisbury Road in Keene stated they have been honored to enjoy community event status since 2012. This September will be their 43rd running of the marathon, they can no longer say consecutive, due to having to take 2020 off during the COVID-19 pandemic. They are grateful for the community event funding and status as well as the partnership they receive from all departments in the city, which allows the event to take place successfully and continue getting better each year. He mentioned that the event will be the last Sunday in September and will include the kid's marathon, super senior's marathon program and regular endurance events.

Councilor Bobby Williams joined the meeting at 7:09pm.

Ice and Snow Festival: Mark Rebillard of 64 Blackberry Lane in Keene stated that he is the Chair of the Keene Downtown Group who runs the Ice and Snow festival. 2022 will be their 19th festival, which will take place in February and typically brings 5,000 people downtown. The festival includes a free day of activities such as a children's train, snow slide, toboggan run, ice sculpting competition, s'mores station, hot cocoa provided by businesses and window displays. He reported that they built pedestals for the ice sculptures that illuminate them and encourage people to keep walking around downtown and enjoying the restaurants and shopping. He thanked

the City for their support in the past and mentioned that all the money they raise goes directly to the creation of the next year's event.

Councilor Ormerod stated he is a fan of the festival and would love to see the program built out and keep growing.

Keene Music Festival: Pablo Fleischmann, owner of Green Energy Options in Keene stated he has been involved with the Keene Music Festival since it first began in 2001. It is a great day of free music where local musicians perform. He added that a goal of theirs is to raise funds outside of the City's contributions to start paying the musicians. The event is typically held without blocking streets in Downtown Keene on the Saturday of Labor Day, which is September 4th this year. They have a small volunteer group that puts the event together and anticipate it being a bit smaller due to transitioning out of COVID. He stated that they greatly appreciate the City's support.

Vice Chair Hooper commended Mr. Fleischmann on his presentation

Tree Lighting Ceremony: No representatives present.

Chair Powers asked for any follow up questions. Councilor Remy stated next year they should expect a request from the Keene Pumpkin Festival again.

Chair Powers granted a 5 minute break at 7:18pm.

Chair Powers resumed the Finance Committee's review of the FY22 proposed budget at 7:25pm. He reminded viewers that they could follow along by accessing the budget book on the City of Keene's website.

General Fund Capital Appropriations (Page 37-42) - Ms. Howe referred to the capital budget beginning on page 38. She informed the committee that page 38 and 39 are excerpts from the FY 2021-2027 Capital Improvements Program (CIP). She added that FY22 will be the second year of the biannual CIP. She went on to state that the Capital Plan priorities were reviewed and adjusted since the printing of the FY21-27 CIP book and a summary of those changes can be found on page 38. Ms. Howe gave an example of one of the changes as the Revaluation and Reappraisal project which had a cost that was lower than anticipated. This meant funding for the next part of the revaluation was reduced from \$82,500 to \$38,000 and the funds needed for the Capital Reserve were also reduced from \$82,500 to \$45,000. Ms. Howe stated that by reviewing the projects they were able to decrease the Capital projects by \$163,472. She then referred to page 40 - 42 pointing out orange lettering in the excerpts from the FY21-27 CIP, which she stated indicate the projects that they had made changes and modifications to.

There were no questions on the Capital Program.

Employee Benefits (Page 43) – Ms. Howe stated there was an increase of \$109,886 which represents union contracts that are under negotiations as well as cost of living adjustments, which are not Union.

Human Resources Director Elizabeth Fox stated that employee benefits is also where they fund some consolidated benefits costs, such as life insurance and long term disability insurance. She noted that last year they were lucky to secure a three year agreement that stabilized their insurance rate and are enjoying the benefit of that this year. Ms. Fox went on to state that employee benefits is also where they fund some safety and wellness program costs that benefit the organization as a whole, as well as tuition assistance. She reported that they are projected to provide tuition assistance to 8 employees in 2021, some of whom are pursuing degrees in Business Management and EMS Management, a few Fire Department employees are taking paramedic courses, and one employee is pursuing a certificate in paralegal studies.

Councilor Remy asked about the 50% increase in line 61304 General Personnel. Ms. Fox replied that the particular line can vary a lot from year to year because contracts change. Chair Powers added that last year the line only covered non-union employees because all union contracts had been settled and cost of wages were included in each department's budget; however, this year it covers non-union employees plus two unions of about 40 people, and that's where the money would be raised if the contracts were completed, and then moved into the appropriate departments.

There were no further questions on this section.

Risk Management (Page 44) – Ms. Howe referred to page 44 where the City's General Liability Insurance and Airport Liability Insurance can be found. She noted a slight increase this year.

There were no questions on this section.

City Manager (Page 45-48) – Elizabeth Dragon, City Manager, referred to page 47 and reported that annual PC Replacement Charge adjustments and Meeting Expenses jumped up a bit because of Zoom accounts. She then referred to page 48, where all departments that are part of the City Managers cost center can be found, including the Emergency Operations Center which she reported at \$1,870 with no change. Also included is the Economic Development Director special projects. Ms. Dragon stated his wages are split between the aforementioned cost center and parking.

Councilor Ormerod referred to the 2022 strategic priorities and noticed they had utilized technology to increase efficiency and a new financial software package was mentioned. He suggested moving that up. Elizabeth Dragon agreed and stated the order in the budget was not the order of priority. She elaborated further, stating the need to upgrade their financial software was already in the capital plan and she had a proposal for FOP later that week to replace the software more immediately, and plans to explain then why it's important to do so. Councilor

Ormerod agreed and mentioned improving billing to allow for more flexibility. Rebecca Landry stated she would also be providing a brief introduction to the software project in her IT review.

There were no further questions for the City Manager section.

City Attorney (Page 49-52) – Thomas Mullins, City Attorney stated his budget is fairly static but noted two significant proposed changes for 2021, found on page 52. He mentioned that over the last several months they had been talking about the need to hire an Assistant City Attorney, mainly for the body camera issues and disclosure of videos, as well as the significant increase in right to know requests which require a certain level of expertise to respond. Additionally, the position will assist the department in other areas with increased workload. He then pointed out the benefit load associated with the assistant position, outside of the salary reported at \$65,900. Mr. Mullins mentioned that they used to have an Assistant City Attorney who left to pursue other opportunities when the economy declined in 2010. At that time they had chosen not to fill the position and instead shift about 50% of the cost of that position into the outside legal services line, hence the suggested reduction in that line of the budget to help pay for the new position they are requesting. He reported that the line will decrease from \$70,000 to \$35,000 annually, noting that over the years they haven't expended much of the outside legal services line. Mr. Mullins described the rest of the budget as mostly unchanged, aside from a slight increase to cover some training issues and bar exam dues.

Chair Powers asked what salary level the assistant would be placed in. Mr. Mullins deferred to the City Manager as he couldn't recall which level they had chosen, but mentioned it would be included in the introduction of the salary plan in the next meeting. Ms. Dragon added that it is partial funding for 10 months for the new position. There were no further questions.

City Clerk (Page 53 – 59) - Patricia Little, City Clerk, began by mentioning her goals for the year. She reported that they will be conducting a Municipal Primary and Municipal General election in the fall. They are also due to redistrict the City's five ward lines, which have been delayed to September 1st due to US Census data delays. Ms. Little stated she will be asking to pull funds from this year's budget into next year's budget to complete that initiative. Lastly, they will continue their work to improve the audio and video capabilities of the Council Chambers. She mentioned that it's a work in progress but they have a good handle on the staff process for hybrid meetings, which require an extensive workload.

Next, Ms. Little recapped last year's on goings, mentioning it was the start of zoom meetings which occupied many months of their activities. She went on to state that they secured significant funds, about \$80,000, from the state's GOEFFER grant which they utilized to upgrade equipment in the Cheshire TV control room, as well as to transition from robotic analog cameras to digital cameras, and add wireless microphones. Ms. Little reported the other significant occurrence was the Presidential Primary which was very successful despite the COVID-19 restrictions. She explained that they secured significant federal funds for that initiative as well, close to \$80,000, which were used for staffing, PPE, mobile ballot boxes and

additional Accuvote tabulators to accommodate increased absentee ballots. Additionally, she stated they had obtained a fleet of utility trailers, one for each ward, which will have the wards equipment in them and be far more efficient.

In terms of line items, Ms. Little thanked the City Manager for supporting their supplemental funding request. She reported that the items that will be added to the base budget include the Accuvote tabulators, which have a yearly maintenance cost, and the need to secure a wheelchair for each polling location, which will be stored in the utility trailers. The last major supplemental item was the printing of ballots for the Municipal Primary and Municipal General Election.

Mr. Hooper asked if their department had experienced an increased workload with the right to know requests and if it takes away from other staff responsibilities. Ms. Little replied that right to know requests are a very labor intensive process that do take up considerable time for her staff. She noted that her office only does the intake part of the process, which is not even the most difficult part of the process, and suggested that they could benefit from technology that makes it all more efficient. She gave the example of often receiving similar requests which, if they had the responses built into a database, could save a lot of time. She mentioned they could take it even further than that and publish the requests on their website so people could self-serve. Mr. Hooper stated they will keep that on the radar to try and correlate the increased right to know from the work that the Clerk's department is doing and coordinate it with the Attorney's office to obtain a balance of labor.

Councilor Chadbourne referred to line item 61305 Administrative Personnel, and asked how many salaries or hourly employees that number covers. Ms. Little replied that it covers everyone that is full time, which includes the Assistant City Clerk and Administrative Assistant. The Deputy City Clerk's salary is split between Archives and Records Management. The other staffing in the office is under Part-Time Employees, which consists of two part time front desk Administrative Assistants. Ms. Little stated the last staffing component is in the Mayor and Councils budget for 5 minute takers.

Councilor Chadbourne then asked where the trailers would be stored between elections. Ms. Little replied that where they will stay is undecided as they just recently secured them.

Councilor Ormerod referred to page 57 and asked what line item 62206 PW Fleet Charge consists of. Ms. Little replied that they have a van and have to pay into a fund to cover the eventual replacement cost for it.

Councilor Ormerod then asked about the Census data, wondering how they will be able to redistrict during a timeline that includes declaring for the wards in August, Census data arriving in September, a primary in October and a final in November. Ms. Little replied that no one is quite sure how it will work just yet but she had the idea to remove the ward line descriptions from their city charter, which is where the time consuming legislative process will occur, noting that it takes several months to go through a redistricting effort. There would then be a statutory

process including review by the Attorney General and Secretary of State's Office and a public hearing. She went on to state that removing the charter language from the charter would have to be a question on the ballot this fall, and then if adopted, when the US Census data comes in late fall the Mayor would appoint a committee to work with the data and develop the new ward lines. Ms. Little continued to state that instead of having the ward lines agreed to by the voters of Keene, they would be agreed to by the City Council. Upon agreement of the lines they would then go through the effort of notifying voters to go to a new polling location. She expressed that they need to be done before the filing period for state elections.

Councilor Ormerod then referred to the fiscal year objective of securing a software solution for board member/minutes management and asked if that refers to the commissions they have, and if it's a direct output of the racial justice diversity report. Ms. Little replied that several initiatives have come together which are leading them away from Novus agenda management and Granicus video web streaming. She explained that Novus was purchased by Granicus, which is the competitor, and they have stopped development of Novus and are encouraging their clients to move to Granicus. Knowing that, and knowing they want to secure replacement for an Oracle license for a robust boards and commissions database, they looked for other solutions and secured one. Ms. Little reported that they will be migrating to Civic Plus over the next few months, which is less expensive and will allow them to pick up the board application while remaining within the same budget they've had for many years. She recognized that they didn't have any data to assist the Mayor in acquiring a benchmark on where the public body membership is in terms of diversity under his term. When looking at boards and commission software they made sure to look for that specific feature, which is included in the new software. She noted that Oracle was custom made for their purposes so they had a lot of sophisticated needs, and Civic Plus has shown great interest in learning about those needs and customizing features to meet them.

Assessment (Page 62-66) - Dan Langille, City Assessor, stated the Assessing Department budget decreased from around 4% from what it was last year. He explained that the operating expenditures are similar to years past, with one addition that sticks out which is a supplemental request for additional training. He reported that they have retained qualified and experienced staff, mentioning that the property appraiser is going on 25 years and the assessing technician is going on 35 years. Both will be retiring during the next fiscal year and, as a result, the department needs to bring on all new staff within a year's timeline. Mr. Langille noted that in prior years they have had 4 full time positions but they do not plan to fill the automation specialist position that became vacant in December, due to the fact that they have been able to cover the duties by streamlining processes and investing in modern technology. Their plan is to include an additional 3 months of personal cost for both the Property Appraiser and Assessment technician, which will allow time to train new staff with current staff still in place. He explained that the plan is vital because they don't have existing staff that can easily step in to take over vacant roles because of the unique certifications and job requirements they have.

Chair Powers stated that he fully understands the transition plan. There were no questions.

Finance (Pages 67-79) – Ms. Howe stated the Finance Department supports both the organization and public and consists of 4 different divisions, including accounting, purchasing, revenue collection and human services. Accounting, purchasing and revenue collection manage the financial resources of the city. Human Services provides short term emergency and timely assistance to eligible persons to meet the basic needs in accordance with state statutes. She reported that the entire department is staffed by 16 full time and 3 part time employees.

Ms. Howe went on to state that accounting, purchasing and revenue collection are basically the business functions of the city, while human services works more on external needs of the community. She referred to the Finance budget on page 67-79, stating the overall budget decreased \$10,299 from FY21. They were hit relatively hard with the NH retirement increases and other wage and benefit increases, noting that the NH retirement alone was a \$36,000 department increase. Ms. Howe reported that they moved some budget money around to help absorb that cost and due to COVID-19 reduced the budget for rental assistance for FY20. Going into FY22 the need isn't there for additional funds for rental assistance. There were no questions for the finance section.

Natalie Darcy, Human Services Manager, stated Human Services offices were relocated to the second floor of City Hall in last October, allowing them to meet with clients one on one because of a new interview room designed with glass separations. She reported a wonderful holiday sponsorship program where they were able to help over 260 individuals have a good Christmas. Ms. Darcy then stated that due to COVID-19 and its accompanying stimulus payments, CARES Act funding, and enhanced unemployment payments, their case load was reduced significantly. As a result, their focus switched to the increasing need for homeless services and they have been working closely with Area Homeless Coalition and Shelter Managers. Additionally, they increased case management to educate clients on budgeting, job readiness and application and paperwork assistance for other agencies such as fuel assistance and food stamps. She went on to state that their staff has also been trying to find affordable housing for clients in hotels, motels and shelters, which is increasingly difficult because there's around 1% of available rental inventory in the area, coupled with a high costs. They do anticipate that as Federal money expires their caseloads will increase and clients will require increased assistance. She reported that they decreased rent for the coming fiscal year due to the emergency rental assistance program; however, they recognize not all rental needs are COVID related which will increase the assistance need. Lastly, she reported that the office had seen an increased need for hotel and motel assistance for families and individuals who are homeless and no shelter beds are available. They anticipate that the rent line item will increase in fiscal year 23.

Councilor Ormerod asked for clarification on the \$400,000 increase on page 79 Operation Expenses. Ms. Howe replied that it's actually a decrease.

Human Resources (Pages 80-83) - Elizabeth Fox, Assistant City Manager/Human Resources Director stated the department supports the organizations engaged in talented and adaptable

workforce, focused on achieving the vision of the Keene Comprehensive Master Plan to be a vibrant, dynamic, beautiful, inclusive and functional city. She stated the budget begins on page 80 and the accounting detail can be found on page 83. She went on to state that the city's workforce is the core of their organization's success delivering quality public services and programs to their community that support the objectives and other desired community attributes. Maintaining high quality and critical services through the lens of a global pandemic has required flexibility and agility by departments across the organization and their employees required HR to engage deeply in the daily health and wellbeing of their workforce.

For FY21 she reported that their work plan prioritized core HR functions and organizational response, recovery and resiliency developing and administering programs and policies through the lens of COVID-19. With the priority of employee health and safety and by extension their families and our entire community, HR team members primary focus became the daily support of the workforce and operations through the evolution of the pandemic. She went on to stated that they implemented new programs and policies responding initially to health risks and then requirements of Federal Legislation that required HR to interact daily and seek flexible solutions with employees across the organization who were a myriad of circumstances along with managing work responsibilities. While managing those responsibilities she reported that HR evolved their work processes to support recruitment, onboarding, benefits administration, leave management and the core day-to-day HR functions in a safe and socially distant fashion. They have 3 full time employees and 1 part time employee who leaned in to provide a foundation that allowed their workforce to focus on services and the needs of the community.

She reported that in FY22 HR will be refocusing on strategic activities and the work plan they had envisioned prior to March of 2020, including initiatives to improve the city's systems, policy, culture and other programs that support recruitment, retention, training and development of their future leaders. Since the first of the year, and before the end of this fiscal period, the city will have initiated recruitment efforts for more than 25 positions. The city's workforce is in a period of transition, likely accelerated by the pandemic. The transition will require employing a variety of strategies and responses and working more deliberately with organizational partners to ensure that their workforce and recruitment efforts provide the human assets necessary to meet their community's ambitious objectives. Ms. Fox stated the recommended HR budget makes several personnel adjustments to advance the aforementioned objectives. This will include transforming an Administrative Assistant position into a Human Resources Assistant position. She went on to stated that an additional investment is required to make that change but the added value will be critical to supporting employee engagement, recruitment, training, safety and development.

Ms. Fox then mentioned that reallocation of a portion of existing part time administrative support assets shared with the City Manager and Mayor's office allows HR to focus on administrative details in order for them to effectively integrate across the organization with 6 collective bargaining units and a large non-union workforce. This past year they had funding for 2 internship positions, stating they would like to continue that opportunity this coming fiscal year.

Another adjustment she noted in the operations budget was in the cloud-based software that HR uses for recruitment, onboarding and performance management, which will be moved to a centralized account within IT. Lastly, she recognized the quality of the city's brand and stated they strive daily to improve the long-lasting professional relationships they form with employees.

Information Technology (Pages 84-89) - Rebecca Landry, IT Director and Assistant City Manager, referred to Page 84. She highlighted the priorities for the coming year that support their budget request, including cybersecurity which she reported will consume a majority of their efforts for the next year. The services of a consultant will mostly likely be necessary to avoid having to bring on a full-time position. Ms. Landry stated they plan to apply for grants and pull together a complete plan including assessment, establishing policy and procedures, penetration testing, and detection and remediation. They will need to make sure they meet all requirements for insurance and requirements the departments have for security of their data and the reliability of their systems. To put that into perspective, Ms. Landry shared that the primary firewall for the city blocks 3x more traffic than they actually allow in, the secondary firewall blocks 50x more traffic than they allow in, and 90% of incoming email continues to be blocked as illegitimate and potentially malicious.

Ms. Landry went on to state that they are looking into setting up a new malicious domain blocking and reporting service which is provided by the information sharing and analysis center and will need to be closely monitored and mitigated. They are also looking at changing their domain to keene.nh.us.gov, which will not be an easy switch; however, using that domain is said to increase trust that government communications are authentic and in turn will improve cybersecurity. She noted that these changes will require the department to be updating software more often and users will need to come out of their comfort zone and have some resilience and flexibility. Additionally, they recently starting implementing a new cybersecurity training software for users, which will be rolled out soon.

Ms. Landry pointed out that their annual software support and maintenance contracts costs are on the rise. They have been able to manage those fluctuations over the years, but some years they can't level it out if vendor fees increase, and in the year of COVID just about everyone raised the cost of software.

She went on to state that the finance system is a top goal for next year because they have a number of concerns with the system, the most obvious is the need for more modern day features. She noted that they've had the software since 1999. Additionally, the software ownership change has brought about a lack of interest in support of their product and NH tax. They have been relegating the city to the old version of the software with a browser and operating system that is very near unsupported, and thus risky from a cybersecurity perspective.

Ms. Landry briefly mentioned marketing and branding, including a website refresh next year if possible. She noted that most people don't access the website due to a social media world where

the information comes to people and they don't have to go looking for it. However, she reported that they did do some digital marketing this fiscal year and found a lot of valuable information about what the community is looking for. They will use that information to try and cater their website better to the public moving forward.

Ms. Landry next mentioned that they considered asking for a branding project, which would likely be around \$75,000, so she will work with the City Manager and Finance Director to see if there are any carryover funds or unspent dollars that could make the project happen. She mentioned that they understand the importance of the impact of the property tax.

Lastly, she referred to page 89 and the new Virtual Technology category. She explained that they used to have all of their software running on servers in their data center and over the last decade some departments have been able to transition to software using a cloud-based database. She gave the example of HR who have an employee recruitment and onboarding application which does not run on the city's server and only uses their internet connection. Those applications have moved into department budgets because they are a cost of doing business for those departments. She also mentioned the library who uses an internet connection to partner with the Keene State College catalog, stating that Keene no longer provides the network for that partnership because they only use the internet connection. Ms. Landry explained that it's a transition to a new way of budgeting and funding for these types of software applications and does not include small desktop applications such as Zoom or Adobe Acrobat, those will remain on department budgets and they are really looking at the database software and network connections.

PC Replacement Fund (Page 181-186) – Ms. Landry stated that each department pays a fee for each computer they have, to fund the replacement of them on a 3-5 year schedule. Given that computer costs are rising, she reported that they have to charge the whole cost of replacement in the coming years, rather than a discounted rate that they typically charge. Additionally, she stated they currently get discounted or clearance laptops and they don't want to do that to their users.

There were no questions.

Chair Powers asked the committee for any other comments or items they'd like to see for the next meeting. He added that he'd like to know what the employee's contribution is to the retirement system. Councilor Remy added that he'd like to see a bi-line for expense rather than by department.

- 5) **Possible Non-Public Session**
- 6) **Adjournment**

Chair Powers stated they will be meeting next on Thursday, 5/13/21. Elizabeth Dragon stated during that meeting they will review Library, Parks and Recreation and Facilities and Community Development.

There being no further business, Chair Powers adjourned the meeting at 8:42 PM.

Respectfully submitted by,
Nicole Cullinane, Minute Taker