



City of Keene
New Hampshire

**FINANCE, ORGANIZATION
AND PERSONNEL COMMITTEE
AGENDA
Council Chambers B
August 31, 2017
6:30 PM**

Mitchell H. Greenwald
Carl B. Jacobs
Terry M. Clark
Thomas F. Powers
Bettina A. Chadbourne

-
1. NH Lottery Commission - Request to Place Keno on 2017 Municipal General Election Ballot
 2. Acceptance of Donations to Library Renovation Project - Next Chapter Campaign Chairs
 3. New Market Tax Credits and a Library Update - Parks, Recreation and Facilities Department
 4. Acceptance of the 2017 Byrne Justice Assistance Grant - Police Department
 5. Acceptance of State Drug Forfeiture Monies - Police Department
 6. Project Agreement – Monadnock Alliance for Sustainable Transportation & Southwest Region Planning Commission Complete Street Mini Grant - Planning Department
 7. Station 2 - Joint Use Agreement - Fire Department
 8. Uniform Fee Schedule for Providing Copies of Governmental Records - City Clerk's Office
 9. Reallocation of Drainage Cleaning Funds - Public Works Department
 10. Relating to an Appropriation of Funds for the Solid Waste Fund
Resolution R-2017-29
 11. Relating to the Reallocation of Bond Proceeds for Emergency Bridge Repairs
Resolution R-2017-27-A
 12. Emergency Bridge Repairs - Whitcombs Mill Road and Winchester Street

13. Relating to Fiscal Policies
Resolution R-2017-26

MORE TIME ITEMS:

- A. Library Renovation Construction Contract - Parks, Recreation and Facilities Department

Non Public Session
Adjournment



City of Keene, N.H.
Transmittal Form

July 26, 2017

TO: Mayor and Keene City Council

FROM: Charles R. McIntyre

THROUGH: Patricia A. Little, City Clerk

ITEM: 1.

SUBJECT: NH Lottery Commission - Request to Place Keno on 2017 Municipal General Election Ballot

COUNCIL ACTION:

In City Council August 3, 2017.

Referred to the Finance, Organization and Personnel Committee.

ATTACHMENTS:

Description

Communication - NH Lottery

SB 191

BACKGROUND:

SB 191 authorizes municipalities to place a ballot question on the November General Election ballot that would allow the operation of keno games to fund kindergarten.



Nearly \$2 Billion and Counting for our Schools

GOVERNOR Christopher T. Sununu
CHAIRMAN Debra M. Douglas
COMMISSIONER Paul J. Holloway
COMMISSIONER David L. Gelinis
EXECUTIVE DIRECTOR Charles R. McIntyre

July 26, 2017

In City Council August 3, 2017.
Referred to the Finance, Organization and
Personnel Committee.


City Clerk

Mayor Kendall W. Lane
Members of the City Council
City of Keene
3 Washington Street
Keene, NH 03431

Dear Mayor Lane and Members of the City Council,

I respectfully request to be placed on the agenda of the Keene City Council meeting scheduled for August 3, 2017 to discuss the newly-passed Senate Bill 191, relative to Keno and the funding of full-day kindergarten in New Hampshire.

The bill, attached for your reference, requires that cities and towns must vote on whether to allow the operation of keno games within their municipality. My intention is to answer any questions you or the public may have about the game, discuss the anticipated revenues and benefits to education and local business owners, and to determine the process for placing the question on the ballot for the city's November 7 election.

I am available to answer any questions that you may have prior to the City Council meeting, and appreciate the opportunity to appear before the body to discuss the initiative and the process going forward.

Sincerely,



Charles R. McIntyre
Executive Director

CRM/cn

Enclosure



Live Free or Die

New Hampshire Lottery Commission 14 Integra Drive Concord, New Hampshire 03301
TEL 603.271.3391 FAX 603.271.1160 TDD 1.800.735.2964 www.nhlottery.com

CHAPTER 229
SB 191-FN - FINAL VERSION

03/30/2017 1190s
4May2017... 1516h
1Jun2017... 2022h
06/22/2017 2369CofC

2017 SESSION

17-0138
04/06

SENATE BILL ***191-FN***

AN ACT establishing keno and relative to funding for kindergarten.

SPONSORS: Sen. Watters, Dist 4; Sen. D'Allesandro, Dist 20; Sen. Feltes, Dist 15; Sen. Hennessey, Dist 5; Sen. Kahn, Dist 10; Sen. Lasky, Dist 13; Sen. McGilvray, Dist 16; Sen. Reagan, Dist 17; Sen. Soucy, Dist 18; Sen. Ward, Dist 8; Sen. Woodburn, Dist 1; Rep. Gile, Merr. 27; Rep. Grenier, Sull. 7; Rep. Bates, Rock. 7

COMMITTEE: Education

AMENDED ANALYSIS

This bill establishes keno in New Hampshire and establishes a program to provide grants to kindergarten students.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struckthrough.]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

CHAPTER 229
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17-0138
04/06

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Seventeen

AN ACT establishing keno and relative to funding for kindergarten. .

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 229:1 New Subdivision; Keno. Amend RSA 284 by inserting after section 40 the following new
2 subdivision:

Keno

3
4 284:41 Definition. In this subdivision, “keno” means any game where a player purchases a
5 ticket from a field of 80 numbers and selects a specific amount of numbers. A random number
6 generator employed by the lottery commission chooses 20 numbers at random and the player is paid
7 out against his or her original wager.

8 284:42 Administration and Enforcement. The lottery commission shall administer and enforce
9 this subdivision in any town or city that has voted to allow such gaming.

10 284:43 Rulemaking. The lottery commission shall adopt rules, pursuant to RSA 541-A, relative
11 to:

- 12 I. The application procedure for keno licenses.
13 II. Information to be required on license applications.
14 III. Procedures for a hearing following the revocation of a license.
15 IV. The operation of keno games, including types and amounts of wagers.
16 V. Information required and forms for submission of financial reports.
17 VI. Guidelines for licensees under this subdivision to set transaction limits for daily,
18 weekly, and monthly play of keno for individual keno players.

19 284:44 License Fees.

20 I. The license fee for a commercial premises keno license issued under RSA 284:46 shall be
21 \$500 per year. Such fee shall be submitted to the lottery commission at the time the application is
22 made and shall be refunded if the application is denied.

23 II. All net proceeds collected by the lottery commission under this section shall be deposited
24 in the education trust fund established in RSA 198:39.

25 284:45 License Applications.

26 I. Applications shall be submitted to the lottery commission by the licensee. Proof of
27 authority to submit the application on behalf of the licensee may be required.

28 II. Applications shall be made only on the forms supplied to the licensee by the lottery

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SB 191-FN - FINAL VERSION
- Page 2 -

1 commission.

2 III. The application form shall be fully completed by the licensee.

3 IV. Applicants for commercial premises keno licenses shall be submitted at least 30 days
4 before the first game date.

5 V. The applicant shall certify under oath that:

6 (a) The information provided on the application is accurate.

7 (b) Neither the applicant nor any employee will operate keno games if such person has
8 been convicted of a felony within the previous 10 years which has not been annulled by a court, or a
9 misdemeanor involving falsehood or dishonesty within the previous 5 years which has not been
10 annulled by a court, or has violated the statutes or rules governing charitable gaming in this or any
11 state.

12 (c) The applicant and any employee who will be participating in the operation of the
13 keno games is aware of all statutes and rules applicable to the operation of keno games.

14 VI. To be eligible for licensure under this subdivision an applicant shall:

15 (a) Document that it is one of the following:

16 (1) A restaurant or hotel holding a valid liquor license under RSA 178:20, II,
17 RSA 178:21, II(a) or (b), or RSA 178:22, V(q).

18 (2) A brew pub holding a valid liquor license under RSA 178:13.

19 (3) A ballroom holding a valid liquor license under RSA 178:22, V(c).

20 (4) A veterans' club, private club, or social club holding a valid liquor license under
21 RSA 178:22, V(h).

22 (5) A convention center holding a valid liquor license under RSA 178:22, V(i).

23 (6) A hotel holding a valid liquor license under RSA 178:22, V(k).

24 (7) A racetrack holding a valid liquor license under RSA 178:22, V(n).

25 (8) A sports recreation facility holding a valid liquor license under RSA 178:22, V(v).

26 (b) Document that the keno games will only be operated in towns and cities that have
27 voted to allow the operation of keno games pursuant to RSA 284:51.

28 (c) Maintain a current list of employees.

29 (d) Document that no minor under the age of 18 shall be allowed to purchase or redeem
30 a keno ticket.

31 VII. A suspension or revocation of a liquor license shall result in the immediate suspension
32 of the keno license issued under this chapter.

33 284:46 License; Issuance.

34 I. Upon receipt of an application under RSA 284:45 the lottery commission shall review the
35 application and shall, in writing, grant or deny the application within 45 days of receipt.

36 II. The lottery commission shall deny a license application for any one of the following
37 reasons:

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1 (a) The license of the applicant has been previously revoked by the commission.

2 (b) The applicant has been convicted of a crime provided for in this chapter or in any
3 other chapter for any gaming offense.

4 (c) The applicant loses his or her liquor license after submitting the application.

5 III. No person who has been convicted of a felony or class A misdemeanor within the
6 previous 10 years which has not been annulled by a court, or a class B misdemeanor within the past
7 5 years which has not been annulled by a court, or who has violated any of the statutes or rules
8 governing charitable gambling in the past in this or in any other state shall be licensed under this
9 subdivision, or rent, lease, sublease, or otherwise provide any hall or keno paraphernalia for the
10 conduct of keno licensed under this subdivision.

11 IV. The lottery commission shall only issue a license for an eligible location where keno
12 tickets shall be sold and the game played within the area apportioned to distribute beverages
13 pursuant to RSA 284:45. The lottery commission shall control the installation of the keno ticket
14 terminals and ensure that the sale of the tickets is limited to the area apportioned to distribute
15 beverages pursuant to RSA 284:45.

16 284:47 Operation of Keno Games.

17 I. A licensee may operate keno games at its business between the hours of 11 a.m. and 11
18 p.m.

19 II. A licensee may retain 8 percent of the proceeds from keno games. Of the remaining 92
20 percent:

21 (a) One percent shall be paid to the department of health and human services to
22 support research, prevention, intervention, and treatment services for problem gamblers.

23 (b) The remainder, less the administrative costs of the lottery commission and prize
24 payouts, shall be deposited in the education trust fund established in RSA 198:39.

25 III. No person who has been convicted of a felony or class A misdemeanor within the
26 previous 10 years which has not been annulled by a court, or a class B misdemeanor within the past
27 5 years which has not been annulled by a court, or who has violated any of the statutes or rules
28 governing charitable gambling in the past in this or any other state shall operate a keno game
29 licensed under this subdivision, or rent, lease, sublease, or otherwise provide any hall or keno
30 paraphernalia for the conduct of keno licensed under this subdivision.

31 IV. No one under the age of 18 years shall be allowed to purchase or redeem a keno ticket.

32 284:48 Financial Reports and Inspection Required.

33 I. Any person which has been licensed to conduct keno games shall submit a complete
34 financial report to the lottery commission for each license issued under RSA 284:46 within 15 days
35 after the expiration of each license, provided, however, a complete monthly financial report shall be
36 submitted in a timely fashion to the commission for each month covered by a license issued under
37 RSA 284:46 on a form to be approved by the lottery commission.

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1 II. All licensees shall maintain a separate checking account for the deposit and
2 disbursement of all income relating to keno, except cash prizes awarded at the games. All expenses
3 shall be paid by check, and all prizes of \$500 or more shall be paid by check. No keno funds shall be
4 commingled with other funds of the licensee. The licensee shall retain all canceled checks for the
5 payment of expenses and prizes for at least 2 years from the date of the check. The licensee shall
6 not cash checks which it issues.

7 III. All financial reports filed by the licensee shall be maintained by the lottery commission
8 for a period of one year from the date of filing and shall be open to public inspection.

9 IV. All financial records pertaining to the operation of keno games shall be maintained by
10 the licensee and shall be made available to representatives of the lottery commission or of the
11 commissioner of the department of safety upon request.

12 V. A licensee which has been licensed to conduct keno games shall maintain complete and
13 accurate documentation of all revenues and expenses contained in the financial reports for at least 2
14 years from the date the financial report is filed.

15 284:49 Suspension; Revocation. The commission may suspend or revoke the license of any
16 licensee who violates any provision of this subdivision. Any licensee whose license is revoked shall
17 not be eligible for licensure for a period of up to one year from the date of revocation.

18 284:50 Rehearing and Appeal. Any person aggrieved by a decision of the commission to deny or
19 revoke a keno license may apply to the commission for a rehearing within 15 business days of the
20 decision. Rehearings and appeals shall be governed by RSA 541.

21 **284:51 Local Option.**

22 **I. Any town or city may allow the operation of keno games according to the provisions of**
23 **this subdivision, in the following manner:**

24 (a) In a town, the question shall be placed on the warrant of an annual town meeting
25 under the procedures set out in RSA 39:3, and shall be voted on a ballot. **In a city, the legislative**
26 **body may vote to place the question on the official ballot for any regular municipal election,** or, in
27 the alternative, shall place the question on the official ballot for any regular municipal election
28 upon submission to the legislative body of a petition signed by 5 percent of the registered voters.

29 **(b) The selectmen, aldermen, or city council shall hold a public hearing on the question**
30 **at least 15 days but not more than 30 days before the question is to be voted on. Notice of the**
31 **hearing shall be posted in at least 2 public places in the municipality and published in a newspaper**
32 **of general circulation at least 7 days before the hearing.**

33 **(c) The wording of the question shall be substantially as follows: "Shall we allow the**
34 **operation of keno games within the town or city?"**

35 **II. If a majority of those voting on the question vote "Yes," keno games may be operated**
36 **within the town or city.**

37 **III. If the question is not approved, the question may later be voted upon according to the**

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1 provisions of paragraph I at the next annual town meeting or regular municipal election.

2 IV. A municipality that has voted to allow the operation of keno games may consider
3 rescinding its action in the manner described in paragraph I of this section.

4 V. The lottery commission shall maintain a list of municipalities where keno is available.

5 229:2 Application of Receipts; Education Trust Fund. Amend RSA 6:12, I(b)(65) to read as
6 follows:

7 (65) Money received under RSA 77-A, RSA 77-E, RSA 78, RSA 78-A, RSA 78-B,
8 RSA 83-F, ***RSA 284:44 and RSA 284:47***, and from the sweepstakes fund, which shall be credited to
9 the education trust fund under RSA 198:39.

10 229:3 Education Trust Fund; Keno Profits Added. Amend RSA 198:39, I(k) to read as follows:

11 ***(k) Funds collected and paid over to the state treasurer by the lottery***
12 ***commission pursuant to RSA 284:44 and RSA 284:47.***

13 ***(l)*** Any other moneys appropriated from the general fund.

14 229:4 New Section; School Money; Kindergarten Grants. Amend RSA 198 by inserting after
15 section 48-b the following new section:

16 198:48-c Kindergarten Grants.

17 I.(a) For fiscal year 2019, in addition to any funds received pursuant to RSA 198:40-a, in
18 the first year that a school district or chartered public school that operates an approved full-day
19 kindergarten program, the commissioner of the department of education shall calculate and
20 distribute a grant of \$1,100 per kindergarten pupil based on the enrollment number of eligible full-
21 day kindergarten pupils on the first day of the school year. The superintendent, or designee, shall
22 certify the enrollment number of kindergarten pupils to the commissioner.

23 (b) For fiscal year 2019, once pupils enrolled in an approved full-day kindergarten
24 program have been counted in the school district's average daily membership in attendance as
25 defined in RSA 198:38, I, a school district, or a chartered public school based on its kindergarten
26 average daily membership enrollment number, shall receive, in addition to any funds received
27 pursuant to RSA 198:40-a, an additional grant of \$1,100 per kindergarten pupil attending a full-day
28 kindergarten program. The commissioner shall certify the amount of the grant to the state
29 treasurer and direct the payment thereof from the education trust fund established in RSA 198:39
30 to the school district or chartered public school.

31 (c) Grants shall be disbursed to a school district pursuant to the distribution schedule in
32 RSA 198:42 and to a chartered public school pursuant to the distribution schedule in RSA 194-B:11,
33 I(c).

34 (d) The amount necessary to fund the grants under this section is hereby appropriated
35 to the department from the education trust fund. The governor is authorized to draw a warrant
36 from the education trust fund to satisfy the state's obligation under this section.

37 II. A school district or chartered public school that operates an approved full-day

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1 kindergarten program for which it receives funding under this section shall permit a pupil to attend
2 kindergarten for a half-day.

3 III.(a) For fiscal year 2020 and each fiscal year thereafter, in addition to any funds received
4 pursuant to RSA 198:40-a, the department of education shall distribute a total kindergarten grant,
5 pursuant to RSA 198:40-a, for the remaining 1/2 of each average daily membership not counted
6 under RSA 198:40-a to each school district or chartered public school that operates an approved full-
7 day kindergarten program. If the amount of revenue raised through keno is insufficient to fully
8 fund the distribution of grants under this section, the revenue shall be prorated proportionally
9 based on entitlement among the districts entitled to a grant. The prorated portion of this grant
10 shall not be less than the per pupil amount disbursed under paragraph I(b).

11 (b) Grants shall be disbursed to a school district pursuant to the distribution schedule
12 in RSA 198:42 and to a chartered public school pursuant to the distribution schedule in RSA 194-
13 B:11, I(c).

14 (c) The amount necessary to fund the grants under this paragraph is hereby
15 appropriated to the department from the education trust fund. The governor is authorized to draw
16 a warrant from the education trust fund to satisfy the state's obligation under this section.

17 229:5 Applicability. Kindergarten grants pursuant to RSA 198:48-c as inserted by section 4 of
18 this act shall not be disbursed before July 1, 2018.

19 229:6 Effective Date. This act shall take effect July 1, 2017.

Approved: July 12, 2017
Effective Date: July 01, 2017



City of Keene, N.H.
Transmittal Form

August 24, 2017

TO: Finance, Organization and Personnel Committee

FROM: Next Chapter Campaign Chairs- Keene Public Library

THROUGH: Medard Kopczynski, City Manager

ITEM: 2.

SUBJECT: Acceptance of Donations to Library Renovation Project - Next Chapter Campaign Chairs

RECOMMENDATION:

That the City accepts donations of \$641,721.10 as listed in the July Cambridge Trust statement and the July - August 23rd Donor list (See attached reports) to be deposited into the Library Renovation Temporarily Restricted City Trust as part of the Next Chapter Campaign Drive and a \$100,000 grant from the New Hampshire Charitable Foundation currently held in escrow by the City.

ATTACHMENTS:

Description

Cambridge Trust Reports July 2017

July Donor list

August Donor List

BACKGROUND:

On June 30, 2015 the City Council authorized the establishment of a Temporarily Restricted City Trust Fund to receive and distribute funds for the Library Renovation Project. The Friends of the Library hired Pat Farmer as Campaign Manager, Together with the Library Trustees, they have put in place the Campaign Committee with Judith Putnam and Alfreida (Dita) Englund as Co-Campaign Chairs and Ernest Hebert as the Honorary Chair.

Since early 2016, the Campaign Committee has been reaching out to individuals in the community, foundations and corporations. Gifts from donors who wish to remain anonymous are directed to the Friends of the Library and are included in the Cambridge Trust Bank reports as part of the Friends of the Library donation. Donors have received acknowledgement of their donations. As Patty completed her contract, Julie Dickson is now the part time Campaign Gift Processing Administrator. The campaign continues to raise moneys.

In anticipation of a closing date in September or early October and the need to have the correct amount of cash on hand, we will be submitting the requests for acceptance of funds more frequently using Cambridge Trust's monthly reports as available and the most recent donor lists. The August Donor list has a grant through the New Hampshire Charitable Foundation. After acceptance of the funds by City Council, the reports then go the Trustees of the City held Trust funds for approval and acceptance. This process was reviewed by the City Finance Department, the Library Trustees, the Friends of the Library Board, the City Attorney and Terry Knowles, Assistant Director, Charitable Trust Unit of the Department of the Attorney General.

MS-9 CRF LIBRARY
 REPORT OF THE TRUSTEES OF TRUST FUNDS FOR THE CITY OF KEENE, NH
 FOR PERIOD ENDING JUNE 30, 2018
 LIBRARY RENOVATION TRUST FUND (ACCOUNT NUMBER XXXXX90)
 AS OF: JULY 31, 2017

Principal								Year to Date (YTD)						
BALANCE BEGIN OF MONTH	ADDITIONS/ NEW FUNDS CREATED	CASH GAINS OR LOSSES	PRINCIPAL FEES *	WITHDRAWALS	BALANCE END OF MONTH JULY 31, 2017	GRAND TOTAL PRINC & INC JULY 31, 2017	MARKET VALUE JULY 31, 2017	NEW FUNDS	CASH GAIN OR LOSS	PRINCIPAL FEES	WITHDRAWALS	INCOME	INCOME FEES	EXPENDED
2,199,914.76	37,905.48	-	(1,178.71)	-	2,236,641.53	2,242,490.19	2,242,490.19	37,905.48	-	(1,178.71)	-	1,268.35	-	-
2,199,914.76	37,905.48	-	(1,178.71)	-	2,236,641.53	2,242,490.19	2,242,490.19	37,905.48	-	(1,178.71)	-	1,268.35	-	-

KPL Next Chapter Campaign Donors to Date (07/1/17-7/31/17)

Donor	Date	Amount
Dennis Huston		
Huston Family Fund	7/3/17	500
Sue and Dick Farrell	7/6/17	50
Christine and Scott Curtis	7/6/17	25
Friends of KPL	7/11/17	15580.48
Margaret Myers	7/11/17	200
Thomas Powers	7/11/17	125
Don Caruso and Nancy Johnson	7/12/17	6000
Heather Minkler		
Clark-Mortenson Insurance	7/12/17	500
Karen Martin		
Corning Inc. Foundation	7/21/17	5000
Susan Warren	7/27/17	1000
Christine and Scott Curtis	7/14/17	25
Christine and Scott Curtis	7/24/14	25.00
Christine and Scott Curtis	7/28/17	25
Ken and Carol Jue	7/31/17	5000
Steve Silverstein and Melinda Belden	7/31/17	100
Barbara and Anthony Tremblay	7/31/17	3750
TOTAL JULY 2017		37905.48

KPL Next Chapter Campaign Donors to Date (08/1/17-8/23/17)

DONOR	DATE	AMOUNT
Jan and Rick Cohen		
Panjandrum Foundation	8/1/17	\$300,000.00
Graham and Lee Rigby	8/2/17	\$250.00
Fenton Family Dealerships	8/3/17	\$500.00
David Robinson	8/3/17	\$25.00
Mark Bergman	8/4/17	\$700.00
Christine and Scott Curtis	8/4/17	\$25.00
James Smart	8/7/17	\$300.00
Putnam Foundation	8/9/17	\$280,518.92
Joslin Kimbal Frank	8/9/17	\$750.00
Melinda Treadwell	8/10/17	\$2,500.00
Anonymous	8/14/17	\$10.00
Christine and Scott Curtis	8/14/17	\$25.00
Alfrieda and Robert Englund	8/14/17	\$600.00
Torin and Karine Finser	8/14/17	\$500.00
Christine Weeks	8/14/17	\$10,000.00
Sally and John Miller	8/16/17	\$1,000.00
Friends of KKPL	8/17/17	\$3,586.70
Christine and Scott Curtis	8/19/17	\$25.00
Steven and Jane Larmon	8/23/17	\$1,000.00
Barry and Carol Faulkner	8/23/17	\$1,500.00
AUGUST 201 Cambridge Trust		\$603,815.62
Masiello Family Fund of the NH Charitable Foundation	8/17/17	\$100,000.00
AUGUST 2017 Total		\$703,815.62



City of Keene, N.H.
Transmittal Form

August 17, 2017

TO: Finance, Organization and Personnel Committee

FROM: Police Captain Steve Stewart

THROUGH: Police Chief Steve Russo

ITEM: 4.

SUBJECT: Acceptance of the 2017 Byrne Justice Assistance Grant - Police Department

RECOMMENDATION:

Move that the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept the U.S. Department of Justice - Bureau of Justice Assistance FY2017 JAG grant in the amount of \$7,242.00.

BACKGROUND:

These funds would be used in the same manner as the FY2016 award, to fund the deployment of smart phones in cruisers (10) and within the Bureau of Criminal Investigations (2). These phones improve the efficiency of police operations by allowing units in the field to communicate with each other, victims, witnesses, and suspects without the need to return to the station. Additionally, they allow for the rapid collection and dissemination of photographic and video evidence.



City of Keene, N.H.
Transmittal Form

August 17, 2017

TO: Finance, Organization and Personnel Committee

FROM: Police Captain Steve Stewart

THROUGH: Police Chief Steve Russo

ITEM: 5.

SUBJECT: Acceptance of State Drug Forfeiture Monies - Police Department

RECOMMENDATION:

That the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept a drug forfeiture payment from the State of New Hampshire in the amount of \$625.05.

BACKGROUND:

This forfeiture is related to a joint investigation between the Keene Police (15-799-AR) Department and the NH Attorney General's Drug Task Force (TF-15-082) that culminated on June 30, 2015.



City of Keene, N.H.
Transmittal Form

August 31, 2017

TO: Finance, Organization and Personnel Committee

FROM: Will Schoefmann, Mapping Technician

THROUGH: Medard Kopczynski, City Manager

ITEM: 6.

SUBJECT: Project Agreement – Monadnock Alliance for Sustainable Transportation & Southwest Region Planning Commission Complete Street Mini Grant - Planning Department

RECOMMENDATION:

Recommend that the City Manager be authorized to do all things necessary to execute the Project Agreement with Southwest Regional Planning Commission for the award of the Monadnock Alliance for Sustainable Transportation's (MAST), Complete Streets Mini Grant and accept the grant in the amount of \$10,000.00 for complete streets improvements to Main Street and Central Square.

ATTACHMENTS:

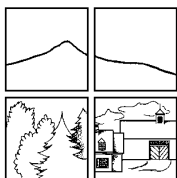
Description

Project Agreement

Project Map

BACKGROUND:

The Monadnock Alliance for Sustainable Transportation (MAST) offered a grant opportunity in the amount of \$10 thousand maximum for Complete Streets improvement projects that would be implemented by November 1, 2017. City staff has identified project BE 18 "Main Street" as a project that would be competitive to this grant opportunity and a building block in the City's Complete Streets and Bicycle Network enhancements moving forward with this initiative it has committed to. The proposal is to install a combination of Bike Lane and Shared Lane (Sharrow) markings along Main Street and Central Square including Bike Boxes at Main Street and Central Square as well as advisory signage (see project map). These enhancements will help provide bicycling space and encourage slower vehicular traffic in Keene's lower Main Street and downtown, directly relating to Keene's Complete Street Design Guidelines. The City of Keene has been awarded the grant and when the agreement is executed City staff will begin the process of completing the proposed improvements to Main Street and Central Square.



**SOUTHWEST NH COMPLETE STREETS IMPLEMENTATION PROJECT
AGREEMENT**

This is an Agreement made and entered into by and between the **Southwest Region Planning Commission** (SWRPC) serving as the fiscal agent for the **Monadnock Alliance for Sustainable Transportation** (MAST) and the **City of Keene** (City), collectively, the Parties. The Parties understand that:

- The City of Keene has adopted a Complete Streets policy;
- On behalf of MAST, SWRPC received a gift of funds in the amount of \$10,000 from the NH Charitable Foundation's "You Have Our Trust" fund for the purpose of supporting a Complete Streets implementation project in the Southwest Region of New Hampshire;
- SWRPC provided technical assistance to the MAST Steering Committee in developing and conducting a competitive application process for making effective use of the Complete Streets implementation funds;
- The City submitted an application for the Complete Streets implementation project; and
- MAST has selected the City application for award of the above-referenced \$10,000 for the City's use in constructing the proposed Complete Streets implementation project as described in its application.

In consideration of the above, the Parties agree as follows:

1. Expenditure of Grant Funds. The grant award is made only for the purpose as described in the City of Keene Complete Streets implementation application dated June 28, 2017. Any modifications to the project as originally proposed in the application may only be made with the written approval of SWRPC on behalf of MAST.
2. Indemnification and Hold Harmless. The City assumes any and all liability and agrees to indemnify and hold SWRPC and MAST, harmless as it relates to the Complete Streets implementation project funded through this agreement.
3. Period. This Agreement represents project implementation activities that would begin as early as August 2017 with a completion date of October 31, 2017.
4. Budget Revisions. The City of Keene must seek written approval from SWRPC prior to making any significant change to the scope of work, including any adjustments to the budget line items over \$500.

5. General. The Parties agree to the following provisions:

- If it is determined that the City has not implemented the project as described in its application dated June 28, 2017, a portion or all of the funds awarded through this agreement shall be returned to SWRPC.
- The City agrees to collect performance metrics as described in the Complete Streets implementation application and share these performance metrics with SWRPC no later than October 31, 2018.

6. Signatures. The Parties enter this Agreement by signing below: SWRPC, through its Executive Director, authorized to execute this Agreement by action of its Board of Directors on [DATE]; the City, through its City Manager, authorized to execute this Agreement by action of its City Council on [DATE].

SOUTHWEST REGION PLANNING COMMISSION:

Tim Murphy
Executive Director

Date

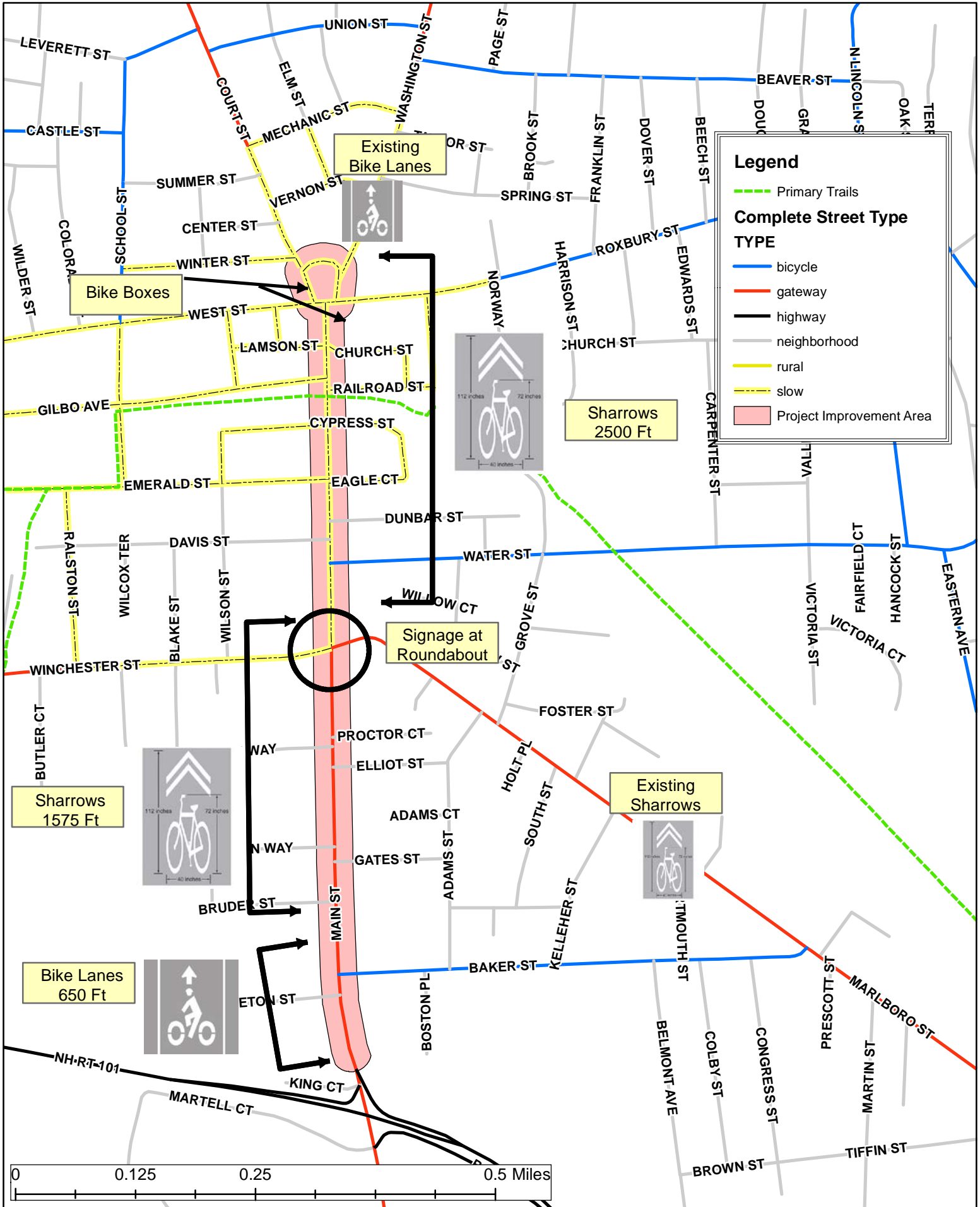
CITY OF KEENE:

Medard Kopczynski
City Manager

Date



City of Keene Complete Streets Policy Overview & MAST 2017 GRANT Project Location Map





City of Keene, N.H.
Transmittal Form

August 23, 2017

TO: Finance, Organization and Personnel Committee

FROM: Mark F. Howard, Fire Chief

THROUGH: Medard Kopczynski, City Manager

ITEM: 7.

SUBJECT: Station 2 - Joint Use Agreement - Fire Department

RECOMMENDATION:

Move that the Finance Organization and Personnel Committee recommend that the City Manager be authorized to execute the amended Joint Use Agreement between the City of Keene and the State of New Hampshire – The Adjutant General’s Department for 110 Hastings Ave.

ATTACHMENTS:

Description

Station 2 Joint Use Agreement

BACKGROUND:

The City of Keene has had a long standing Joint Use Agreement with the New Hampshire Adjutant General’s Department for the National Guard Armory located at 110 Hastings Avenue. Pursuant to the Agreement, the City uses the Armory as the West Keene Fire Station.

The New Hampshire Adjutant General’s Department has determined that the building is no longer needed to meet their mission and they have started the process to turn the building and property back over to the City of Keene. While this process continues they felt it was appropriate to extend the current agreement.

The Joint Use Agreement between the City of Keene and the New Hampshire Adjutant General’s Department expired August 1, 2017. This agreement will extend the end date of the Joint Use Agreement to December 31, 2017. In accordance with Section 4 of agreement terms “Rent and Payment”, amend the rent payment to zero for the term of the agreement. All other conditions will remain the same including responsibility of utilities.

AMENDMENT OF AGREEMENT

Subject: JOINT USE AGREEMENT - USE OF KEENE ARMORY

The parties, The State of New Hampshire - Adjutant General's Department, and the City of Keene, New Hampshire hereby mutually agree to amend the existing Joint Use Agreement (dated 12/19/13) amended on July 7, 2015 to a two-year successive term ending August 1, 2017 for the purpose of use of the Keene Armory as a Municipal Fire Department ("Keene Fire Department") as follows:

In accordance with Section 3. of the Agreement terms, "Term of Agreement", whereby the initial term was renewed for a successive two-year term upon the same terms an conditions in a previous amendment extending the Agreement end date from August 1, 2015, to August 1, 2017, hereby extend the end date of the Agreement term to December 31, 2017.

In accordance with Section 4. of the Agreement terms, "Rent and Payment", amend the rent payment to zero for the term of the Agreement.

City of Keene Signatory

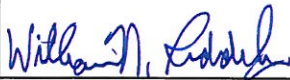
Printed Name and Title of City Signatory

Acknowledgment: The State of New Hampshire, County of _____, on the date of _____, before the undersigned officer, personally appeared the person, _____ identified as a official signatory in the block above, or satisfactorily proven to be the person whose name is signed as _____ in the block above, and acknowledged that she/he executed this document in the capacity indicated in the block above as an official signatory.

Signature of Notary Public

{Seal}

Printed or Stamped Name & Title of Notary Public



William N. Reddel, III
Major General, NHNG
The Adjutant General

William N. Reddel, III The Adjutant General
Printed Name and Title of State Signatory

Approved by The New Hampshire Department of Justice for Form, Substance and Execution:

Approving Attorney, Assistant Attorney General

Date

AMENDMENT OF AGREEMENT

Subject: JOINT USE AGREEMENT - USE OF KEENE ARMORY

The parties, The State of New Hampshire - Adjutant General's Department, and the City of Keene, New Hampshire hereby mutually agree to amend the existing Joint Use Agreement (dated 12/19/13) for the purpose of use of the Keene Armory as a Municipal Fire Department ("Keene Fire Department") as follows:

In accordance with Section 3. of the Agreement terms, "Term of Agreement", whereby the initial term shall be renewable for a successive two-year term upon the same terms and conditions, this amendment extends the Agreement end date from August 1, 2015, to a successive two-year term ending August 1, 2017.



City of Keene Signatory

John A. Maclean City Manager

Printed Name and Title of City Signatory

Acknowledgment: The State of New Hampshire, County of Cheshire, on the date of 6-19-15, before the undersigned officer, personally appeared the person, John A. Maclean identified as a official signatory in the block above, or satisfactorily proven to be the person whose name is signed as City Manager in the block above, and acknowledged that she/he executed this document in the capacity indicated in the block above as an official signatory




Signature of Notary Public

BARBARA DINAPOLI, Notary Public
My Commission Expires July 28, 2015

{Seal}

Printed or Stamped Name & Title of Notary Public



William N. Reddel, III
Major General, NHNG
The Adjutant General

William N. Reddel, III The Adjutant General

Printed Name and Title of State Signatory

Approved by The New Hampshire Department of Justice for Form, Substance and Execution:



Approving Attorney, Assistant Attorney General

7-7-15

Date

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. PREMISES.

1.1 For and in consideration of the rent and the mutual covenants and agreements herein contained, the City leases from TAG the following premises (hereinafter called the "Premises") for the Term (as defined herein) at the Rent (as defined herein) and upon the terms, conditions and limitations as hereinafter set forth. The Premises consists of: The land and building marked as the "New Hampshire Army National Guard Facility" as shown on Exhibit C. Other buildings or structures on the land are not considered part of the Premises.

1.2 TAG hereby grants to City for the period specified herein subject to the covenants, terms and conditions herein set forth, the Premises in substantially the same condition, normal wear and tear accepted, as they are on the day of the inception of this agreement.

1.3 City is authorized to make improvements or alterations to the Premises in those areas set aside for exclusive use by City (see Exhibits A and B) only with the prior written approval of TAG. Such prior approval or denial shall be at the sole discretion of TAG. Any such improvements which are not firmly affixed to the Premises shall remain the property of the City and will be removed upon expiration or termination of this agreement.

1.4 TAG shall be permitted to store vehicles, artillery pieces, and other military equipment inside the assembly hall. TAG use of the assembly hall shall include, but not be limited to: drill weekend feeding (messing), lodging & formation purposes, State Emergency (State Active Duty) preparation, lodging, formations, feeding and emergency sheltering purposes.

New Hampshire National Guard, when emergency conditions contemplated under New Hampshire RSA 110-B:6 exist, or when any other condition may exist which would threaten health or safety during continued occupancy of the Premises.

7.3 This agreement may be terminated by TAG upon one hundred twenty (120) days notice to City if it requires an increased presence and use of the Keene Armory or a portion thereof for housing an additional National Guard unit(s) or mission(s).

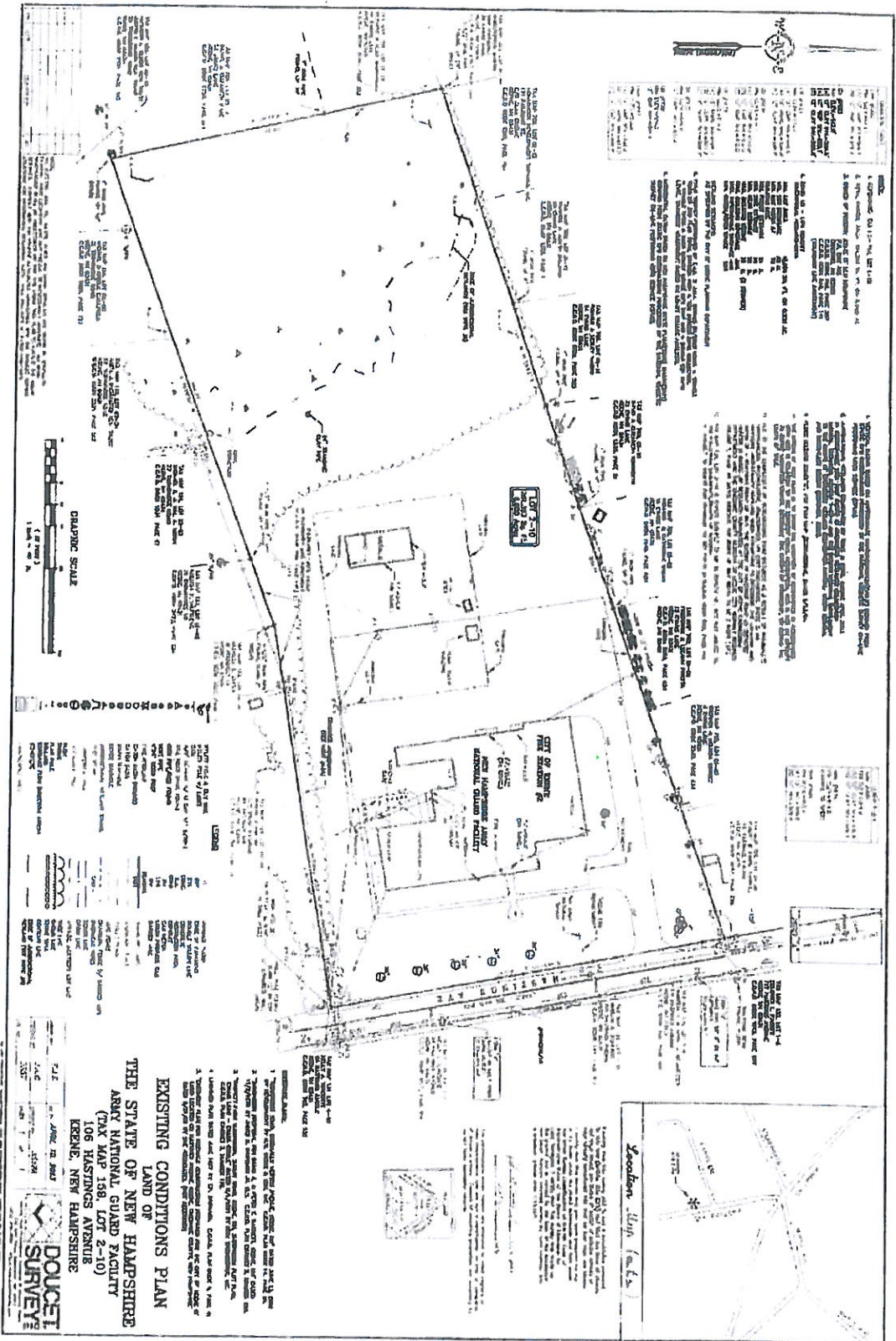
7.4 City shall have the right to terminate this agreement if TAG shall breach or default in any term, covenant or condition to be fulfilled by it hereunder after timely notice of breach and reasonable opportunity to cure.

7.5 This agreement may also be terminated by either party for any reason upon one hundred twenty (120) days notice to the other. In the event that TAG exercises its right to terminate this agreement, TAG shall prorate any unearned rent and refund same to City.

7.6 The TAG may at some future time require an increased presence and use of the Keene Armory or a portion thereof for housing an additional National Guard unit(s) or mission(s). If, notwithstanding the increased presence and use of the Keene Armory by the National Guard, co-use is feasible and the City desires to continue its use of the Premises, the scope and terms of this Agreement may be renegotiated.

8. AMENDMENTS, CONSTRUCTION, INTEGRATION SUPERSESION OF PRIOR AGREEMENTS. This agreement shall be construed as a New Hampshire contract and may be amended only by an instrument in writing executed in the same manner as this agreement. This document constitutes the complete, total, and exclusive agreement between the parties. It is the intention of the parties that this agreement shall

EXHIBIT C



1. The State of New Hampshire shall acquire the land shown on this plan for the purpose of establishing a permanent site for the Army National Guard Facility. The acquisition shall be subject to the provisions of the State Acquisition and Control Act, RSA 281:100, and the State Acquisition and Control Act, RSA 281:101.

2. The State of New Hampshire shall acquire the land shown on this plan for the purpose of establishing a permanent site for the Army National Guard Facility. The acquisition shall be subject to the provisions of the State Acquisition and Control Act, RSA 281:100, and the State Acquisition and Control Act, RSA 281:101.

3. The State of New Hampshire shall acquire the land shown on this plan for the purpose of establishing a permanent site for the Army National Guard Facility. The acquisition shall be subject to the provisions of the State Acquisition and Control Act, RSA 281:100, and the State Acquisition and Control Act, RSA 281:101.

4. The State of New Hampshire shall acquire the land shown on this plan for the purpose of establishing a permanent site for the Army National Guard Facility. The acquisition shall be subject to the provisions of the State Acquisition and Control Act, RSA 281:100, and the State Acquisition and Control Act, RSA 281:101.

5. The State of New Hampshire shall acquire the land shown on this plan for the purpose of establishing a permanent site for the Army National Guard Facility. The acquisition shall be subject to the provisions of the State Acquisition and Control Act, RSA 281:100, and the State Acquisition and Control Act, RSA 281:101.

EXISTING CONDITIONS PLAN
LAND OF
THE STATE OF NEW HAMPSHIRE
ARMY NATIONAL GUARD FACILITY
 (TAX MAP 158, LOT 2-10)
 106 HASTINGS AVENUE
 KENNEBEC, NEW HAMPSHIRE

DOUCET
SURVEYORS



City of Keene, N.H.
Transmittal Form

August 23, 2017

TO: Finance, Organization and Personnel Committee

FROM: Bill Dow, Records Manager/Deputy City Clerk

THROUGH: Patty Little, City Clerk, Medard Kopczynski, City Manager, Thomas Mullins, City Attorney

ITEM: 8.

SUBJECT: Uniform Fee Schedule for Providing Copies of Governmental Records - City Clerk's Office

RECOMMENDATION:

Recommend that the City Council adopt a uniform fee schedule for providing copies of governmental records responsive to requests made under NH RSA Ch. 91-A, also known as the right to know law for a reasonable fee of fifty cents (\$0.50) for the first page and twenty-five cents (\$0.25) for each additional page.

Further recommend that the City Council recognizes and adopt the following exemptions from charging fees for providing copies for: record requests from other governmental entities; recent meeting minutes of a public body; the individual requesting the record is the subject of the record or the requester's legal rights are directly implicated by the information in the record.

BACKGROUND:

It has been determined that the City Council has not adopted a comprehensive uniform fee schedule for providing copies for governmental records associated with a right to know request. The New Hampshire right to know law allows for municipalities to charge fees for providing copies of governmental records. NH RSA Ch. 91-A:4, IV states:

If a computer, photocopying machine, or other device maintained for use by a public body or agency is used by the public body or agency to copy the governmental record requested, the person requesting the copy may be charged the actual cost of providing the copy, which cost may be collected by the public body or agency. No fee shall be charged for the inspection or delivery, without copying, of governmental records, whether in paper, electronic, or other form. Nothing in this section shall exempt any person from paying fees otherwise established by law for obtaining copies of governmental records or documents, but if such fee is established for the copy, no additional costs or fees shall be charged.

The City's Fiscal policy allows for fees and charges to be set at less than full cost recovery when there is no intended relationship between the amount paid and the benefit received and there is no intent to limit the use of the service provided. It has been the administrative practice of the City of Keene to charge a reasonable fee of \$0.50 for the first page and \$0.25 for each additional page when providing duplicate paper copies of governmental records that do not otherwise have an establish fee by law.

The City provides electronic copies of records responsive to a right to know request by copying to electronic media (CD or DVD) using standard or common file formats. The City currently charges a flat fee for the

electronic media used but no fee for the volume of pages copied. The City would better recuperate actual costs for providing copies of electronic records by charging the same reasonable fee of \$0.50 for the first page and \$0.25 for each additional page as practiced for providing the paper equivalent. This proposal would more fairly take into consideration the amount of work and resources necessary to provide this service.

Additionally, a governmental entity may fulfill a record request without charging fees and is encouraged to do so when it determines that certain circumstances merit it. It is recommended that a few exemptions from charging fees for providing copies be considered and adopted:

1. Providing copies to other governmental entities;
2. Recent minutes of a public body meeting;
3. The individual requesting the record is the subject of the record;
4. The requester's legal rights are directly implicated by the information in the record.



City of Keene, N.H.
Transmittal Form

August 24, 2017

TO: Finance, Organization and Personnel Committee

FROM: Donald R. Lussier, P.E., City Engineer

THROUGH: Medard Kopczynski, City Manager

ITEM: 9.

SUBJECT: Reallocation of Drainage Cleaning Funds - Public Works Department

RECOMMENDATION:

Move that the Finance, Organization and Personnel Committee recommend that the City Council reallocate \$160,000 from the Drain Cleaning program (90221) to the Stormwater Spot Repair program (90022).

BACKGROUND:

For several years, the Capital Improvement Program (CIP) has included a program for Drainage Cleaning. This program has paid for a contractor to clean accumulated sediment from the City's storm drainage pipes and catch basins. Funds were also used for video inspection of pipes that showed signs of damage or deterioration.

By the end of Fiscal Year 16, essentially all of the system had been cleaned at least one time. In Fiscal Year 17, the Department began revisiting parts of the system that had been cleaned approximately 4 years earlier. What was observed is that the cleaning process is much more efficient and less costly now that the system is on a regular cleaning schedule. As a result, the same amount of work is being completed at lower cost. This has resulted in an accumulated balance of unspent funds within the Drainage Cleaning program. In response the Public Works Department reduced the Fiscal Year 2018 CIP requested amount for the Drainage Cleaning program to reflect recent experience.

The video inspections performed under the drainage cleaning program has revealed deficiencies that need to be corrected. Projects at various locations, including Water Street, Emerald Street, and Church Street, have expended the appropriated funds within the Stormwater Spot Repair program.

Staff recommends reallocating \$160,000 in unspent funds from the Drain Cleaning program (90221) to the Stormwater Spot Repair program (90022). In the near term, funds will be used to replace two deteriorated basins and approximately 70 feet of failed drain pipe near the intersection of Roxbury and Oak Streets. Additional repairs will be prioritized and completed during the construction season of 2018.



City of Keene, N.H.
Transmittal Form

August 24, 2017

TO: Finance, Organization and Personnel Committee

FROM: Duncan Watson, Assistant Director Public Works/Solid Waste Manager

THROUGH: Medard Kopczynski, City Manager

ITEM: 10.

SUBJECT: Relating to an Appropriation of Funds for the Solid Waste Fund

RECOMMENDATION:

Move that the Finance, Organization and Personnel recommend the City Council adopt Resolution R-2017-29, relating to the appropriation of funds for the Solid Waste Fund for FY 16/17.

ATTACHMENTS:

Description

Resolution R-2017-29

BACKGROUND:

The City of Keene Transfer Station received greater volume than expected in FY 16/17. The forecast for the amount of material anticipated to be received at the transfer station and recycling center is developed 18 months prior to the end of the fiscal year and is based on previous volumes received as well as economic forecasts of expected growth. Economic activity, including greater than anticipated construction and demolition disposal as well as more robust recycling markets has resulted in both higher revenues and expenses than budgeted. Resolution R-2017-29 adjusts the authorized budget to reflect the increase in revenue and expenses as well as reflects a carryover request in the amount of \$16,000 to upgrade the wireless communications link at the recycling center/transfer station.

It should be noted, that the Solid Waste Fund is completely separate from the General Fund in that no tax dollars support the Solid Waste Fund. Revenues are primarily derived from the tipping fees from disposal of solid waste and the revenue received from the sale of recyclable commodities. The net revenue in the Solid Waste Fund for FY 16/17 is approximately \$130,000.

FY 16/17 Solid Waste Expenditure

<u>Account#</u>	<u>Description</u>	<u>FY16/17 Budget</u>	<u>Additional Request</u>	<u>Revised Budget</u>
10001-62301	Office Equip Maint.	\$ 2,600	\$ 16,000	\$ 18,000
10002-62448	Disposal	\$2,442,774	\$121,572	\$2,564,346

FY 16/17 Solid Waste Revenue

-

<u>Account#</u>	<u>Description</u>	<u>Budget</u>	<u>Request</u>	<u>Budget</u>
10000-44119	Tipping Fees	\$4,051,649	\$68,937	\$4,120,586
10000-47120	Recycling Fees	\$ 357,000	\$68,635	\$ 425,635



CITY OF KEENE

R-2017-29

In the Year of Our Lord Two Thousand andseventeen

A RESOLUTION Relating to the Appropriation of Funds for the Solid Waste Fund

Resolved by the City Council of the City of Keene, as follows:

That, pursuant to Section 32 of the Rules of Order, the sum of sixteen thousand dollars (\$16,000) be added as an additional expenditure in the Office Equipment Maintenance account 10001-62301, for a revised budget of eighteen thousand dollars (\$18,000), and one hundred twenty one thousand five hundred seventy two dollars (\$121,572) be added as an additional expenditure in the Disposal account 10002-62448 for a revised budget of two million five hundred sixty four thousand three hundred forty six dollars (\$2,564,346) is hereby appropriated in the 2016/2017 fiscal year for costs associated with City operation of the Keene Transfer Station, and the sum of sixty eight thousand nine hundred thirty seven dollars (\$68,937) be added as additional revenue in the Tipping Fees account 10000-44119 for a revised budget of four million one hundred twenty thousand five hundred eighty six dollars (\$4,120,586), and sixty eight thousand six hundred thirty five dollars (\$68,635) be added as additional revenue to the Recycling Fees account 10000-47120 for a revised budget of four hundred twenty five thousand six hundred thirty five dollars (\$425,635) in the 2016/2017 fiscal year as follows:

FY 16/17 Solid Waste Expenditure

<u>Account#</u>	<u>Description</u>	<u>FY16/17 Budget</u>	<u>Additional Request</u>	<u>Revised Budget</u>
10001-62301	Office Equip Maint.	\$ 2,600	\$ 16,000	\$ 18,000
10002-62448	Disposal	\$2,442,774	\$121,572	\$2,564,346

FY 16/17 Solid Waste Revenue

<u>Account#</u>	<u>Description</u>	<u>Budget</u>	<u>Request</u>	<u>Revised Budget</u>
10000-44119	Tipping Fees	\$4,051,649	\$68,937	\$4,120,586
10000-47120	Recycling Fees	\$ 357,000	\$68,635	\$ 425,635

Kendall W. Lane, Mayor



City of Keene, N.H.
Transmittal Form

August 23, 2017

TO: Finance, Organization and Personnel Committee

FROM: Kürt D. Blomquist, PE, Public Works Director/Emergency Management Director

THROUGH: Medard Kopczynski, City Manager

ITEM: 11.

SUBJECT: Relating to the Reallocation of Bond Proceeds for Emergency Bridge Repairs

RECOMMENDATION:

Move that the Finance, Organization and Personnel Committee recommend the adoption of Resolution R-2017-27-A, Reallocation of Bond Proceeds from the FY15 Rehabilitation Project Account (90249) for emergency bridge repairs.

ATTACHMENTS:

Description

Resolution R-2017-27-A

BACKGROUND:

Resolution R-2017-27 was referred back to the Finance Organization Committee for an amendment. The amended version has been prepared by staff, which reduces the total amount needed for the three bridges from \$87,000 to \$55,900. Resolution R-2017-27-A also provides that any remaining balance in the FY 15 Road Rehabilitation Project Account be reallocated to the City's Bridge Capital Reserve Account.

In the recent months, the City has experienced unplanned damage to three (3) City bridges, Baker Street over Beaver Brook, Winchester Street over Ash Swamp Brook and Whitcombs Mill Road over White Brook. One of the bridges is closed, one has temporary lane closure and the third has a temporary guardrail configuration that is reducing the travel lane width.

The Baker Street Bridge repair had been planned to be part of the Baker Street Rehabilitation Project. The bids received for this project exceeded the project budget and will be rebid for completion in the spring/summer 2018. The Public Works Department will move forward with the bridge repairs using City forces. Since this was an unplanned event there are no funds in the FY18 Operating Budgets for the materials. The estimated cost of the necessary materials for this work is \$5,500. The cost (including contingency) to repair the guardrail system and reopen the Whitcombs Mill Road bridge is \$35,000. Finally the cost (including contingency) to replace the damaged guardrail system on the Winchester Street Bridge is \$15,400. A total of \$55,900 is required to complete all the bridge repairs.

There is \$72,889 in the FY15 Road Rehabilitation Project and allocating the funds necessary for the emergency repairs leaves a balance of \$16,989. It is recommended that these funds be reallocated to the City's Bridge Capital Reserve Account.

It is recommended that R-2017-27-A be adopted.



CITY OF KEENE

R-2017-27-A

Seventeen

In the Year of Our Lord Two Thousand and
Relating to the Reallocation of Bond Proceeds from the FY15 Rehabilitation
A RESOLUTION Project (90249) for Emergency Bridge Repairs

Resolved by the City Council of the City of Keene, as follows:

That the sum of fifty-five thousand and nine hundred dollars (\$55,900) in bond proceeds be reallocated from the FY15 Road Rehabilitation Project Account (90249) for emergency bridge repairs on the Baker Street Bridge, NH Rt. 10/Winchester Street Bridge and the Whitcombs Mill Road Bridge. Further, that the remaining balance of the FY15 Road Rehabilitation Project account be reallocated to the City's Bridge Capital Reserve account.

Kendall W. Lane, Mayor



City of Keene, N.H.
Transmittal Form

August 23, 2017

TO: Finance, Organization and Personnel Committee

FROM: Donald R. Lussier, P.E., City Engineer

THROUGH: Medard Kopczynski, City Manager

ITEM: 12.

SUBJECT: Emergency Bridge Repairs - Whitcombs Mill Road and Winchester Street

RECOMMENDATION:

Move that the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to negotiate and execute a sole-source Construction Contract with Cold River Bridges, LLC of Walpole, NH for the repair of bridge curb and railing posts on Whitcombs Mill Road bridge over White Brook for an amount up to \$31,850.00, subject to the approval of funding.

Move that the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to negotiate and execute a sole-source Construction Contract with CWS Fence & Guardrail, LLC of Andover, NH for the installation of bridge railings on Winchester Street/Route 10 bridge over Ash Swamp Brook for an amount up to \$14,287.50, subject to the approval of funding.

BACKGROUND:

The Whitcombs Mill Road Bridge over White Brook and the Winchester Street/Route 10 Bridge over Ash Swamp Brook are two of the 14 City-owned bridges on the New Hampshire Department of Transportation (NHDOT) "Redlist" of structurally deficient bridges.

On February 2, 2017, Highway Division personnel observed that the guardrails on the western side of the Whitcombs Mill Road Bridge over White Brook had suffered additional damage, likely due to an un-reported vehicle collision. The Public Works Director ordered the bridge closed in accordance with Sec. 82-34 of the City Code. Since that time, the Department has received numerous inquiries and complaints from the public regarding the status of this bridge

Because the bridge is in poor condition and is likely to be replaced in the future, Public Works recommends doing the minimum amount of work necessary to make the bridge safe for traffic. We have discussed options with a number of contractors in order to find the most cost-effective interim solution. Cold River Bridges, LLC provided a proposal to retrofit the existing bridge structure in order to receive standard bridge rail components. We believe that a sole source contract will provide the City with a cost effective repair without the additional cost and time required to develop detailed construction specification.

On May 31, 2017 Keene Police reported an accident that damaged the guardrails on the eastern side of the Winchester Street /Route 10 Bridge. As a temporary protective measure, Highway Division staff installed concrete "Jersey Barriers" along the edge of the roadway. The Department submitted a claim through the City's insurance provider, but the claim was subsequently denied.

Winchester Street is a major gateway into the City. This segment of road sees average daily traffic of approximately 16,000 vehicles per day. Due to the high volume and lane width restrictions created by the concrete barriers, Public Works recommends that steel guardrails be installed prior to the onset of winter weather. We have worked cooperatively with CWS Fence and Guardrail to find a low-cost alternate to typical bridge rail systems. This approach will allow a replacement rail to be installed without costly concrete repairs. The proposed contract with CWS also includes the horizontal rails for the Whitcombs Mill project.

Funding for both of these contracts is expected to be reallocated from FY15 Roadway Rehabilitation Project via Resolution R-2017-27-A. Resolution R-2017-27-A requests funding for the actual quoted contract amounts for each contract plus an approximate 10% contingency that may be used under the City Manager's authority (pursuant to Sec. 2-1334 of the City Code).



City of Keene, N.H.
Transmittal Form

July 27, 2017

TO: Mayor and Keene City Council

FROM: Steve Thornton, Finance Director

THROUGH: Medard Kopczynski, City Manager

ITEM: 13.

SUBJECT: Relating to Fiscal Policies

COUNCIL ACTION:

In City Council August 3, 2017.

The memorandum was filed into the record.

RECOMMENDATION:

That Resolution R-2017-26, relating to fiscal policies, be introduced and read at the August 3, 2017, meeting of the City Council and be referred to the Finance, Organization, and Personnel Committee (FOP) for consideration, discussion, and a recommendation back to City Council.

ATTACHMENTS:

Description

Resolution R-2017-26

Resolution R-2017-26 Redlined

BACKGROUND:

One of the most elemental functions of municipal fiscal management is to establish policies to guide an organization through both good and difficult times.

The City of Keene, like many municipalities, faces many fiscal challenges. Two of these are 1) the difficulty of balancing local budget realities with decreased revenues, increased service demands and the costs of unfunded state and federal mandates, and, 2) the cost of infrastructure and associated costs. Fiscal policies establish standards for fiscal management and decision making, and guidelines for monitoring and assessing fiscal condition while addressing those challenges.

Additionally, bond rating agencies give a higher score to communities with clearly established policies, because these agencies recognize the value measurable and enforceable policies lend to reduced investment risk.

R-2016-25, Relating to Fiscal Policies, was adopted by the City Council on August 4, 2016. Resolution R-2017-26, advances several staff proposals for amendments to the fiscal policies.

The proposed amendments, for the most part, seek to promote long term asset and financial planning to provide for the orderly and financially sustainable maintenance, preservation, and replacement of City equipment, facilities and infrastructure.

The Fiscal Policy Workshop is scheduled for August 1, 2017, at 6:30 p.m. in the Council Chambers.



CITY OF KEENE

R-2017-26

In the Year of Our Lord Two Thousand and Seventeen

A RESOLUTION Relating to FISCAL POLICIES

Resolved by the City Council of the City of Keene, as follows:

WHEREAS: the National Advisory Council on State and Local Budgeting (NACSLB) has developed a comprehensive set of recommended practices on budgeting; and

WHEREAS: one key component of those recommended practices calls for the adoption of fiscal policies by the local legislative body to help frame resource allocation decisions; and

WHEREAS: the Government Finance Officers' Association (GFOA) has endorsed the recommended practice developed by the NACSLB; and

WHEREAS: it is the intent of the City Council, by this resolution, to articulate this financial blueprint as clearly and completely as possible.

NOW, THEREFORE, BE IT RESOLVED that the fiscal policy should be reviewed and adopted by the City Council on an annual basis in the month of July, and

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Keene that its fiscal policies are as follows:

PART 1 – Budgetary Policies

I. Budget

- A. The City shall annually adopt and appropriate budgets for the following funds
 - 1) General Fund
 - 2) Parking Fund
 - 3) PC Replacement Fund
 - 4) Solid Waste Fund
 - 5) Sewer Fund
 - 6) Water Fund
 - 7) Equipment Fund
- B. All appropriated budgets shall be balanced.
- C. All appropriations for annual operating budgets (exclusive of capital projects) shall lapse at fiscal year-end unless encumbered by a City of Keene purchase order that is recorded in the financial system on or before June 30th of any year, or as authorized by the City Manager in writing, on a case-by-case basis. Those encumbrances shall be reported to the City Council in an informational memorandum by the first week of September each year.
- D. The budget document shall provide multi-year projections of revenues and expenditures/expenses including property taxes and utility (water and sewer) rates.
- E. The budget will take into consideration the City's Policies on unassigned Fund Balance at the end of June,
- F. The City of Keene will contain its General Fund debt service and current

revenue capital outlay appropriations, on a five (5) year average, at or less than fifteen percent (15%) of the General Fund operating budget.

- G. Upon completion of any project, any residual funds shall be returned to the fund that provided the original appropriation.
- H. Property Taxes.
 - 1) The City shall limit its property tax revenue increases to a rolling three (3) year average of the Boston CPI, (as of June 30th) net of expenditures required by law, and debt service payments. The City chooses to utilize the CPI, not because it reflects inflation in the City's costs, but because it reflects the overall inflation in what citizens purchase. This manages City spending such that increases in a citizen's tax bill are in line with increases in all of their other expenses. The goal is to have the cost of City services as a percentage of a taxpayer's total expenses remain constant.
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II. Capital Improvement Program

- A. The City of Keene shall prepare a capital improvement program (CIP) with a span of six (6) years.
- B. The CIP shall be updated annually. All capital projects or equipment purchases that have an estimated cost of at least \$20,000 and an estimated useful life of at least five years will be included in the capital improvement program (CIP) planning process. These projects may include capital asset preservation projects (designed to preserve the functionality and condition of major infrastructure systems and City facilities) with an estimated cost of at least \$20,000 and which increase the useful life of the asset by at least five years.
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 - a) Enterprise Funds
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 - ii. Water Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the water treatment and distribution systems.
 - 3) Internal Service Funds
 - a) Equipment Fund – shall be used to account for the operations, maintenance, and capital outlay needs of fleet services.

II. Revenues

- A. One-time revenues. One-time revenues will only be applied toward one-time expenditures; they will not be used to finance on-going programs or services. On-going revenues should be equal to, or greater than, on-going expenditures.
- B. Diversity. The City will diversify its revenues by maximizing the use of non-property tax revenues such as payments in lieu of taxes and user fees and charges.
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- 1) Cost recovery goals should be based on the total cost of delivering the service, including direct costs, departmental administration costs, and organization-wide support costs (e.g. accounting, human resources, data processing, insurance, vehicle maintenance).
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 - a) Service fees shall be set at two hundred fifty percent (250%) above the Medicare-determined usual and customary charge.
 - b) A fee will be implemented for those instances when responses that involve the use of drugs or specialized services are provided but there is no transport.
 - c) There will be no charge for responses determined by the Fire Department to be "public assists."
- C. The method of assessing and collecting fees should be made as simple as possible in order to reduce the administrative and support costs of collection.
- D. The City will periodically utilize the services of a collection agency when all other reasonable efforts to collect fees and fines have been exhausted; fees for such services to be paid from amounts collected.
- E. Rate structures should be sensitive to the market price for comparable services in the private sector or other public sector entities.
- F. All fees and charges shall be adopted by the City Council.
- G. Fees and charges shall be reviewed in accordance with a schedule developed by the City Manager that has each fee reviewed biannually. Recommended changes will be reviewed and approved by the City Council.

IV. Debt

- A. The City of Keene will periodically incur debt to finance capital projects. All issuances of debt are subject to State of New Hampshire Statutes, RSA 34 and 162-K.
- B. Debt may be issued to fund projects with a public purpose of a lasting nature or as otherwise allowed by State law.

- C. Debt will not be issued to provide for the payment of expenses for current maintenance and operation except as otherwise provided by law.
- D. The City of Keene shall not incur debt that exceeds any limits set by State law.
- E. All bonds shall be authorized by resolution of the City Council and require a two-thirds (2/3) vote.
- F. The City of Keene may use the services of a financial advisor to assist in preparing for, and executing, any sale of bonds. Said services shall be obtained as the result of a Request for Proposals (RFP) process, which shall be conducted at a minimum of every five (5) years.
- G. The City of Keene shall acquire the required services of bond counsel as the result of a Request for Proposals (RFP) process, which shall be conducted at a minimum of every five (5) years.
- H. Form. The City of Keene issues three types of bonds:
 - 1) General Obligation Bonds – repayment is backed by the full taxing power of the City of Keene.
 - 2) Tax Increment Financing Bonds – repayment is first backed by the revenue stream generated by increased revenues created within an established Tax Increment Financing District. To the extent that the increased revenues created within the district are not adequate, the repayment of the bonds would then be backed by the full taxing power of the City of Keene.
 - 3) Refunding Bonds – these bonds are issued to refinance outstanding bonds before their term in order to either remove restrictions on the original bonds and/or to take advantage of lower interest rates. Repayment is backed by the full taxing power of the City of Keene.
- I. Competitive sale is the preferred method of sale; however, negotiated sales may occur for a current or advance refunding, or for other appropriate reasons.
- J. Term.
 - 1) Debt will be incurred only for projects with a useful life of at least five (5) years.
 - 2) The term of any debt incurred by the City shall be limited to no greater than the expected useful life of the improvement.
- K. The use of short-term financing, lease, or lease-purchase agreements shall be kept to a minimum.
- L. Other funding sources – to the extent they are available, the City of Keene will actively pursue:
 - 1) Grants that reduce the City's initial investment in project/improvement.
 - 2) Grants that contribute to the on-going debt service for city project(s).
 - 3) Other financing tools such as tax credits that leverage the City's initial investment in a project.

V. Capital Assets

- A. Capitalization of equipment, buildings, land and improvements other than buildings (if one or more of the following criteria are met):
 - 1) Cost (if known) or fair market value is greater than or equal to \$5,000 and useful life is greater than one (1) year for new or replacement items.

- 2) In the case of modifications and upgrades, cost is greater than or equal to \$5,000 for equipment, and \$10,000 for buildings and other improvements and the changes accomplish one or more of the following:
 - a) Prolongs the useful life of the asset
 - b) Adapts the asset to a new or different use
 - c) Substantially increases the value of the asset
 - d) Does not substantially replace a current asset
 - 3) All land acquisitions will be capitalized at cost (if known) or fair market value.
 - 4) The total cost of placing an asset into service condition will be capitalized.
- B. Capitalization of infrastructure
- 1) Cost greater than or equal to \$10,000, and useful life greater than five (5) years.
 - 2) The depreciation approach will be utilized for the reporting of all infrastructure.
- C. Depreciation: straight-line depreciation will be used to depreciate all depreciable capital assets over the estimated useful life of each asset, as determined by industry standards.
- D. Asset Classification: assets will be recorded within broad asset groups (e.g. land, buildings, etc.).
- E. Budgeting: the budgeting of capital assets will be in a manner that will facilitate the identification and recording of the asset in accordance with this policy.
- F. The City may develop, implement, and refine capital asset management programs (defined as an integrated business approach involving planning, engineering, finance, facilities management, utilities, technology and operations to effectively manage existing and new facilities and infrastructure to maximize benefits, manage cost, reduce risk, and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner). The capital asset management plans should contain at least the following elements:
- 1) Periodic inventories and assessment of the physical condition of City capital assets and infrastructure.
 - 2) Establishment of condition and functional standards for various types of asset.
 - 3) Criteria to evaluate infrastructure and facility assets and set priorities.
 - 4) Financing policies to maintain a condition assessment system(s) and promote sufficient funding for capital asset preservation, repair, and maintenance.
 - 5) Monitoring and development of periodic plain language status reports on the various components of the City's capital assets and infrastructure.

VI. Fund Balance Classification Policies and Procedures

- A. Fund Balance: Fund balance represents the difference between current assets and liabilities and shall be comprised of non-spendable, restricted, committed, assigned, and unassigned amounts defined as follows:
- 1) Non-spendable fund balance - includes amounts that are not in spendable form such as inventory or prepaid expenses or are

- required to be maintained intact such as perpetual care or the principal of an endowment fund.
 - 2) Restricted fund balance - includes amounts that can only be spent for specific purposes stipulated by external resource providers such as grantors or, as in the case of special revenue funds, as established through enabling legislation.
 - 3) Committed fund balance - includes amounts that can be reported and expended as a result of motions passed by the highest decision making authority, the City Council.
 - 4) Assigned fund balance - includes amounts to be used for specific purposes including encumbrances and authorized carry forwards or fund balance to be used in the subsequent fiscal year.
 - 5) Unassigned fund balance - includes amounts that are not obligated or specifically designated and is available in future periods.
- B. Spending Prioritization: when an expenditure is incurred that would qualify for payment from multiple fund balance types, the City uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.
- C. Net assets: net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations, or other governments. All other net assets are reported as unrestricted.

VII. Stabilization Funds

- A. Unassigned Fund Balance.
 - 1) That portion of available funds within each fund that can be used to offset emergency expenditures, a downturn in collection of significant revenues, or other unforeseen events.
 - a) Unassigned fund balance for the General Fund will be maintained at between seven percent (7%) and ten percent (10%) of the sum of the total of the General Fund annual operating budget and the property tax commitment for the school (both local and State) and the county.
 - b) Fund balances in all other budgeted funds should be maintained at between five percent (5%) and fifteen percent (15%) of the annual operating budget for that fund.
- B. Self-funded health insurance.
 - 1) The City shall retain funds for its self-funded health insurance program. The intended purposes for these funds are to provide a measure to smooth rate fluctuations, to accommodate an unforeseen increase in claims, and to provide financial protection from run-out costs in the event the City moves toward a fully insured plan. The amount retained shall not exceed three (3) months of estimated claim costs.
- C. Capital Reserves.
 - 1) Capital Reserves, classified as committed funds, are reserves

established under State of New Hampshire law, invested by the Trustees of Trust Funds, for several purposes that include the construction, reconstruction, or acquisition of a specific capital improvement, or the acquisition of a specific item or of specific items of equipment, or other purposes identified in NH RSA 34, relating to Capital Reserve Funds for Cities.

- 2) The City of Keene has established the following capital reserves:
- a) Fire Equipment Capital Reserve – for the acquisition or significant rehabilitation of fire apparatus.
 - b) Ambulance Capital Reserve – for the acquisition or significant rehabilitation of ambulances
 - c) Intersection Improvements Capital Reserve – for the rehabilitation or reconstruction of existing intersections.
 - d) Hazardous Waste Site Capital Reserve – for the clean-up, mitigation and testing associated with the Old City Landfill located at 580 Main Street.
 - e) Transfer/Recycling Center Capital Reserve – for the repair and replacement of existing infrastructure, systems, and equipment.
 - f) City Hall Parking Deck Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment.
 - g) Wells Street Parking Facility Capital Reserve – for the repair and replacement of existing infrastructure, systems, and equipment.
 - h) Landfill Closure Capital Reserve – for the closure and post-closure costs associated with the City Landfill located at Route 12 North.
 - i) Wastewater Treatment Plant Capital Reserve – for the repair and replacement of major components of plant, including equipment and building.
 - j) Martel Court Pumping Station Capital Reserve – for the repair and replacement of major components of station, including equipment building.
 - k) Sewer Infrastructure Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment including pump stations and the collection system.
 - l) Water Treatment Facility Capital Reserve – for the repair and replacement of major components of facility including pumps, controls, chemical systems, etc., and building components.
 - m) Water Infrastructure Capital Reserve – for the repair and replacement of major components of existing infrastructure, systems and equipment including wells, lift stations, tanks, etc., and the distribution system.
 - n) Fleet Equipment Capital Reserve – for the replacement of vehicles and equipment under the management of Fleet Services.
 - o) Bridge Capital Reserve – for the construction, reconstruction, and rehabilitation of bridges.
 - p) Downtown Infrastructure and Facility Improvement Capital Reserve – for infrastructure and facility improvements in the

downtown.

- q) Transportation Improvements Capital Reserve - to fund, wholly or in part, improvements in the transportation system including roads, bridges, bicycle and pedestrian facilities, and intermodal facilities, except for parking.

D. The City Council may create and fund through annual operating budget appropriations various expendable trust funds as it deems necessary for the maintenance and operation of the City; and any other public purpose that is not foreign to the City's institution or incompatible with the objects of its organization. The trust funds will be administered by the Trustees of the Trust Funds.

VIII. Deposits of Excess Funds

A. Objectives (in priority order):

- 1) Safety – the safety of principal is the foremost objective.
- 2) Liquidity – investments shall remain sufficiently liquid to meet the operational cash needs of the City of Keene.
- 3) Yield – taking in to account the priority objectives of safety of principal and liquidity, a market rate of return.

B. Authorized Investments:

- 1) US Treasury obligations.
- 2) US government agency and instrumentality obligations.
- 3) Repurchase agreements with New Hampshire Banks acting as principal or agent, collateralized by US Treasury/Agency obligations.
- 4) Certificates of Deposits in New Hampshire Banks (collateralized).
- 5) New Hampshire Public Deposit Investment Pool.

Kendall W. Lane, Mayor

In City Council August 3, 2017.

Referred in Finance, Organization and Personnel Committee.



City Clerk

Seventeen

Relating to FISCAL POLICIES

WHEREAS: the National Advisory Council on State and Local Budgeting (NACSLB) has developed a comprehensive set of recommended practices on budgeting; and

WHEREAS: one key component of those recommended practices calls for the adoption of fiscal policies by the local legislative body to help frame resource allocation decisions; and

WHEREAS: the Government Finance Officers' Association (GFOA) has endorsed the recommended practice developed by the NACSLB; and

WHEREAS: it is the intent of the City Council, by this resolution, to articulate this financial blueprint as clearly and completely as possible.

NOW, THEREFORE, BE IT RESOLVED that the fiscal policy should be reviewed and adopted by the City Council on an annual basis in the month of July, and

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Keene that its fiscal policies are as follows:

PART 1 – Budgetary Policies

- I. Budget
 - A. The City shall annually adopt and appropriate budgets for the following funds
 - 1) General Fund
 - 2) Parking Fund
 - 3) PC Replacement Fund
 - 4) Solid Waste Fund
 - 5) Sewer Fund
 - 6) Water Fund
 - 7) Equipment Fund
 - B. All appropriated budgets shall be balanced.
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 - b) A fee will be implemented for those instances when responses that involve the use of drugs or specialized services are provided but there is no transport.
 - c) There will be no charge for responses determined by the Fire Department to be "public assists."
- C. The method of assessing and collecting fees should be made as simple as possible in order to reduce the administrative and support costs of collection.
- D. The City will periodically utilize the services of a collection agency when all other reasonable efforts to collect fees and fines have been exhausted; fees for such services to be paid from amounts collected.
- E. Rate structures should be sensitive to the market price for comparable services in the private sector or other public sector entities.
- F. All fees and charges shall be adopted by the City Council.
- G. Fees and charges shall be reviewed in accordance with a schedule developed by the City Manager that has each fee reviewed biannually. Recommended changes will be reviewed and approved by the City Council.

IV. Debt

- A. The City of Keene will periodically incur debt to finance capital projects. All issuances of debt are subject to State of New Hampshire Statutes, RSA 34 and 162-K.
- B. Debt may be issued to fund projects with a public purpose of a lasting nature or as otherwise allowed by State law.
- C. Debt will not be issued to provide for the payment of expenses for current maintenance and operation except as otherwise provided by law.
- D. The City of Keene shall not incur debt that exceeds any limits set by State law.
- E. All bonds shall be authorized by resolution of the City Council and require a two-thirds (2/3) vote.
- F. The City of Keene may use the services of a financial advisor to assist in preparing for, and executing, any sale of bonds. Said services shall be obtained as the result of a Request for Proposals (RFP) process, which shall be conducted at a minimum of every five (5) years.
- G. The City of Keene shall acquire the required services of bond counsel as the result of a Request for Proposals (RFP) process, which shall be conducted at a minimum of every five (5) years.
- H. Form. The City of Keene issues three types of bonds:
 - 1) General Obligation Bonds – repayment is backed by the full taxing power of the City of Keene.
 - 2) Tax Increment Financing Bonds – repayment is first backed by the revenue stream generated by increased revenues created within an established Tax Increment Financing District. To the extent that the increased revenues created within the district are not adequate, the repayment of the bonds would then be backed by the full taxing power of the City of Keene.
 - 3) Refunding Bonds – these bonds are issued to refinance outstanding bonds before their term in order to either remove restrictions on the original bonds and/or to take advantage of lower interest rates. Repayment is backed by the full taxing power of the City of Keene.
- I. Competitive sale is the preferred method of sale; however, negotiated sales may occur for a current or advance refunding, or for other appropriate reasons.
- J. Term.
 - 1) Debt will be incurred only for projects with a useful life of at least five (5) years.
 - 2) The term of any debt incurred by the City shall be limited to no greater than the expected useful life of the improvement.
- K. The use of short-term financing, lease, or lease-purchase agreements shall be kept to a minimum.
- L. Other funding sources – to the extent they are available, the City of Keene will actively pursue:
 - 1) Grants that reduce the City's initial investment in project/improvement.
 - 2) Grants that contribute to the on-going debt service for city project(s).
 - 3) Other financing tools such as tax credits that leverage the City's initial investment in a project.

V. Capital Assets

- A. Capitalization of equipment, buildings, land and improvements other than buildings (if one or more of the following criteria are met):
- 1) Cost (if known) or fair market value is greater than or equal to \$5,000 and useful life is greater than one (1) year for new or replacement items.
 - 2) In the case of modifications and upgrades, cost is greater than or equal to \$5,000 for equipment, and \$10,000 for buildings and other improvements and the changes accomplish one or more of the following:
 - a) Prolongs the useful life of the asset
 - b) Adapts the asset to a new or different use
 - c) Substantially increases the value of the asset
 - d) Does not substantially replace a current asset
 - 3) All land acquisitions will be capitalized at cost (if known) or fair market value.
 - 4) The total cost of placing an asset into service condition will be capitalized.
- B. Capitalization of infrastructure
- 1) Cost greater than or equal to \$10,000, and useful life greater than five (5) years.
 - 2) The depreciation approach will be utilized for the reporting of all infrastructure.
- C. Depreciation: straight-line depreciation will be used to depreciate all depreciable capital assets over the estimated useful life of each asset, as determined by industry standards.
- D. Asset Classification: assets will be recorded within broad asset groups (e.g. land, buildings, etc.).
- E. Budgeting: the budgeting of capital assets will be in a manner that will facilitate the identification and recording of the asset in accordance with this policy.
- F. The City may develop, implement, and refine capital asset management programs (defined as an integrated business approach involving planning, engineering, finance, facilities management, utilities, technology and operations to effectively manage existing and new facilities and infrastructure to maximize benefits, manage cost, reduce risk, and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner). The capital asset management plans should contain at least the following elements:
- 1) Periodic inventories and assessment of the physical condition of City capital assets and infrastructure.
 - 2) Establishment of condition and functional standards for various types of asset.
 - 3) Criteria to evaluate infrastructure and facility assets and set priorities.
 - 4) Financing policies to maintain a condition assessment system(s) and promote sufficient funding for capital asset preservation, repair, and maintenance.
 - 5) Monitoring and development of periodic plain language status reports on the various components of the City's capital assets and infrastructure.

VI. Fund Balance Classification Policies and Procedures

- A. Fund Balance: Fund balance represents the difference between current assets and liabilities and shall be comprised of non-spendable, restricted, committed, assigned, and unassigned amounts defined as follows:
- 1) Non-spendable fund balance - includes amounts that are not in spendable form such as inventory or prepaid expenses or are required to be maintained intact such as perpetual care or the principal of an endowment fund.
 - 2) Restricted fund balance - includes amounts that can only be spent for specific purposes stipulated by external resource providers such as grantors or, as in the case of special revenue funds, as established through enabling legislation.
 - 3) Committed fund balance - includes amounts that can be reported and expended as a result of motions passed by the highest decision making authority, the City Council.
 - 4) Assigned fund balance - includes amounts to be used for specific purposes including encumbrances and authorized carry forwards or fund balance to be used in the subsequent fiscal year.
 - 5) Unassigned fund balance - includes amounts that are not obligated or specifically designated and is available in future periods.
- B. Spending Prioritization: when an expenditure is incurred that would qualify for payment from multiple fund balance types, the City uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.
- C. Net assets: net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations, or other governments. All other net assets are reported as unrestricted.

VII. Stabilization Funds

- A. Unassigned Fund Balance.
- 1) That portion of available funds within each fund that can be used to offset emergency expenditures, a downturn in collection of significant revenues, or other unforeseen events.
 - a) Unassigned fund balance for the General Fund will be maintained at between seven percent (7%) and ten percent (10%) of the sum of the total of the General Fund annual operating budget and the property tax commitment for the school (both local and State) and the county.
 - b) Fund balances in all other budgeted funds should be maintained at between five percent (5%) and fifteen percent (15%) of the annual operating budget for that fund.
- B. Self-funded health insurance.
- 1) The City shall retain funds for its self-funded health insurance program. The intended purposes for these funds are to provide a measure to smooth rate fluctuations, to accommodate an unforeseen

increase in claims, and to provide financial protection from run-out costs in the event the City moves toward a fully insured plan. The amount retained shall not exceed three (3) months of estimated claim costs.

C. Capital Reserves.

- 1) Capital Reserves, classified as committed funds, are reserves established under State of New Hampshire law, invested by the Trustees of Trust Funds, for several purposes that include the construction, reconstruction, or acquisition of a specific capital improvement, or the acquisition of a specific item or of specific items of equipment, or other purposes identified in NH RSA 34, relating to Capital Reserve Funds for Cities.
- 2) The City of Keene has established the following capital reserves:
 - a) Fire Equipment Capital Reserve – for the acquisition or significant rehabilitation of fire apparatus.
 - b) Ambulance Capital Reserve – for the acquisition or significant rehabilitation of ambulances
 - c) Intersection Improvements Capital Reserve – for the rehabilitation or reconstruction of existing intersections.
 - d) Hazardous Waste Site Capital Reserve – for the clean-up, mitigation and testing associated with the Old City Landfill located at 580 Main Street.
 - e) Transfer/Recycling Center Capital Reserve – for the repair and replacement of existing infrastructure, systems, and equipment.
 - f) City Hall Parking Deck Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment.
 - g) Wells Street Parking Facility Capital Reserve – for the repair and replacement of existing infrastructure, systems, and equipment.
 - h) Landfill Closure Capital Reserve – for the closure and post-closure costs associated with the City Landfill located at Route 12 North.
 - i) Wastewater Treatment Plant Capital Reserve – for the repair and replacement of major components of plant, including equipment and building.
 - j) Martel Court Pumping Station Capital Reserve – for the repair and replacement of major components of station, including equipment building.
 - k) Sewer Infrastructure Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment including pump stations and the collection system.
 - l) Water Treatment Facility Capital Reserve – for the repair and replacement of major components of facility including pumps, controls, chemical systems, etc., and building components.
 - m) Water Infrastructure Capital Reserve – for the repair and replacement of major components of existing infrastructure, systems and equipment including wells, lift stations, tanks, etc., and the distribution system.
 - n) Fleet Equipment Capital Reserve – for the replacement of

vehicles and equipment under the management of Fleet Services.

- o) Bridge Capital Reserve – for the construction, reconstruction, and rehabilitation of bridges.
- p) Downtown Infrastructure and Facility Improvement Capital Reserve – for infrastructure and facility improvements in the downtown.
- q) Transportation Improvements Capital Reserve - to fund, wholly or in part, improvements in the transportation system including roads, bridges, bicycle and pedestrian facilities, and intermodal facilities, except for parking.

D. The City Council may create and fund through annual operating budget appropriations various expendable trust funds as it deems necessary for the maintenance and operation of the City; and any other public purpose that is not foreign to the City's institution or incompatible with the objects of its organization. The trust funds will be administered by the Trustees of the Trust Funds.

VIII. Deposits of Excess Funds

A. Objectives (in priority order):

- 1) Safety – the safety of principal is the foremost objective.
- 2) Liquidity – investments shall remain sufficiently liquid to meet the operational cash needs of the City of Keene.
- 3) Yield – taking in to account the priority objectives of safety of principal and liquidity, a market rate of return.

B. Authorized Investments:

- 1) US Treasury obligations.
- 2) US government agency and instrumentality obligations.
- 3) Repurchase agreements with New Hampshire Banks acting as principal or agent, collateralized by US Treasury/Agency obligations.
- 4) Certificates of Deposits in New Hampshire Banks (collateralized).
- 5) New Hampshire Public Deposit Investment Pool.

Kendall W. Lane, Mayor