

**City of Keene**  
**New Hampshire**

**FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE**  
**MEETING MINUTES**

**Thursday, November 23, 2016**

**6:30 PM**

**Council Chambers**

**Members Present:**

Mitchell H. Greenwald, Chair  
Carl B. Jacobs, Vice-Chair  
Thomas F. Powers  
Terry M. Clark  
Jay V. Kahn

**Councilors Present**

Jan Manwaring  
Bettina Chadbourne

Mayor Kendall Lane

**Staff Present:**

City Manager, Medard Kopczynski  
Asst. City Manager/Planning Director,  
Rhett Lamb  
City Attorney, Thomas Mullins  
City Assessor, Dan Langille  
Finance Director, Steve Thornton  
Public Works Director, Kurt Blomquist  
Asst. City Manager/Human Resources  
Director, Beth Fox

Chair Greenwald called the meeting to order at 6:30 PM.

**1) Report out of More Time Item - Relinquishment of Easement to Parking Spaces on Railroad Property on Behalf of Monadnock Food Co-op - Planning Department**

Asst. City Manager/Planning Director, Rhett Lamb stated he was before the Committee asking that this matter be reported out. He explained there was a request from the Monadnock Food Coop for the City to convey to them 14 parking spaces located at the Cypress Street parking lot which is now owned by MEDC. The owner of the Food Coop worked with Southwest Regional Planning Commission and a report was filed with the City which looked at utilization rates in this area. In looking at this report the City has asked the Coop to see if other lessees in the area might have parking the Coop could use. They have done this and have been unable to secure any spaces. The City has worked on changing some of the rental signs which now indicate those spaces can be used after 5 pm if they are not being used by the person who owns the permit. The Coop's problem is during noontime, they have however, leased two of the 14 spaces from the City.

Most recently the City has spoken to Michael Faber, Manager of the Coop who is now seeking a totally different approach; which is to apply to the Planning Board through site plan approval so that they could take over the gravel parking lot directly adjacent to the Food Coop which has been used recently for construction parking and winter operations storage. This is an area where a fourth building will eventually be constructed. Mr. Lamb

added by reporting out this matter it would not preclude the applicant from being able to come back before the City Council should they not prevail in front of the Planning Board.

Councilor Clark made the following motion which was seconded by Councilor Powers:

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends reporting out Relinquishment of Easement to Parking Spaces on Railroad Property.

**2) Discussion - NGM Crosswalk Project - Public Works Director**

Public Works Director, Kurt Blomquist reminded the Committee that about a year ago the City in participation with National Grange Mutual (NGM) put in place a lighted crosswalk on West Street. The Committee did request at the conclusion of this work that staff advise the Committee which crosswalk will be going away. Mr. Blomquist stated currently there are crosswalks in the vicinity of Federal Street, crosswalks on the east and west sides of Saint James Street and the newly located one close to the library. The one on the west side of Saint James Street is ADA accessible, the one on the east side is not ADA accessible and the plan is to remove the one on the east side.

Chair Greenwald asked where people are going toward when they use these crosswalks. Mr. Blomquist stated the majority are trying to access the NGM parking lots on Gilbo Avenue.

Councilor Kahn talked about the many destinations this proposed crosswalk can access; the County Building, the Court House, One Hundred Nights Shelter, Lindy's Diner, and the parking lot which supports the library expansion. He felt there are a number of walking patterns this crosswalk lends itself to which can be very convenient. He felt removing the crosswalk causes people to cross a street where there are no crosswalks. He added if removal of this crosswalk is for cost purposes, he looks at it as removing a crosswalk on a major street where there is a lot of pedestrian access. Mr. Blomquist stated the suggestion to remove the one on the east side of Saint James Street is purely for safety reasons as there are two crosswalks which are too close to each other.

Councilor Powers noted Mr. Blomquist is before the Committee to comply with the directive placed on him by this Committee. He added if there are two crosswalks in close proximity it is in violation of the Uniform Manual of Traffic Control and the City could be in trouble.

Attorney Mullins noted this item was only agendaized as a discussion item and if the Committee was going to take any action on it, it needs to come back as an action item.

Councilor Powers made the following motion which was seconded by Councilor Jacobs:

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends accepting this report as informational.

### **3) 2016 Tax Rate Update - Finance Director**

Chair Greenwald stated the City's tax bills recently came out. It has been noted the City's portion of the tax bill went up by a small percentage of 1.3% whereas the other portions have gone up by more than that. He indicated the Council has worked very hard to hold down the tax rate. However, there are the downshifting of costs from the State the City faces.

Finance Director, Steve Thornton stated that in our community, the property tax rate is the rate at which property is taxed to raise money to fund governmental services such as education, police, jails, nursing homes, fire, road plowing, library, parks, and so forth.

It is a function of two factors. The first of which is tax dollars to be raised to fund governmental services – in Keene, the amount of tax dollars to be raised are established by the elected officials of the school district, Cheshire County, and City of Keene. This is done through the process of adopting budgets following a formal budget process, which includes public meetings and hearings.

The second component is Taxable Assessed Value – The City of Keene regularly assesses the value of property within the City. The valuation is performed under rules established by state law, and overseen by the New Hampshire Department of Revenue Administration. The appraiser's goal is to arrive at an assessed value as close as possible to the fair market value of the property -- the price you might reasonably assume to sell for at the time of the appraisal. Every five years, a formal revaluation process must be undertaken to ensure that overall, property values are at 100% of market value. The total assessed value of a community may be higher than the taxable assessed value because of various property tax exemptions and credits allowable under law.

So what is the Tax Rate? – the tax rate in the state of New Hampshire is expressed as a dollar amount per \$1,000 dollars of assessed valuation. The tax rate is determined by dividing the tax dollars to be raised by the taxable assessed value. Therefore, the tax rate is a reflection of two variables – the amount of tax dollars to be raised, and the underlying value of the real estate in a community. Mr. Thornton explained if the total number of tax amount to be raised goes up and the assessed value stays the same the tax rate would go up. If the tax dollars to be raised goes down, the assessed value stays the same the tax rate goes down.

Mr. Thornton state that with that in mind, he would like to touch upon a recent presentation made by City staff to the City Council which compared the City of Keene to the other 15 communities in NH with a population over 15,000 people (16 in total). The presentation compared the total tax dollars raised in each community, the population,

median family incomes, taxable assessed values, tax rates, and median home sale prices, all using 2015 data.

Communities in the comparison included: Bedford, Concord, Derry, Dover, Goffstown, Hudson, Keene, Laconia, Londonderry, Manchester, Merrimack, Milford, Nashua, Portsmouth, Rochester and Salem.

The 16 largest communities were chosen for comparison because they represent the largest and most “urban” communities in the state, and the assumption was made that each of these communities share many of the opportunities and costs presented in a more urban environment. At the same time, each of these communities are different in many ways. Some are more or less densely populated; some have a lot of industrial and or commercial activity, some are adjacent to other urban areas, while some are located in more rural areas.

Of the 16 communities (in 2015), Keene ranked (all in high to low order):

1. Population – 11<sup>th</sup>
2. Tax Dollars raised – 11<sup>th</sup>
3. Per Capita Tax Dollars raised – 6<sup>th</sup>
4. Total Taxable Assessed Value – 14<sup>th</sup>
5. Ratio of Median Family Income to Median Home sales price (indicator of how many times the median family income it would take to pay for the median family home) – 16<sup>th</sup>
6. Median Home Ownership Cost as a % of Median Family Income (measures cost of mortgage plus property taxes as a % of median family income) – 14<sup>th</sup>
7. Tax Rate – 1<sup>st</sup>

With that in mind, Mr. Thornton went on to compare Keene with Portsmouth (similar healthy, dynamic and thriving communities) in terms of population and median home values, demonstrating that the two cities with very different circumstances arrived at a very similar place with regards to property taxes.

Our communities have very similar population levels, but widely divergent amounts of Taxable Assessed Value. In fact, Portsmouth has \$2,884,053,968 more or 2.56 times as much assessed taxable value as Keene.

Portsmouth also raises more property taxes (\$15,607,844 or 25%) than Keene to fund education, emergency services, road plowing and maintenance, and so forth. That does not mean that Portsmouth is frivolous with its spending; its elected officials have adopted budgets which hopefully provide the right amount of various services to the community.

Portsmouth has a tax rate of \$16.79 per thousand, compared to \$34.41 for Keene. Keene’s tax rate is 2.05 times higher than the Portsmouth tax rate.

What does that mean, though? Recall the median home prices in 2015 (that means half the homes bought cost more than the median price, and half sold for less) of \$340,000 in Portsmouth, and \$160,500 in Keene. Using the 2015 tax rates, the Portsmouth family would pay \$5,709 in property tax, and the Keene family would pay \$5,523. At the end of the day, the actual property taxes paid on a median priced home in each of the communities are nearly the same.

Mr. Thornton then moved on to where the City stands this year. The State of New Hampshire Department of Revenue Administration (DRA) has confirmed the 2016 property tax rate. The total rate is \$36.39 per \$1,000 of assessed value and funds city and school expenditures for fiscal year 2016-2017 and county services provided in 2016, as well as War Service tax credits and tax overlay. The total amount of property taxes to be raised increased 2.50% to \$64,909,646.

He then compared the 2015 tax rate to the 2016 rate:

Municipal increased by 1.37%  
Local Education increased by 3.81%  
State Education decreased by -0.95%  
County increased by 3.39%

Mr. Thornton stated the County tax increased less than 2% but because the apportionments between the towns in the County are based on equalized assessed value a larger share was raised in Keene and this amount increased. Councilor Jacobs asked how the apportionment is arrived at. Mr. Thornton stated that it is based on the equalized assessed value of the communities. Councilor Powers clarified the County's bill comes in during the beginning of the calendar year as opposed to the beginning of the fiscal year – and because the City's reassessment went down the December bill should be less. Mr. Thornton agreed.

Mr. Thornton went on to explain the four entities tax dollars are distributed among: Local Education, State Education, Municipal and County. Municipal went down a third of a percent, Local Education went up by .5%, State Education dropped by .2% and the County went up by .11%.

Mr. Thornton stated the actual tax dollars to be raised in Keene are less than those projected to be raised at the time of budget adoption. At the same time, the adopted tax rate confirmed by the DRA is higher than the tax rate projected at the time of budget adoption. He went on to say when the budget reports are prepared they are based on last year's estimate and the DRA reviews those numbers after the close of the fiscal year. When we look at our revaluation there is a change to some of the classes of properties and hence overall the City's taxable assessed value fell by 3%. Residential properties dropped by 7%, commercial properties remained the same, utility properties increased by 32%.

In 2015 a property assessed at \$200,000 paying \$34.41 in tax rate would have paid \$6,882.00 in taxes. This same house with a decrease in value of 7% or \$14,000 in 2016

would have derived a taxable value and tax rate of \$186,000 for which the DRA tax rate would have been \$36.39 and the tax bill would have been \$6,768.54.

Mr. Thornton continued that as have all other NH communities, the City of Keene municipal budget has been challenged by the downshifting of costs and diversion of revenues by the New Hampshire state government. Some examples provided by Mr. Thornton included:

State Revenue Sharing – In FY 2008 (9 fiscal years ago) state revenue sharing receipts were \$993,000. In 2009, as a result of the state budget crisis, those receipts decreased by \$463,000, and from FY 2010 through FY 2017 they have been eliminated. Assuming that there would have been no growth in revenue sharing since 2008, had it not been eliminated, the City did not receive approximately \$8.4 million in cash anticipated. He noted the City has undertaken a lot of large projects such as the Public Works facility, Fire Station, Police Station and this millions dollars a year was part of the City's revenue stream and this is lost. Chair Greenwald added this is revenue raised in this community, sent to Concord and it is not coming back.

The second downshifting of costs is the State Retirement System Contributions - before 2010, the state contributed 35% of the cost of pension contribution rates for teachers, police and firefighters. In 2010 that dropped to 30%, and to 25% in 2011, and this then it is at zero in subsequent years. At the same time, retirement rates paid by the City on behalf of employees have increased every other year. Matching rates paid by employees have also increased. Between FY 2009 and 2016, it is estimated that the cumulative costs to the City of Keene government are in the range of \$4,000,000. The rate change approved for FY 2018 which will impact the City's General Fund approximately \$220,000.

The third downshifting of costs is the Southwest New Hampshire Mutual Aid (SWNHMA). Prior to 2012, SWNHMA funding was included in the Cheshire County budget. Beginning in 2012, the funding for the agency was transferred from Cheshire County to the City. The budgeted contribution in FY 2017 is \$216,684.

Other smaller down shifted costs include the freezing of adjustments to the Rooms and Meals tax distribution, reduction in Highway Block Grant distributions, and reductions in flood control funding.

At the same time, the City is not immune to increasing operating costs in areas such as supplies, contracted services, and health insurance and salaries and wages, as are all other businesses and organizations, as well as the need to continue to invest in infrastructure and facility maintenance.

To meet these challenges, the city has eliminated positions in various departments, and reduced others from full time to part time to avoid benefit costs. Adjustments have been made to health insurance plan structures and cost sharing formulas. Non payroll budget items have been frozen or reduced during the budget process for several years. Capital

projects which had previously been funded from operating revenues were partially funded through debt or reduced in scope.

City staff and elected officials recognize the impact that property taxes have upon residents of the community, and have worked to manage property tax increases while maintaining services and the quality of City infrastructure. In the period from FY 2011 through FY 2017, property taxes to fund City operations have increased, on average, 2.68% per year, or \$594,871.

This concluded Mr. Thornton's presentation.

Councilor Kahn asked whether the takeaway here is that most property owners are seeing a decrease to their tax bill. Mr. Thornton stated some have received this decrease. Councilor Kahn stated the city has to be applauded for trying to keep its tax rate down. Councilor Kahn talked about capital expenses being funded by operational dollars versus debt service and felt this is something that should be given thought to.

He noted the utility properties have gone up significantly and it is predicted they would be contributing more in the future and asked for added clarification from the Assessor. City Assessor Dan Langille stated the biggest increase here is because of the sub-station built near Wheelock Park.

Councilor Kahn with reference to the rooms and meals tax asked whether this amount is different from year to year. Mr. Thornton stated the issue with rooms and meals tax is that the State reports this only on a County-wide level (collection) and payments are reports on a local level. This is an issue staff has raised with the DRA who has indicated this information is not retained but were willing to file a Right to Know Request for the City.

Councilor Jacobs asked for the reason for these downshifting of costs. Mr. Thornton stated he wasn't sure but assumes it is because the State is looking for resources to fund some of its obligations. Councilor Jacobs asked how the 2.6% increase for operations compare to the CPI. Mr. Thornton stated in the city's fiscal policies there are guidelines for tax increases – CPI plus contracted obligations plus increase to debt service. In that period of time for two years the City didn't meet this target.

Councilor Powers asked whether the Eversource building was the largest contributor to the 32% increase. Mr. Langille answered in the affirmative. Councilor Powers noted every community is in battle with utilities as to the value of its property and every community is getting short changed. The Councilor expressed his concern over the meals and tax formula.

Councilor Clark asked with respect to residential property assessment whether there was a matrix that could be run to figure out which properties went up and which ones went down. Mr. Langille stated he could try to run those numbers and added there is less activity with those high value homes. The Councilor noted from what he can see the

people who can afford it the least are the ones who are seeing these increases. Chair Greenwald asked how often the values are updated. Mr. Langille stated the department annually looks at building permits and abatements as well as the equalization process. Chair Greenwald asked how often values are fine tuned. Mr. Kopczynski stated his understanding is that the City is continually adjusting the values based on sales of properties and improvements to properties.

Councilor Jacobs made the following motion which was seconded by Councilor Powers:

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends accepting this report as informational.

**4) Primex Contribution Assurance Program - Property & Liability - ACM/Human Resources Director**

ACM/Human Resources Director Elizabeth Fox stated she was before the Committee to receive authorization for the City Manager to enter into an agreement with Primex for multi-year Contribution Assurance Program (CAP) through FY20 for the City's property and liability coverage. The City has been with Primex for 14 or 15 years now. Currently the Council has authorized the City to make a commitment through FY19 to the Primex pool with a cap of 9%. Primex is now offering to extend this multi-year agreement through FY20 with a cap of 5%.

Ms. Fox stated the City has been fortunate in that its premium adjustment have been less than the cap. This cap came in useful in 2015 when the City had less than a positive experience and it resulted in savings in premiums of nearly \$20,000.

Councilor Powers asked whether this also includes automobiles. Ms. Fox answered in the affirmative. The Councilor asked whether medical malpractice errors and omissions are included. Ms. Fox stated this falls under liability and the only thing not included is the airport. The City carried a separate policy for the airport.

Councilor Kahn made the following motion which was seconded by Councilor Powers.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to enter into and execute an agreement extending participation with Primex in a multi-year Contribution Assurance Program (CAP) through FY20 that has provided predictable contributions and stable property and liability insurance coverage.

**5) Primex Contribution Assurance Program - Worker's Compensation ACM/Human Resources Director**

Ms. Fox stated this request is similar to the previous item; the City has a multi-year agreement with Primex which provides some cap protection. She indicated the city has benefited from being in this pool for nearly 30 years. She noted the City has a good



history for this benefit – in the last five years only 24 claims exceeded \$25,000 with no losses. For the kind of workforce and exposure the City has, this is a good record. Ms. Fox stated when there is a catastrophic injury it can be expensive to the city. The city has a good Safety Committee who works very hard on safety issues.

Here again, Primex is offering a multi-year agreement through 2019.

Councilor Clark made the following motion which was seconded by Councilor Powers.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to enter into and execute an agreement extending participation with Primex in a multi-year Contribution Assurance Program (CAP) through calendar year 2019 providing mitigation, in the event of adverse experience, and assurance of predictable premium contribution for workers' compensation insurance.

#### **6) Charter Officer Evaluation Process - ACM/Human Resources Director**

Chair Greenwald stated the goal of this discussion is to make sure this process is beneficial for everyone involved. The City's Charter Officers are the City Manager, City Clerk and City Attorney. What the Human Resources Director is going to present is a process that came out of a series of meetings between the Charter Officers, the Mayor and Committee Chairs.

Ms. Fox stated this process starts prior to the anniversary date of the employee by the Human Resources Department. The Department would collaborate with the FOP Chair who would simultaneously advance to the employee the evaluation form. This form helps the employee provide what their goals are for the upcoming year. At the same time the FOP Chair will also seek input from the other 12 Councilors and this input is brought in through the Standing Committee Chairs. Once all the input is received, the Mayor will be charged with convening a meeting to provide the evaluation.

Ms. Fox stated she always advises both supervisors and employees to prepare well in advance for an evaluation and make sure any input that is necessary to be provided is effective for all parties involved.

Once the evaluation is completed of the Charter Officers, the FOP Chair will be charged with completing the comprehensive paperwork attached with this evaluation. This form is then turned over to the employee who is given an opportunity for final comments and that form is finally filed with the Human Resources Department. This form is referred to as the Employee Status Report (ESR). The Mayor finally signs off on this form. Ms. Fox added the Charter Officers work in all facets of City Government.

Chair Greenwald stated the change in this process is that the Committee Chairs are now going to be the point people who would gather the information from their respective

Committees and bring it in. In the past it has been the Finance Committee that received all the information and pretty much “ran the show”. The Chair asked for the Mayor’s input.

Mayor Lane stated there were a number of reasons why it was decided the Committee Chairs will conduct the review. The first is that the Committee Chairs meeting is not considered a quorum and is not considered a public meeting. The Committee Chairs were also looked at because they were considered a broad cross-section of the City. He noted there was a time when the Finance Committee consisted of the Chairs of all the Committees but this is not the case anymore. Hence, it was determined the evaluation needed to be done by the broad breadth of the organization rather than the specialty represented by the Finance Committee. The Committee Chairs also have a post working relationship with all the work the City does and the Committee Chairs work very closely with the Charter Officers.

Chair Greenwald stated if the performance categories are looked at they are job related as opposed to specific issues. He indicated his thought was that the Committee Chairs work closely with their Committees. As far as the Finance Committee was concerned, Chair Greenwald stated he wants to work closely with this Committee to get input from them.

Mayor Lane stated this new process is just an experiment, this process has seen many iterations for quite some time but the intention is to move forward quickly. The City Attorney will be the first one reviewed and stated he would like to start the process in December to be able to finish it in February. If there are issues that come up, it would give them an opportunity to modify the process before the next employee is ready for their review. The Mayor stated he hoped this matter will be recommended by the Finance Committee today so it can be moved forward to the Council.

Councilor Jacobs referred to Section C indicating it seems to be written rather vaguely to what was going to happen. He asked whether the Councilors will be using the same form the Charter Officers are going to be using. Ms. Fox stated the process as envisioned provided the other City Councilors with the criteria which will be considered in the evaluation but wasn’t asking the Councilors to provide a rating for each criteria, but to provide input considering those criteria in written form.

Councilor Powers commended this new process - something he has been advocating for many years. The only comment he had was some type of wording to provide the Charter Officers how well they have done etc. Mayor Lane felt what they are looking for is individual feedback from each Councilor rather than a numerical rating. Councilor Powers felt the reason this form might seem conflicting is because many individuals have worked on it. He stated he wanted to see this process move forward but wasn’t sure how he felt about the Finance Committee being the ultimate Body in charge of this process. He stated he would like this new process in place before a new City Manager comes on board.

Councilor Clark stated he agrees with the goal but does not agree with Councilor Powers in asking for an evaluation form which was one of the challenges last time. He added he wasn't sure whether this item should be recommended as informational or whether a recommendation should be made to change the Rules of Order. He felt side stepping the FOP and having the Charter Employees evaluated by the three Chairs constitutes a change to the Rules of Order. He also felt this process eliminates the Charter Employees providing the Council a written explanation as to what they have done the past year and their goals for the upcoming year. He did not feel this process needs to be taken out of the FOP Committee's hands.

Councilor Clark suggested a motion to amend and stated he could read the language but what he wants to propose is in bold and is italicized in the Committee's packet.

Attorney Mullins stated what is before the Committee is an informational item. If the Committee wants to bring it forward as an action item with a motion, it could do so as being proposed by Councilor Clark but it needs to be agendaized as such. He added the intent is to bring down the formality of the evaluation process but what Councilor Clark is proposing is to bring the process up again – if that's the intention, it is entirely possible but it needs to be agendaized.

Chair Greenwald asked whether there was any time constraint attached to it. Attorney Mullins stated his review comes up as the first one which is due to be completed by February. He further stated if Councilor Clark wanted to move forward with his amendment – a letter would be required to be sent to the Council, which would be before the Council on December 1<sup>st</sup>, it will then be referred to FOP on December 8<sup>th</sup>, and come back to Council on December 15 as an action item. Mayor Lane stated this is just an experiment, hence the reason it is not being done as a Change to the Rules of Order. If it works the Rules can be changed otherwise the process will need to be changed.

Councilor Clark referred the Committee to its meeting on July 14 when this item was change and a minor change to the Rules of Order was made. It was put on more time until July 28 when it was not brought back nor was it brought back up again at subsequent meetings. He felt the item has already been agendaized. The two items that are important are the Evaluation Form and the Council Goals being incorporated into the evaluations. Attorney Mullins stated he is not arguing that the item is not on the agenda and also wanted to point out is that the Committee is the Body and he is only saying what he thinks; if the Body wants to amend this recommendation to have it as a process under the Rules of Order or as an Ordinance and move it up to the Council it can do so. However, procedurally this would not be his recommendation because of the way it has been presented to this Body and the public tonight; as a discussion item.

Councilor Jacobs asked whether the process being recommended today is inconsistent with the Council's Rules of Order. Attorney Mullins stated there were many people involved in this, the point of the process is to take it out of the formality of the Rules at least to try it as an experiment and then formalize it; such as 91A issues, notice issues, minute taker issues etc.

Chair Greenwald stated the last three years he put the format together and designed the process following no pattern. He felt there is something to be said to working through this with the Chairs and added he did not want to carry this forward alone.

Mayor Lane asked whether Council has under its rules any process for conducting evaluations or anything such as that under City Code. Attorney Mullins stated he was not aware of anything and hence the reason for bringing this item forward.

Councilor Clark stated there is no 91-A issue because the Council meets for Non-Public Sessions to discuss personnel issues all the time. He added there is nothing about evaluation under Council rules but the only thing it says is that Charter Officer evaluations will be undertaken by the FOP Committee.

Councilor Kahn asked whether all three Charter Officers will be evaluated in 2017. Ms. Fox stated the Attorney will be in February 2017, the Clerk will be in April 2017 but the Manager is not until October 2017 (FY18). Councilor Clark stated he respects the recommendation and also respects Councilor Clark's recommendation but felt the Council should be handling this process as there are 15 Councilors who have an interest in how their Charter Officers are evaluated.

Councilor Powers stressed each City employee needs to be evaluated on the date of their anniversary and that document needs to be filed appropriately.

Councilor Clark stated his experience has been at Council level when he has tried to make an amendment to an informational item, he has had to challenge the Chair which has always been embarrassing and this has never been his first choice. He felt if it goes before the Council the item is "dead" and Councilors won't be involved in this process. Councilor Powers noted Item D talks about Council Goals.

Councilor Chadbourne stated fellow Charter members taking minutes during an evaluation was uncomfortable and asked whether this would change. Mayor Lane stated minutes will not be necessary if the three Committee Chairs meet but if the FOP Committee does the evaluation, minutes will be required.

Councilor Manwaring stated she is confused about what is being proposed and suggested if this conversation is getting as intense as it is, she felt the 15 Councilors should be involved. Chair Greenwald stated he understands that the Attorney is suggesting accepting this item as informational, Councilor Kahn has a motion which would move this forward, Councilor Powers suggested bringing in the Goals and another amendment from Councilor Clark to change the entire process which would put the item on more time.

Attorney Mullins stated what the Committee could do is to accept this as informational, then Councilor Clark could submit a letter with a motion to the Council asking the matter

be brought back to the FOP Committee on December 8<sup>th</sup> with a recommended motion and the FOP can decide how it wants to act on that motion and move it up to the Council.

Councilor Powers asked why minutes are required for a personnel item. Attorney Mullins stated if the Committee meets as a public body and recommendation is being made to the City Council, the requirements of 91-A needs to be met, and minutes need to be kept. It does not need to be at the level minutes are usually compiled, it could be brief. The usual minute taking staff is not involved for Charter Employee Evaluations and hence it could be a Councilor or another Charter Officer, and as a Charter Officer this is not an option he favors. The Mayor stated he kept minutes two years ago and is not something he favors doing either.

Attorney Mullins stated when he first started with the City the evaluation was done by the FOP Committee and the rest of the Council wanted to be involved. Hence, it was moved up to Council level. From the Charter Officer's perspective a large group performing this evaluation became very problematic, with no structure and with no time to respond. The process before the Committee is to put some format back into the process and deformalize it, experiment it and then formalize it if the process works.

Councilor Chadbourne asked if minutes needed to be taken if someone who is objective such as an individual from Primex act as the Minute Taker. Attorney Mullins answered in the negative and stated when someone from outside is brought in who is not part of the City, it takes away from the non-public session.

Councilor Jacobs made the following motion which was seconded by Councilor Powers.

That the Finance, Organization and Personnel Committee accept this item as informational.

Councilor Kahn asked what the process was should a Councilor want to make an amendment to this process. Attorney Mullins stated a letter will be submitted to the Mayor and Council which would go in as a communication item to the Council for its December 1<sup>st</sup> meeting. This matter will be referred back to the FOP Committee on December 8<sup>th</sup> and the Committee could decide at that point to approve or disapprove the change and refer it back to the Council for December 15<sup>th</sup>.

Councilor Clark stated he disagrees as he felt this Violates section 22 of the Council Rules of Order. Attorney Mullins stated this is something that could be included in the letter. Councilor Clark disagreed with the process.

On a vote of 4-1, the Finance, Organization and Personnel Committee accepted this item as informational. Councilor Clark voted in opposition.

**7) Approving an Application for CDBG Funds Resolution R-2016-35**

Chair Greenwald stated this is a Community Development Block Grant for the

Community Kitchen in the amount of \$500,000. The Chair asked whether the Committee wanted to act on it absent Mrs. Mangones. Councilor Clark stated he does as the application is due on January 23<sup>rd</sup>. He added as a member of the Community Kitchen's Board this is something that is of utmost importance to the Kitchen.

Chair Greenwald referred to the improvements this money will undertake:

1. A freight elevator to move pallets of food from the first floor to the second floor, making the movement of food and use of staff much more efficient.
2. Structural work for the second floor to allow it to handle large quantities of food and also level out the existing floor.
3. Energy saving improvements including more insulation and installation of LED lights.
4. Small additions to the sprinkler system to comply with current codes.
5. Replacement of old refrigeration units.

The Chair then provided the Public Hearing date and schedule: The CDBG application is due on January 23, 2017. There is a public hearing scheduled on November 29. The Chair stated he was comfortable moving forward with this item.

Councilor Kahn made the following motion which was seconded by Councilor Jacobs.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends approval of Resolution R-2016-35.

The meeting adjourned at 9 pm.

Respectfully submitted by,  
Krishni Pahl, Minute Taker

Additional Edits by,  
Terri M. Hood  
Assistant City Clerk