

0b City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Wednesday, May 19, 2021

5:30 PM

Hybrid Meeting
Council Chambers B/via Zoom

Members Present:

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

Staff Present:

Elizabeth A. Dragon, City Manager
Thomas P. Mullins, City Attorney
Steve Russo, Police Chief
Mark Howard, Fire Chief
David Hickling, Airport Director

Members Not Present:

All Present

George S. Hansel, Mayor

Chair Powers called the meeting to order at 5:30 PM.

Fire Department: Fire Chief Mark Howard addressed the committee first and noted his Department budget starts on page 92 and runs through page 98; Cost centers start on pages 99 through 102. The Fire Chief stated their mission is to provide level of excellence and emergency prevention education and community services to minimize the loss of life and property damage due to fire, hazard materials, medical and other emergencies in an efficient professional and fiscally responsible manner. The vision of the department is to serve the community as a team of highly trained dedicated professionals committed to the core values of the fire service.

The Chief noted his budget meets many of the council goals established in or FY20, FY21 and FY 22.

Goal 1: To manage municipal finances and a manner to minimize the burden on the property owner. The Chief stated one strategic item he would discuss are grants and success with grant acquisitions which offset budgets.

Goal 2: To collaborate with federal and state authorities to support an effective pandemic response. He stated this speaks for all emergency service agencies within the city and how they have collaborated in the last year, local, state, and federal.

Goal 3: To support the diverse needs of Keene residents. He noted there is a wide demographic population served by the fire department. They have different needs.

Goal 6: Infrastructure - continue to ensure that a school infrastructure supports the very needs of Keene residents and businesses. The Chief stated the two quick examples he would give in relation to that is the CIP project that is ongoing related to station 2 and maintaining the fleet of ambulance and fire apparatus including the recent new delivery of the tower ladder.

Goal 7: Public Engagement - To conduct effective ongoing communications and engagement with Keene residents and businesses and with other partners as we negotiate these challenging times. The Chief stated they do this almost on a daily basis from a public education standpoint, fire prevention standpoint and from the services they provide.

The Department profile is comprised of 46 career uniform personnel, 13 paid on call personnel, and one civilian administrator. There are currently two vacant full time positions and seven within the call company. The ISO Rating was last updated in 2018 known as the public protection classification survey. Communities are classed from 1-10 and measures fire suppression and fire prevention capabilities within a community. Currently the City of Keene is ranked three. The Department's prior ranking prior to 2018 was class four. The Department operates fire stations 24 hours a day 365 days a year with a minimum staffing deployment of nine.

The Chief provided brief accomplishments for FY 21. Station 2 project which is a multi-department project, working with facilities. Phase two - review of the West Keene station is in its final stages and is about 75% complete. Sometime in June or July a full presentation will be made to the council of results of that review. The Department has continued recruitment of new personnel and have hired three new career personnel to replace four members who retired.

The FY21 CIP project for the tower ladder project came to a conclusion today with its delivery. There is about a month's worth of training to conduct for all members before the unit goes out to service.

The second CIP projects is related to the brush one refurbishment - this is expected to be completed before the end of the fiscal year.

All licensing recertification of both personnel and apparatus have also been completed for FY21.

Related to FY 22 Department objectives. The Chief noted the primary objectives is the station 2 project and look forward to the next phase of that project.

The purchase and transition of new operating software which is detailed in the budget book - this software supports all Fire Department operations. The current product the Department uses was sold out to a company a couple years ago. There was a full review of software that was available with a team which included staff from the IT department, Fire Mutual Aid (because this software has to interface with the dispatch center), and staff internal to the Fire Department.

Chief Howard stated they will continue to meet their response goals for Fire and EMS responses and continue to complete training and licensing of all personnel. He indicated they will also continue to provide public education. The department was also going to spend some specific amount of time on alternative shift staff and review to establish additional support for the need for additional staffing.

Page 92 discusses the challenges the Department experienced in FY21, some of which will continue in FY 22. These challenges however, have brought many opportunities. Covid 19 has required the Department to adjust how it operates on a daily basis, to make sure that they are following best practices to maintain the safety and wellness of staff and public.

The Chief stated maintaining a healthy workforce to meet the 24 hours a day, seven days a week service demands was problematic at times during FY21; isolation and quarantine requirements for responders and increased loss of time for members. Remaining in communication with community, state and federal resources and processing the information to make sure they were providing accurate information to area responders, the City Manager, City Council, and other city departments, was a challenge.

Recruitment and Retention – The Department continues to recruit both full time and part time call personnel. This is a labor intensive process that runs throughout the entire year. One of the concerning aspects from a career standpoint is number of personnel that are taking the state entrance exam process to be career firefighters which has dropped considerably over the last several years. 10 years ago the state would include 300 plus candidates that were basically credentialed and available on that list of men and women candidates. Today that number is under 40 with two remaining state processes planned for the spring and summer. All career fire departments in the state utilize this process as part of a recruitment to attract qualified personnel.

Widespread fire prevention efforts have continued in Keene schools and in the community when possible. Chief Howard stated they look forward to restoring all past efforts this summer with Covid 19 being more under control.

Page 96 - FY 22 projected revenue is just under 2.1 million - of that projected revenue, \$1,420,000 is directly related to emergency medical services, including standby fees paid by the communities of which \$ 95,000 comes from fire prevention and hazmat storage permitting fees. \$497,000 in Keene State College fees and \$82,000 in municipal fire alarm fees.

Grants - FY21 from a revenue standpoint the Department has been very productive, this is partially to Covid and Fire Department staff who have worked extremely hard on these grant opportunities.

The Department has been able to secure \$466,804 in grants in FY 21. \$16,738 were in relation to hazmat grants and almost \$81,000 was related to Covid for PPE and noted to equipment purchased with Covid grants. The Department was also able to secure just under \$370,000 in Federal grants to replace the SEBA and expect delivery of those in early June which will eliminate the need for a \$740,000 CIP project scheduled for FY 24.

The FY 22 budget with the approved supplemental items by the Manager is at \$7,715,663, an overall budget increase of \$327,361. The Department's share of the New Hampshire Retirement System increase as an example is just under \$171,000. There is \$104,000 being approved by the City Manager from a supplemental budget standpoint, to help with vacation, sick time and personal day accounts that have been level funded for several years. Approximately \$42,000 in wages and there was a net decrease of little over \$19,000 in health insurance costs. Net increase in operations is \$5,181 from the operating budget.

One item that was not supported by the City Manager was a request for additional staffing, a full review of Fire Department staffing will need to occur moving forward to meet the current levels of demand. The staffing model that is in place has been in place and utilized for years. The Chief noted, staffing and responding to calls with a combination of on duty staff, call back of career personnel and call back of call personnel is broken. The Chief noted while service demands have continued to gradually increase the ability to meet staffing standards for response to fires is falling even shorter than they were five or 10 years ago.

In closing the Chief thanked City staff who assisted with this budget and requested support of the FY22 budget request so that they have the resources needed to safely and efficiently meet the request for services in the community moving forward.

Councilor Ormerod asked besides the personnel, how the rest of the budget supports the goal of improving response times and moving ISO rating up. Chief Howard stated some of the challenges with the ISO rating is out of the Department's control; one of them is related to dispatch services. The infrastructure within the City of its water system is critical to ISO rating. So as the City continues to invest money in its water system, this will improve the rating. From a personnel standpoint, personnel and training are other big areas. The City does lose some points from a staffing standpoint in the ISO rating with respect to deployment. The Chief indicated suggestions on how to improve is forthcoming.

Councilor Hooper asked how the pandemic affected staffing and potential overtime issues and asked whether the Chief feels there will be a change once the pandemic is completely behind us. The Chief felt they were rapidly approaching the end with a lot of strength and motivation to get there. The collaboration and the efforts of all of the departments made everyone's job easier; because of that team effort the City was well served compared to what others endured. The Chief noted it wasn't without its challenges. He indicated their goal is to operate with nine people minimum between the two stations, seven days a week but at times the nine aren't enough. At times they are filling five or six of those slots with overtime personnel at the last minute and there were times when a shift on duty could not go home because of call outs. This did drive overtime and this is reflected in the monthly reports that the Council has been receiving.

The Chief went on to say he does not see this happening annually and the supplemental request the Manager approved is not to address this issue, it is to address the level of funding that has been in place for several years. It was indicated getting to level of funding was very important and it is necessary for the City to get to that point at this time.

City Manager, Elizabeth Dragon stated she cannot stress enough how much City employees, Department Heads stepped up. The emergency management team which is made up of the Police Chief, Fire Chief and Public Works Director who is also the Emergency Management Director and John Rogers, the Health Officer have been meeting every week dealing with Covid issues this past year. In combination with that, when talking about staffing, the HR Department was a key part of that, because when an employee had an exposure or potentially was sick and needed to go for testing, there was a protocol that was developed through the HR Department. The Manager stated she doesn't think she can ever repay these employees for all they did, their efforts were above and beyond their regular duties that helped keep this community moving in a positive direction during this pandemic.

With reference to overtime, the Manager added this is not related to the pandemic. She indicated, unfortunately she has not been able to make any adjustments to the overtime lines, those have been frozen and have not changed for a numbers of years. However, staff has done an overtime analysis of the prior five years and looked at how much those line items were over and came up with a number, which was \$205,000. In the past, supplemental requests were made to cover this cost. In this budget for the Fire Department that \$205,000 has been adjusted over two years. The first adjustment has been made in this budget with the intention of making another adjustment in the following fiscal year.

The Chairman noted leaving the budget figures for overtime has been going on for quite some time and this is across the board. Sooner or later this is something that would need to be adjusted while still keeping the tax rate down. This concluded the Fire Department discussion.

Police Department: Police Chief Steve Russo noted their presentation begins on page 128. He began by stating the Department's primary mission is to enforce laws, investigate crimes and prosecute those cases in court. They respond to all types of emergencies, ranging from hostage situations to major disasters. The Department also provides animal control services and educate the community of the law - how to avoid crime and how to reduce crime in the community. These are mandated responsibilities but the Department also provides a host of other law enforcement community services, such as fingerprinting services, protocol meetings, event safety, facility safety, assessments, active shooter training for public and private businesses and other such services.

The Department is authorized for 44 sworn personnel, 12 full time non-sworn personnel, eight part time non-sworn personnel and nine crossing guards. The Department is currently operating with one employee short in the non-sworn personnel - dispatcher and short six sworn positions.

Last year was a trying time for the Department and had to adjust operations and responses just like everyone else while still performing primary functions. To be able to do so, staff spent countless hours communicating with State and Federal agencies to coordinate Covid responses both internally and externally, researching best practices, helping the state and enforce reopening guidelines when that time came along with the health officer and seek funding mechanism to help the county with the increased costs being incurred due to the pandemic.

The Chief noted collaboration with other City departments has grown quite a bit in the last 15 months, as well as with Cheshire Medical Center, Monadnock Family Services, Keene State College and a host of other local agencies.

The Department stands at 81% of staff being fully vaccinated. The Department also handled a large number of rallies within a city some requiring a large amount of planning and personnel. Even with a pandemic and staffing shortages, the Department did its best to continue to place patrols downtown to bring a sense of safety to its citizens as well as address mass complaints during the initial stage of the pandemic, which was a very tense time for many people.

The Department's primary role and Council goals relative to business stabilization is to provide a safe and visible presence as much as it can while having positive interactions with its citizens. During the pandemic, the Department participated in numerous public engagements and fundraising events, many were in slightly different formats. Personnel look forward to increasing in-person visits this summer and begin again PD tours and such activities. These events increase public engagement and overall positive interactions with younger citizens. As with everything else, staffing affects the department's ability to participate in these events.

The overall budget this fiscal year has increased 3.6% compared to last year. The Chief noted the \$1,000 supplement, is the only supplemental request which is necessary to pay the rental for space on the radio tower that the department uses when it installed a new base station radio system which was installed in 2019. The operations budget for this fiscal year is \$739,477 an increase of \$7,178. Those increases are from Fleet, PC and contracts with the County Attorney's office to employ an Assistant County Attorney at the Department. None of the other operational budgets have increased.

Chief Russo went on to say, to ensure the Department is meeting prudent fiscal spending, they conduct budget audits, twice a month to ensure costs are being paid from correct cost centers. The Chief stated he would like to thank the Finance Committee, the Council and the City Manager for their continued support of the Department.

Accomplishments last year: Answered over 28,000 calls for service; documented over 2,200 offense reports; 1,041 arrests; wrote over 2,000 field interview reports. The Chief noted liquor law violations are pretty interesting. In 2013 there were 309 and in 2019 this number dropped to 82 (decrease of 3.5%). In 2020, this number dropped to 55. Noise complaints in 2013 the number dropped to 15.4%. However, in 2020, because many more people were staying home, noise complaints went up 5.9%. The Chief felt they are moving forward in a good direction with these numbers.

With respect to traffic, in 2020 the department has conducted close to 3,500 directed patrols in those areas the department felt extra patrols were necessary. This number is up close to 2,800 from the year before and accidents in 2020 are at a 39% decrease in the City and felt there is a correlations between the decrease in number to the increase in patrols.

In addition to the numbers mentioned above, there were also thousands of phone calls and walk ins that are not counted towards the total calls of service which are over 27,000, there were also three citizen complaints.

The Chief went on to say in an effort to accomplish more with a budget allocation, the Department has applied for and received a number annual grants; one of which pays for the cruiser phones in the amount of a little over \$5,000. This is a joint collaboration with the county which is done every year. The Department also applies for several hundred grants from New Hampshire Department of Transportation. This allows the Department to put in place DWI speed seatbelt use, distracted driver patrols. This fiscal year those grants will total an extra 242 hours patrols for a total of over \$18,000. This also contributes to more officers on the road at certain times, which then again goes towards directed patrol numbers, as well as decreased accidents – which is the goal.

The Department is in the process of receiving a number of grants from New Hampshire Tact Loss Association to assist in updating their equipment which is used department wide. These grants may total of \$40,000 but they are not yet finalize through the state. Finally, the department also received the Federal coronavirus grant for almost \$41,500 which was used to purchase PPE and cleaning and disinfecting supplies, as well as provide an extra downtown patrols during the height of Covid.

The loss last year of the opioid grant that funded narcotics investigations has hindered the Department somewhat which compounded by staffing shortages and continuing difficulty with investigations has been one of the Department's challenges.

Additionally, the training budgets does not allow for the extensive training that is required to maintain a contemporary professionally trained police Department. This issue will grow larger with the newly required increase in training hours and this will need to be addressed in next year's budget. The Department has chosen not to ask for an increase in training dollars this fiscal year and will meet the increased training hours this fiscal year with funding on hand to include unspent personnel funds. The chief noted next year's budget is likely to see an increase to make up for this issue.

As of March, 31 2021, the Department has conducted 3,494.5 hours of training. The Department has adjusted approximately 275 hours of training which avoided 17,000 plus dollars in training overtime costs. The Department's adjustments have been in the same area over the last several years.

Recruiting and hiring continues to be the Department's biggest non-operational challenge. Even though the Department was able to hire six officers last year which met the goal, staffing issue is a trend that continues to affect law enforcement nationwide. Those applying and taking initial testing continues to drop. New ways to recruit qualified applicants is being sought, but that continues to be the greatest challenge, part of which is a geographical issue.

The Chief stated he says this every year – the City needs to continue to maintain the four primary factors to have an effect on the high level of service the department provides: Hire the best

qualified candidate; Provide them with the best equipment to do their job; Train them to the highest level; Hold them accountable for those standards. The Chief stated to do this, he requests the support of the Council on this budget so that the Department may continue to provide a high level of service to the community. This concluded Chief Russo's presentation.

Councilor Hooper stated the public needs to remember the grants the departments procure and congratulated the Chief on trying to take advantage of available grants to support the Department which in turn takes a pressure off other revenue funding such as tax dollars.

Airport: Airport Director David Hickling addressed the committee next. He noted descriptions are on page 140. He began by referring to the Airport's primary objective which is to provide safe and efficient facility for this region's aviation needs. This allows for convenient access in and from the region allowing for efficient business activities. He indicated maintaining the infrastructure and ensuring compliance with FAA and many other regulatory agencies along with ensuring a safe environment for aircraft operations is the primary objective.

Mr. Hickling noted the Airport has a \$707,278 budget to operate. He noted this Airport produces over \$400,000 in revenue so basically for around \$300,000 annually we have an Airport to serve the community.

Mr. Hickling went on to say that this Airport continues to be a substantial asset to the community with access to efficient travel options through corporate charter and private aircraft as well as providing for economic growth activities. The Airport has a large number of aircraft and every hangar is full and have a pretty extensive waiting list of people who want to base aircraft in Keene. Along with that the Airport has a base corporate flight department has a significant local business and also a significant amount of transit corporate activity.

Objectives for FY 22 - These objectives align with a lot of the City Council goals and focus on growing the economic impact the Airport has on the region. Exploration of pursuit of possible return of schedule of air service to the city and improving the perception of airports on a community.

Growing the economic impact of the Airport on the region - This objective aligns with the City Council goals one and four. Last year the Airport was successful in attracting a new business; a new helicopter flight school started and Mr. Hickling stated he was happy to report that Monadnock Choppers is doing well. They have recently inquired about additional land lease to build a new hangar at the airport. They recognize that demand for hangar space and are considering building a hanger to do that. They are also working on establishing a safari helicopter dealership at the airport which would be a great addition to the airport.

This upcoming year the Airport will work to seek additional new aviation businesses and grow existing businesses.

Mr. Hickling stated another objective is to establish commercial air service. The pandemic had a detrimental impact on the airline industry last year and there was no growth for new schedule service. Hence, staff backed off on the plan for a bit but did complete the commercial air service

market study which provided a pretty valuable data set to justify developing a plan to move forward. What the Airport would like to do is to position itself to be an attractive prospect to a new market for scheduled commercial service. Part of that process will be applying for small community air service development grants through the DOT. If the Airport is successful in getting these grants it will attract new services to Keene. The Airport will look at obtaining the services of a consultant, someone who knows that industry and can help with that application process, and also with making connections and proposals to airlines when staff gets to that point.

Mr. Hickling stated at that stage, staff will complete a Time and Material Contract rather than doing a Flat Out Rate. This will allow the Airport to have more control over the expenditures, staff will do as much work in-house as they can and only reach out to the consultant when staff needs their help connections.

The third objective - Improving the perception of community and this supports City Council goal 7. There was some progress made this past year though the pandemic affected this task; but staff plans to engage the community with face to face and public interaction and public events to promote the Airport and educate the public on the positive impact it has on the region. This will be accomplished through Chamber events or speaking opportunities with civic groups, such as the Rotary, Kiwanis and the Lions Club.

Mr. Hickling noted the Airport was awarded over \$4.5 million in Federal grants to support capital projects, this also supports Council goal 1 and 6. This grant will help with the Taxiway A extension. He noted the good thing about those grants through the FAA Cares Act, is that these are funded 100% (except for one small grant) - the City's portion is going to be only under \$2,000. Additionally the airport recently received \$69,000 Federal through the FAA Cares Act program and have another application for an additional \$23,000 for the Corona Virus Response and Relief Supplemental Appropriation Act. Procuring these grants, supports Council goal #2.

Mr. Hickling stated this coming year they will continue to maximize opportunities to meet the demands of maintaining this Airport in a safe, secure and attractive manner to meet the needs of our community. Mr. Hickling extended his appreciation for the assistance the Airport receives from other City departments.

Budget Revenues - Through landing fees and fueling fees. Landing fees have decreased in revenue at about \$2,000 and fueling fees \$5,000. Some of those decreases were related to Covid.

Expenditures were impacted by personnel costs, fleet and PC replacement. However, the Airport was able to maintain most of its operational expenditures.

Supplemental Requests - One request was in the advertising budget line to raise that to \$10,000 to meet with the objective outreach. The second was for contracted services - \$15,000, for the service development consultant. However, staff was able to delete these requests. Mr. Hickling stated he intends to use the City Manager carry over for Cares Grant Reallocation to cover these expenses. This concluded the Airport Director's comments.

Councilor Hooper stated he wanted to extend his appreciation to the Airport Director - one of the goals is the attentiveness to community concerns and the specific example was Mr. Hickling's openness to allow community discussions with the Monadnock Choppers issue which helped this item move forward in a very positive way.

Councilor Remy referred to T Hangars and if there is a waitlist suggested perhaps building more. He stated he would love to see the airport get into the black, the airport is not that far from being profitable. Councilor Ormerod asked what the mechanism would be to build more hangars. Mr. Hickling stated they could submit a proposal to build hangars themselves, which is a pretty significant investment and the return on investment would be pretty far out. What most airports do, is they lease the land to another developer who will come in and build the hangars. They get the revenue from the hangars, and the Airport gets its revenue from the land lease. Monadnock Choppers had put forth something similar along these lines.

The Manager noted the other aspect staff has been spending a fair amount of time on is looking at lease rates and going through a process to determine what the lease rates should be and how to move leases to that rate.

Councilor Remy asked for added information on the carry over lines. The Manager stated she would not know how much can be carried over until the end of the year. What the Airport Director was referring to were additional funds received through Covid which can be accessed and carried over. However, noted two things are happening with the budget. One is the financial software - the additional funds which is available is being used for financial software purchase. In addition, Human Resources funding that was made available during a slow time related to Covid and some additional funds received from health insurance return on contribution are taking up a good portion. The other is for the body camera system. Council charged the Manager to have a plan should the body camera funding source not become available through the state. This issue is on hold until the state goes through its legislative process which will not be until the City's budget year ends. The Manager stated her plan is to carryover funds in the Police Department unexpended from wage line, noting Council approval would be required.

In addition, the City did receive Covid relief funding from Gopher funds that are going to be credited back to both Police and Fire. For the Fire Department because they are always over extended these funds would wipe out that overage, but in the Police Department because they are consistently running understaffed, with Council's approval the intent would be to use those funds to fund the purchase of the body camera equipment. The best scenario would be to not use all of that funding and be able to get a partial grant from the state. Before closing out the budget, staff looks at projects that are partially finished or ones that might have been deferred and may move some of those things forward, but in terms of the FY22 budget, very little is carry over.

Councilor Ormerod stated in Chief Russo's report he mentioned a challenge with the lack of opioid funding that is not coming through anymore, and yet stated this is an important issue for prevention. He did not change the number of arrests and asked what the City should be doing in terms of goals for next year to help with that. The Manager stated there is something that is occurring related to an opioid lawsuit. The City signed on to that opioid lawsuit. The state put some legislation in place and communities who signed on to that lawsuit got their first check for

\$7,000. In addition, funds are going to be available to communities to apply for different initiatives and potentially that is a source the Police Department could pursue.

Chair Powers noted there is an awareness in Concord - prevention is necessary if enforcement does not work.

With that, the Chairman explained if anybody on the committee wanted to make any changes or recommendation to the City Council, those changes need to be submitted to the City Clerk by Tuesday at one o'clock.

The Manager stated, this week the Council will see the Bond Resolutions and Salary Ordinance related to the budget and then at the next FOP meeting on May 27th, the committee will decide on its recommended changes to the budget. The public hearing is on June 3 at 7:00 pm and June 17 is the vote on the budget, and the Bond Resolutions.

There being no further business, Chair Powers adjourned the meeting at 6:40 PM.

Respectfully submitted by,
Krishni Pahl, Minute Taker