

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

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

**Thursday, September 14, 2023**

**6:00 PM**

**Council Chambers,  
City Hall**

**Members Present:**

Thomas F. Powers, Chair  
Michael J. Remy, Vice Chair  
Bettina A. Chadbourne

**Members Not Present:**

Bryan J. Lake  
Andrew M. Madison

**Staff Present:**

Elizabeth A. Dragon, City Manager  
Amanda Palmeira, Assistant City Attorney  
Steve Tenney, Police Captain  
Kurt Blomquist, EMD/Public Works  
Director/Assistant City Manager  
Donald Farquhar, Fire Chief  
Duncan Watson, Assistant Public Works  
Director

Chair Powers called the meeting to order at 6:00 PM.

**1) 2024 Law Enforcement Substance Abuse Reduction Initiative Grant – Police Captain Steve Tenney, Police Captain**

Police Captain Steve Tenney addressed the Committee regarding a reoccurring annual grant – the 2024 Law Enforcement Substance Abuse Reduction. These funds will be used for overtime reimbursement. This year’s award is in the amount of \$21,989.

Councilor Chadbourne made the following motion, which was seconded by Councilor Remy.

On a 3-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept and expend the NH Department of Safety 2024 Law Enforcement Substance Abuse Reduction Initiative Grant in the amount of \$21,989.00.

**2) Jared Goodell – Place of Assembly Permits – Recent Charge by Fire Department – Jared Goodell, Bender’s Bar & Grill**

Jared Goodell addressed the committee and stated he had received a bill from the Keene Fire Department for \$70 for the “Assembly Permit.” He referred to RSA 155:17-39 which governs Public Assembly Permits. He noted the Fire Chief had indicated the fee was for the inspection, not the permit, and referred to “Appendix B - Fee Schedule” of the City Code. Mr. Goodell noted the heading in this section refers to “Life safety permit fees” not

inspection fees, and what his business was charged was for a Place of Assembly Permit valid for one year, \$70. He indicated the Assembly Permit he was charged for was against NH RSA 155:19. He continued that he is requesting Council direct staff to cease issuing bills to Keene businesses, churches, and community gathering places where the city requires an assembly permit and to repeal the code that charges the \$70. Mr. Goodell felt that anyone charged the assembly permit fee in the last two years should be refunded.

Mr. Goodell also referred to a bulletin issued by the Fire Marshall in 2013 which is a restatement of RSA 155:19, and there is a frequently asked question portion where it asks whether an applicant could be charged for an assembly permit – the Fire Marshall’s answer is no and that this is expressly prohibited under state statute under RSA 155:19.

Chair Powers stated ultimately, this item will be placed on more time as there is more research that needs to be completed. The Chair asked for the Attorney’s comments. The Assistant City Attorney stated the attorney’s office received this communication last week but has not had the opportunity to review this matter further. The attorney’s office has also contacted other municipalities and will have more information when this item comes back before the committee.

The Chair indicated the City will reach out to Mr. Goodell in a few weeks.

Councilor Remy made the following motion, which was seconded by Councilor Chadbourne.

On a 3-0 vote, the Finance, Organization, and Personnel Committee recommends this item be placed on more time.

**3) Fleet Facility Assessment – Professional Services Contract – Assistant Public Works Director – Duncan Watson, Assistant Public Works Director**

Assistant Public Works Director Duncan Watson addressed the committee and stated about two years ago, when the CIP was introduced, there was a project brought forward by staff for fleet facility assessment to assess whether this facility is appropriate for what is coming in the future.

An RFP was sent out, and five responses were received, and two of the applicants were selected for an interview conducted by Public Works staff. The committee selected RTA Fleet Consulting Group to complete the fleet assessment.

Councilor Chadbourne made the following motion, which Councilor Remy seconded.

On a 3-0 vote, the Finance, Organization, and Personnel Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a professional services agreement with RTA Fleet Consulting Group for technical services for a Fleet Facility Assessment for an amount not to exceed \$49,300.

4) **Relating to Performance Bonuses and Class Allocation Ordinance  
O-2023-14 Beth Fox, ACM/Human Resource Director**

City Manager Elizabeth Dragon stated the City has been struggling with recruitment in the recent past, and over the last few months, the Council made adjustments to the Police Supervisors and Police Officers contracts. The item before the committee is the last adjustment for non-union members of the Police Department and will address compression and equality across the department.

Ordinance O-2023-14 adjusts performance bonuses in Section 62-195. At the present time, the Fire Chief and the Deputy Fire Chief, Police Chief, and Police Captain annually receive a \$2,000.00 performance bonus. The police supervisor's performance bonus was increased by \$2,025, and this ordinance would increase the Fire Chief and the Deputy Fire Chief, Police Chief, and Police Captain bonuses by \$2,000 effective January 8, 2023.

The second part of the ordinance would move the Police Chief and Police Captain by one grade. The Manager explained this is necessary because of the changes to the police supervisor's contract, two additional step grades were added, and COLA was increased from 3 to 3.5% and they were also given an early step.

Councilor Remy noted the changes in 2017 and asked why the change went from \$4,000 to \$2,000. Ms. Dragon stated this might have happened before her employment with the City and added in her budget memo she does address salary grades and the need for an overhaul making these changes one at a time creates issues between departments and makes it challenging to keep equality between departments. The Councilor noted this change goes back to how it was in 2015 and asked if it was sufficient to go back to that date based on the changes in the market since 2020. Ms. Dragon stated the reason for going with \$2,000 is to keep parity between police supervisors and non-union employees of the department. Councilor Chadbourne felt this is a good starting point and is going in the right direction.

Chair Powers stated the last time the bonuses were reduced, it was because of a change to pay grades. He said he had no objection to this proposal but hoped there could be a more equitable pay plan.

Councilor Remy made the following motion, which was seconded by Councilor Chadbourne:

On a 3-0 vote, the Finance, Organization, and Personnel Committee recommends the adoption of Ordinance O-2023-14.

5) **Relating to FY24 Fiscal Policies Resolution R-2023-32 – Merri  
Howe, Finance Director**

Finance Director Merri Howe addressed the Committee next. Ms. Howe stated each year the fiscal policies start the cycle for the budget process. She indicated the document before the committee set the boundaries for the CIP and the budget. This year, there are four modifications for the fiscal policy.

Referring to page 1 right above the “now therefore be it resolved” clause. Ms. Howe stated the City ran into an issue with having documents signed when the City Manager was away and the Acting City Manager signed the document. However, Bond Counsel requested a copy of the authority, giving the Acting Manager to sign these documents. It was realized the City did not have any formal authorization for the Acting City Manager to sign these documents. These new items create a “designee” authority for anyone filling in for the City Manager, temporarily.

Councilor Remy stated he does not like this change but does understand the need for it. He indicated the authority for an appointed individual to appoint a designee for themselves and giving that individual full rights to sign whatever they wanted to; makes him feel uncomfortable. Ms. Howe stated unless the documents were signed the City would not have been able to make the deadline for getting the bond documents signed. She added the change indicates that the City Manager would advise the Council in writing who the appointee is.

The Manager stated at the present time, in her absence one of the three Assistant City Managers fills in for her, and that typically has not been an issue because the documents that need to be signed are internal documents. Concerning the bond documents, those had been reviewed, but not all documents were ready for signature, and she was okay with Ms. Landry signing them. When they were sent back by bond counsel, she re-signed them. She indicated she did discuss with the three Assistant City Managers that she would like not to have bond documents signed in her absence and that typically they should wait for her return. The Manager noted it would be a rare occasion when they cannot wait, and when that happens, they contact her, and there is a process for that type of event. She indicated she, too is nervous about leaving a blanket statement, but because the formal documents can wait, it has not been an issue. Councilor Remy stated the bond documents are one of those items he would not want to delegate in such a manner and felt there should be another solution.

Chair Powers stated he takes the opposite view; if someone is next in line, you have the rank, then you have the authority to sign, and staff has been trained in what they can and cannot do. He did not feel there would be too many documents that should show up as a surprise that needed immediate attention.

The Chair noted there is language being proposed that seems to be in conflict: *The City Manager is hereby granted the authority to appoint a designee* – He indicated this authority is already in the City Code and he felt the fix would be to delete the term “hereby” which will make it a statement of what currently exists.

The next change is with the sentence “*The Acting City Manager filling the position designated in the city budget.*” The Councilor stated the reference should be to the “city code” and not the “city budget.” Councilor Powers noted the Resolution should be revised to include these two Scribner corrections.

Ms. Howe continued her presentation: Page 2 – Section G has been added. Ms. Howe stated it is the policy of the City to fund payments for vested employees for vested leave time at separation of city employment. Monies in the past have been set aside like a capital reserve to pay for

vested time. Section G formalizes the process that is in place at the request of the auditors to have something in writing. Councilor Remy asked whether a cap can be codified as well. Ms. Howe stated there is one already in place, and each year, the number is adjusted for these compensated absences during the audit.

Chair Powers asked whether the City is trying to reserve the total amount that is needed. Ms. Howe stated they are trying to get to that number in case of a large staff turnover.

Chair Powers noted to item H. which he indicated is not part of the change *A periodic budget status report for each fund will be provided to the City Council*. He asked if it would not be more appropriate to say *a periodic financial status report*, which would be all-inclusive not just the budget. Ms. Howe stated the periodic budget report would be revenues and expenditures (budget availability). When you refer to financial statements, then you are also referring to the balance sheet.

Ms. Howe referred to the third update – page 5, part 2 B. c) Capital Funds: Ms. Howe reminded the committee last year, because of the transition to the new system, there was a fund created for water sewer operations and a capital fund was created for water sewer projects. The auditors are strongly recommending the same be done for the equipment fund. This item directs staff to be able to put in place an equipment capital project fund. This is more of a housekeeping item.

The last time – Page 10, Stabilization Funds – Sections 1 and 3 have been updated to reflect the current recommended unassigned fund balance range. The NH Department of Revenue Administration recommends a 5% to 17% range. The city's old numbers were between 7% to 10%. This item aligns it more with what the State of New Hampshire recommends. The Government Financial Officers Association recommends 5% to 15%. The State of New Hampshire is higher because they depend primarily on property taxes to raise money to fund all activities. Schools and counties can demand their money upfront; the higher range gives the City more flexibility and cash flow to accommodate this. Councilor Remy asked about the financial impact of this change on the city. Ms. Howe stated there is no impact; it is just driving for a goal.

Councilor Chadbourne stated both the Chair and Councilor Remy make good points. Still, it felt the second in charge is in direct communication with the Manager and can fulfill her expectations and hence is comfortable with the change.

Councilor Remy stated he might bring this item up at full Council.

Councilor Chadbourne made the following motion, which was seconded by Councilor Remy:

On a 3-0 vote, the Finance, Organization, and Personnel Committee recommends the adoption of Resolution R-2023-32.

With no further business, Chair Powers adjourned the meeting at 6:48 PM.

Respectfully submitted by,  
Krishni Pahl, Minute Taker

Additional Edits by,  
Patricia Little, City Clerk