

Legislative Liaison Updates

March 24, 2010

HB1664: Making appropriations reductions in the operating budget for fiscal year 2011 and relative to state revenues and expenditures.

Highlights from article in the NHLGC Bulletin #13.

The House, the Senate, and the Governor are concurrently preparing budget plans to address a looming state deficit projected to be at least \$140 million by June 30, 2011. To begin addressing this deficit, on Wednesday the House Finance Committee unanimously recommended Ought to Pass on an amendment to **HB 1664**, the committee's initial version of budget cuts reducing state spending by \$47 million.

Included in this bill is a reduction of the state share of retirement contributions for teachers, police, and firefighters in fiscal year 2011 from 25% to 20%, with a corresponding increase in the local government share from 75% to 80%. However, the bill also includes a provision for these increased costs to local governments to be offset by an increase in the employee's contribution rates from 5% to 7% for group I members (employees and teachers) and from 9.3% to 11% for group II members (police and firefighters), similar to the plan adopted last year by the House, but later rejected by the Senate and the Committee of Conference.

Other provisions of municipal interest in **HB 1664** include the elimination of fiscal year 2011 funding for regional planning commissions (\$220,000) and a reduction of \$1 million for the Land and Community Heritage Investment Program (LCHIP), leaving a balance of approximately \$721,000 for that program.

Please see New Hampshire LGC Bulletin #13 for more details.



CITY OF DOVER

MCCONNELL CENTER ADVISORY BOARD - MINUTES

Meeting Type: Special Meeting
Meeting Location: McConnell Center, 61 Locust Street, Dover, NH 03820
Cafeteria
Meeting Date: Tuesday, January 12, 2010
Meeting Time: 6:00pm

CALL TO ORDER: Otis Perry called the meeting to order at 6:00 pm

ROLL CALL:

Members Present: Otis Perry-Chairman; Marvin Brown; Judy Zalansky; Nick Skaltsis; Gary Bannon, Administrator; Gary Gilmore, Joe Tenuta, Rec Advisory Board; Jan Nedelka
Patti Rawding-Anderson arrived 6:30 pm
Gary Green arrived 7:00 pm

BUDGET DISCUSSION:

Gary Bannon had initial meeting with Budget Committee. Main reason Rent Revenue. They did the math based on Fiscal Year 09 actual expenses and Gary gave a handout of the background info for the actual rent per tenant breakdown to the McConnell Board. Otis stated that rent has 3 sections: operating for all, debt service for renovations, and capital reserve account which city tenants don't have. The new rate is \$7.67 per square foot which is an increase from the old rate of \$6.14 per square foot. The dollar increase went from \$13.01 to \$14.57. 80% increase due to utilities cost. Always charging one year in arrears.

Revenue budget sheet was passed out (includes subsidies). Used last years amount of \$23,806 for the school because don't have this years yet. This may change, waiting for City transfer from Mike Joyal. Projected revenue is \$807,324. There is 3199 square feet of space which would generate revenue of \$46,000 which is not included in projected revenue. Gary Bannon has been approached by a non-profit organization (Family Services) who works with JPPO and needs 900 sq ft. for a Seacoast Headquarters. A sample contract and rates have been given to them but have not heard back yet.

On the expense side of the budget we are waiting for numbers from City Hall on health benefits and other insurances. Numbers from last year were carried over. There is a 6.9% increase based on actual expenses.

Bottom line: Revenue \$807 and Expense \$820. Subsidy will affect this.

Contract cleaning amount based on last year which should go down after acceptance of new bid. Question about 25% of Gary Bannon's salary being taken out of McConnell budget.

There was a suggestion that maintenance be contracted out along with the janitorial. Gary Bannon stated are we going to get the same quality that we have now. The quality is excellent now with whom we have and everyone likes the service. We have toilet backups, snow cleaning issues and other problems that have to be dealt with immediately. Nick commented that it is costing way too much to operate this building.



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Budget process takes from mid January until end of March. Gary Bannon submits to Mike Joyal the city manager. Mike goes over and sends back with recommendations. Gary redrafts and all department heads meet with Mike Joyal and debate changes. Final changes are made and then submitted to finance department.

Otis doesn't understand totals. Gary Gilmore stated that his project (McConnell Center) was supposed to run at a loss for first ten years. It was suggested that it shouldn't be called a subsidy but a planned deficit.

Bottom Line: Total anticipated for revenue \$807 and expenses \$820. Gary Bannon stated these are rough numbers and have to adjust when receive subsidy and contract cleaning. Otis stated that revenue and expense should match. Gary Bannon said would get there after the adjustments. School portion of the building debt (\$14,566) belongs in rent income and actually increases total income from \$724,000 making revenue picture look better. Not so. Gary Bannon read opinion from Finance Director in regards to debt service payment: This is not rent. It reflects school assuming a part of debt service for the building. This is a separate clause for per square foot owing in cost. The SAU receives state building aid for the portion of debt they assume according to general accepting accounting principles. This amount is reflected as a general fund transfer.

Letters will go out to tenants on rent charges when all completed numbers are received. Gary Bannon went to office to get cleaning bids for all to look at. Marvin Brown asked if we had professional people taking care of the bids and seeing the contracts thru and assessing what is going on. Otis stated the city has a procurement process. There is a contract officer that depends on department expertise. Jan stated there are 1 to 2 city employees that review contracts. There is opportunity to provide feedback from McConnell Board on contracts. Gary Bannon handed out list of bidders, prices and his rating. He recommended 3rd lowest bidder because total was really first lowest bidder after checking out that it was \$3.00 an hour less for extra work and it was a local company. Cost is roughly \$42,000 per year. If an out of town company their cleaning staff is usually local but the supervisor staff is not. We will save \$15,000.00 to \$17,000.00 per year. City Council will vote on because cost is over \$25,000.

Patti Rawding-Anderson stated did not receive papers. Otis said there were none and for some reason the website had this as a regular meeting but it is not. This was a special meeting to discuss the budget. There will be a regular meeting on the 4th Monday of this month.

Patti stated she is not unhappy with the rent they are paying.



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Gary Green would like update on repair of the boiler. Gary Bannon said crew from company is here today. Parts and labor are fully under warranty. First repair was done but not adequate so was leaking. Missed plumbed the return lines on both boilers. Parts are ordered, have a written proposal and work will be done as soon as possible.

Otis asked if anything else about budget. Gary Green made a motion to accept the number as outlined from report of December 22 meeting from budget committee. Otis stated the number was \$7.67 per square foot for FY11 (based on previous year expenses). Gary Gilmore had one concern which is Gary Bannon's salary. He doesn't think it should be 25%. He was concerned if less would change square foot price. Otis did rough calculation and was only \$10,000 difference from FY08 to FY09. Gary Gilmore wanted to amend motion. Otis asked if the original motion has been seconded. At this point somebody seconded the original motion. Then Gary Gilmore amended to lower amount on line 4110 to be \$9786.00. Otis asked for a second to the amendment and there was none. Otis asked any more discussion for proposal of \$7.67 starting July 1, 2010? A vote was taken. There was only one opposed. Motion passed.

DOVER CHILDREN'S CENTER STATUS DISCUSSION:

Who is going to meet with them and set up the meeting? Nick, Jan and Gary Gilmore are to meet with the center and then go back to the McConnell Board with information and the whole board will discuss. Gary Bannon would like to try and schedule sometime next week.

Otis Perry has been chairman of the committee for 3 years and thinks it is time for somebody else to take over. He will not be a candidate for this coming year and would like to have a volunteer. Gary Green thanked Otis for his services.

Otis motioned to adjourn. All in favor stand up.



CITY OF DOVER

McCONNELL CENTER ADVISORY BOARD - MINUTES

Meeting Type: Regular Meeting
Meeting Location: McConnell Center, 61 Locust Street, Dover, NH 03820
Room 220
Meeting Date: Monday, January 25, 2010
Meeting Time: 7:00pm

CALL TO ORDER: Otis Perry called the meeting to order at 7:00 pm

ROLL CALL:

Members Present: Otis Perry-Chairman; Gary Green, Vice-Chair; Marvin Brown; Gary Gilmore; Judy Zalansky; Nick Skaltsis, Gary Bannon, Administrator; Joe Tenuta, Rec Advisory Board; Patti Rawding Anderson (late arrival)*

APPROVAL OF MINUTES:

Gary Green made motion to accept the November 24, 2009 minutes as submitted. Marvin Brown seconded motion. All in favor-unanimous

CITIZENS FORUM:

There were no citizens present for Citizens Forum.

ELECTION OF OFFICERS:

Gary Green made motion to move election of officers down to end of meeting. Nick Skaltsis seconded the motion. Then a motion was made by Joe Tenuta to postpone the elections until the February meeting due to the board being reconstituted. Motion was seconded by Gary Gilmore. Passed unanimously.

COMMITTEE REPORTS:

Budget/Lease Committee Report

Gary Green passed out monthly worksheet plus another hand out and gave a slight overview of the budget categories. These give a snapshot of any given month end. There are 2 debt payments a year: 1 in the middle of the year and 1 at the end. The expense year to date is on line 18. There is a column that reads under/over budget which tells how much is left of the budget. Debt service is fixed at first of the year as seen on line 8 & 9. Principal and interest payment total of \$405,000 is on line 7. On the Revenue side, plugged in one number (this month 322,858) and calculates over or under. Right now 8% under budget than projected for year end.

*While discussing the end of this report Patti Rawding-Anderson entered the meeting.

STAFF REPORT:

Administrator Report

Gary Bannon stated budget is as stand as of last meeting (Still waiting for personnel services expense information). Need to adjust Custodial Contract amount, which is a savings of around 10,000 to 12,000 dollars. Gary Green made a comment that the revenue was \$50,000 less than last year. Gary Bannon replied that is due to un-rented space. Nick Skaltsis would like to see a general outline of items likely to be the landlord's responsibility for capitalized list. Gary Bannon stated mostly signage & shades. Everything else is under projects. Landlord fees are



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maintenance fees in rental contracts. Otis Perry says budget should balance and doesn't. Gary Bannon stated once he has all the information he will make it balance.

TENANT COLLABORATIVE REPORT:

Patti Rawding-Anderson stated they are hosting a blood drive in the spring. The Tenants Collaborative is partnering with the Red Cross and the drive should last around 5 hours.

The Collaborative is also partnering with UNH Social Work Department to sponsor a series of educational training classes. UNH is to provide the faculty staff for in service training for tenants & the community every other month.

FACILITY PROJECTS:

Heating System Repairs

Gary Bannon stated that one of the two boilers has been repaired with a new section put in, plus resealed and is working fine. The other boiler needs one section repaired. An inline filter will be installed soon. Cause of leak is not known but the cost of the repair is under warranty.

Johnson Controls was here today getting information on projects.

Security Cameras

Gary Bannon reported that the City Council voted to approve the contract with Burns Security. Planning for installation but not sure when will take place. There are 14 cameras in the first phase for the McConnell Center to cover exit doors, lobbies and stairways. Patti Rawding-Anderson asked for a list for the tenants. The recording device will be stored in a secure location.

OLD BUSINESS:

Resolution to Change McConnell Center Advisory Committee Makeup

Resolution is suppose to be on Council agenda this week. Gary Bannon is to check into. Public Hearing is posted for February 10th. The new makeup of the committee is 9 total members, 7 regular and 2 alternates. Regular members consist of City Council Rep, Recreation Advisory Board Rep, two tenant Reps and rest the general public.

Building Signage

A sign contractor came by and gave Gary Bannon examples of the signs which he showed. Lettering is about one inch, material is hard plastic, stick on letters (which can be removed for changed) and cost is \$50 a sign. Signs are easily replaceable and low maintenance. Patti Rawding-Anderson stated the tenants had a lot of input into this and did not care for the reflective signs because can't see as well and they have a glare. They liked the bolder color



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better. It was also asked what are we required to have for handicap approval. Gary Bannon is to check into and take care of. He will get one sign completed for all to check out. There was also another sign, No Smoking. This will be black, off white and green to be placed around building and near doorways. Gary Bannon to have a couple no smoking and universal signs by next meeting.

NEW BUSINESS:

DCC Lease Negotiations Status

Gary Bannon handed out packets for each negotiator for the meeting to be held February 5, 2010. Negotiators will meet at 1pm in Gary's office and then at 1:30pm with the Children's Center.

Recruitment of Potential Tenants

Gary Bannon had meeting with Jeff Caron from Becket Family of Services who works regularly with the JPPO office. Becket is a non-profit and services adolescents and residential programming. They have a website with information on programs. Their closet office is Lakes Region and would like to have a Seacoast office available and are looking at 900 square feet space near the Senior Center. They will have three people to do intake, processing and review. Do interviews with families and individuals with behavioral issues, nothing residential, outreach to the Seacoast to refer to other programs. Patti Rawding-Anderson asked, what is their focus? Gary stated group home setting (children in legal or family issues) – placement service. Rent range doesn't seem to be an issue per Gary. Otis suggested that if they are going to be a good fit then we need to push forward. Possibly find a makeshift office between the Hub and Pete's Place for now until space is ready. With Becket taking the 900 square feet that leaves roughly 2300 square feet which is three adjacent rooms. Nick Skaltsis asked if we have intent to lease in place. Gary said we could do that as we have done before. It was suggested to have done electronically and have initialed. Becket will be invited to the next tenant collaborative meeting in a couple of weeks.

Approval of Special Meeting Minutes

Gary Bannon handed out the minutes for the special meeting held January 12, 2009. Gary Green made a motion to postpone until next month so everyone can review. Nick Skaltsis seconded the motion. All in favor-Unanimous

Correspondence from Dr John O'Conner

Regarding Roof Drainage Issue: There seems to be 2 areas damaged. Door 3 dormers and one on north side extend to edge of gutter. Drainage drops in front of the door. Gary Bannon had ladder truck here to check and there was no blockage and no damage. There is concern about front of building damage. It appears there needs to be a gutter put on dormer to catch and then run to other gutter. Need to have gutter contractor come and give an estimate.



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Any Other New Business

Nick Skaltsis – Mail out proposed ordinance change. It was suggested to do away with alternates and just have 9 regular members. Variation of existing won't go to Public Hearing until February 10, 2010.

Gary Green made motion to go into executive session to discuss negotiations with Children Center. Nick Skaltsis seconded the motion. All in favor-Unanimous

Back in Session: Any other business. None

Marvin Brown made a motion to adjourn. Nick Skaltsis seconded the motion. All in favor standup.