LEBANON CITY COUNCIL
DECEMBER 13, 2023 - 6:00 PM
COUNCIL CHAMBERS, CITY HALL OR REMOTE VIA VIRTUAL PLATFORM
LEBANONNH.GOV/LIVE

1. Call to Order

A. To participate in this meeting, please join live via Microsoft Teams or call 929-229-5356 (access code: 389 446 636#). If you have trouble accessing this meeting, please email Shaun Mulholland.

The December 13, 2023 Lebanon City Council Meeting is hereby called to order.

2. Pledge of Allegiance

3. Public Forum Announcement by the Mayor

Any member of the public who desires to speak on any item may do so when the item is taken up by the Council and will be allowed to speak on the subject for not more than three minutes. **(Note: Speakers are asked to state their name, ward of residence, and to use the microphone provided.)**

4. Open to the Public

5. Public Hearing Items

A. ADOPTION OF 2024 CITY BUDGET – Public Hearing for the purpose of receiving public input and taking action to adopt the 2024 City Budget as proposed by the City Manager with additional actions to include: authorizing the issuance of bonds or notes to finance 2024 capital improvements; authorizing the disbursement of Water Investment Fee funds; establishing an Urban Forestry Trust Fund in accordance with NH RSA 31:19-a; establishing a Dependent Care Flexible Spending Account Reimbursement Revolving Fund in accordance with NH RSA 31:95-h; rescinding prior authorizations for the issuance of bonds or notes; and authorizing the disbursement of Recreation Impact Fees.

i. Presentation:
ii. Opening of the Public Hearing:
iii. Questions & Comments by the Public:
iv. Closing of the Public Hearing:
v. Council Deliberation & Action:

B. AMEND ORDINANCE NO. 18, SALARY PLAN – A public hearing for the purpose of receiving public input and taking action to amend Ordinance No. 18, Salary Plan, to include implementation of a 2.2% General Wage Increase, and to retitle, reclassify, and add positions to the existing salary plan.

i. Presentation:
ii. Opening of the Public Hearing:
iii. Questions & Comments by the Public:
iv. Closing of the Public Hearing:
v. Council Deliberation & Action:

6. Old Business: None

7. New Business

A. Review and adoption of amendments to City Council Policy CC-101, Fund Balance

B. Review and adoption of amendments to City Council Policy CC-107, Debt Management

8. Adjournment

Meetings are open for in-person and remote attendance. Members of the public that wish to attend remotely may do so by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the City's virtual platform or by phone. Please note: Should technical difficulties occur during the meeting that disrupts virtual or phone connection(s), the meeting will continue without remote access capabilities.

5. Public Hearing Items:

5.A – Adoption of 2024 City Budget

A public hearing for the purpose of receiving public input and taking action to adopt the 2024 City Budget as proposed by the City Manager with additional actions to include: authorizing the issuance of bonds or notes to finance 2024 capital improvements; authorizing the disbursement of Water Investment Fee funds; establishing an Urban Forestry Trust Fund in accordance with NH RSA 31:19-a; establishing a Dependent Care Flexible Spending Account Reimbursement Revolving Fund in accordance with NH RSA 31:95-h; rescinding prior authorizations for the issuance of bonds or notes; and authorizing the disbursement of Recreation Impact Fees.

The public hearing was properly noticed in the *Valley News* on November 25, 2023 and December 2, 2023 in accordance with City Code and State Law.

Action

Action on the 2024 City Budget will be via a Budget Adoption Guide provided in time for the December 13 meeting.

Included in this Section:

1. Overview Presentation of Proposed 2024 Annual Budget
2. Budget Adoption Guide
3. Notice of Public Hearing as Published in the November 25, 2023 and December 2, 2023 Editions of the *Valley News*

Information Available but not Included in this Section:

1. 2024 Proposed City Manager Budget Information

2024 BUDGET

City of Lebanon, NH

Strategic Budgeting

STRATEGIC PLAN

SUSTAINABILITY PRINCIPLES

BUSINESS PLANS

PERFORMANCE MEASUREMENT

ANALYSIS AND EVALUATION

Budget Objectives

Achieve	Achieve the City's Strategic Plan Objectives
Fund	Fund critical Capital Improvement Projects
Maintain	Maintain quality service levels to meet the public's expectations
Comply	Comply with the City's Debt Management Policy

Opportunities

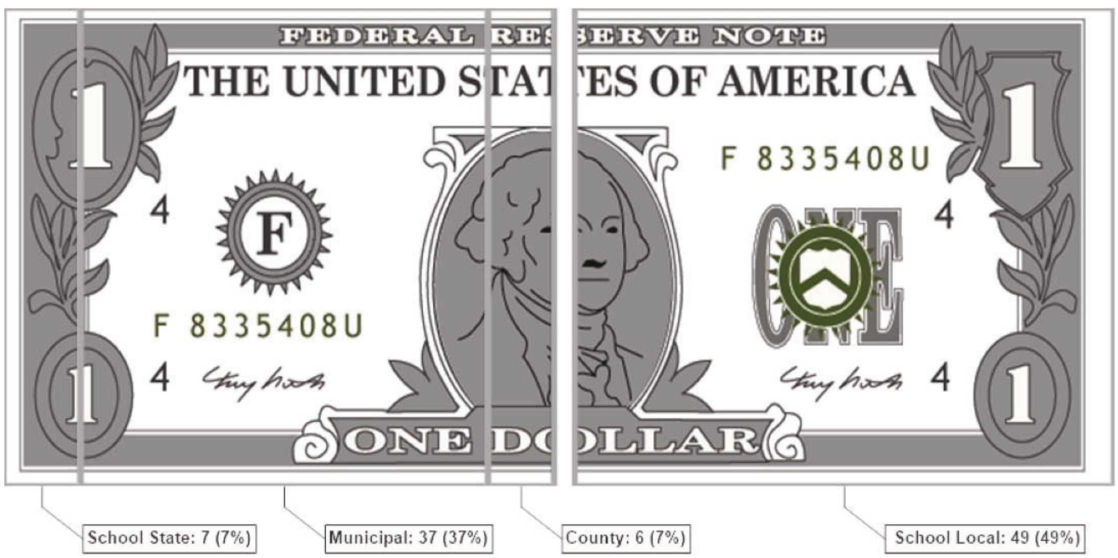
Challenges

- Housing
- Childcare
- Inflation
- Climate change
- Infrastructure deficiencies
- UFB depletion
- Debt management

Pending Challenges

Return of Airport Subsidy 2025	Revaluation of Properties 2025	Losing ground on the pavement management program.	Losing ground on sidewalk repair/maint.
Staffing needs-DPW, HS, RAP, Police and Fire.	Growing list in the Capital Improvements Program that remain unfunded.	Landfill-PFAS and cell expansion.	Water-Distribution and Treatment System for new well.

How Your Tax Dollars Are Spent



Consumer Price Index & Tax Rate Change-New England Region

Year	CPI Jun-Jun	Tax Rate	Change in T Rate
2018	2.2%	$10.97	2.5%
2019	1.9%	$11.25	2.5%
2020	0.4%	$9.96	-11.5%
2021	4.0%	$10.06	1%
2022	7.9%	$8.62	*2.5%
2023	1.8%	$8.97	4.1%
TOTAL Change	**18.2%**		**12.6% (does not include 2020)**

*Represents the Actual Tax Rate Increase Adjusted for Revaluation

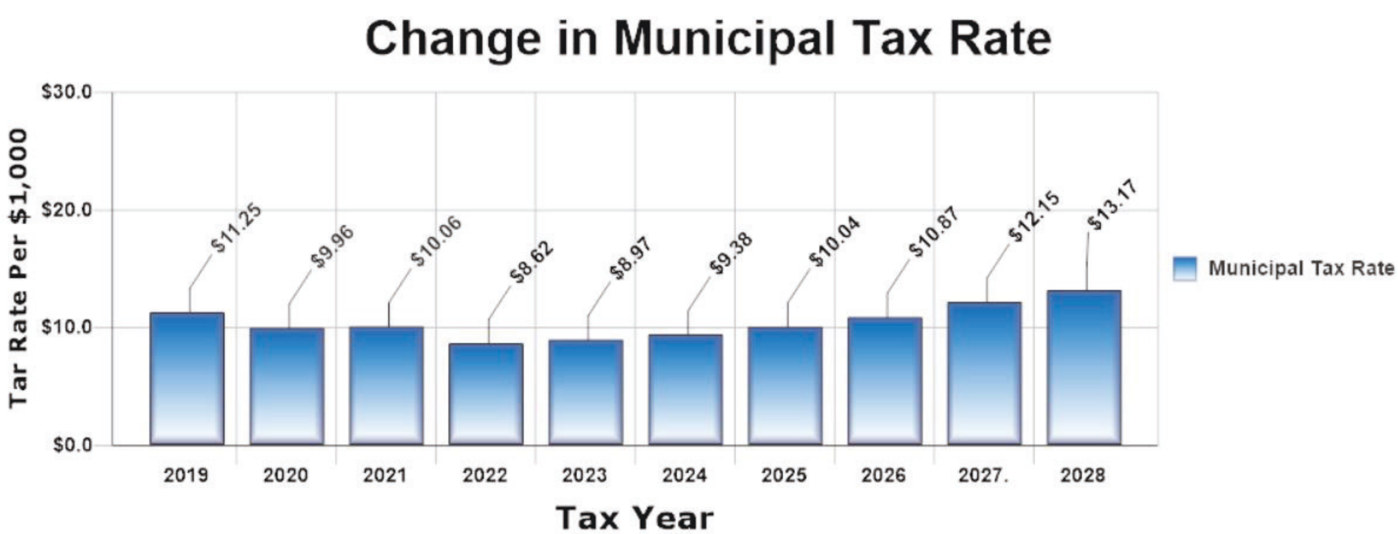
Tax Rate Factors

- Expenditures
- Revenues (Other than Property Taxes)
- Fund Balance Used to Reduce Tax Rate
- Assessed Valuation
- Overlay (Offsets Tax Abatements)
- War Service Tax Credits

= TAX RATE

Financial Projections

	2024	2025	2026	2027	2028
Tax Base Growth	.25%	.25%	.25%	.25%	.25%
Unassigned Fund Balance	$9.6 million	$8.7 million	$8 million	$7.5 million	$7.3 million
UFB % of Budget	23.8%	20.5%	17.8%	15.4%	14.1%
UFB Used	$2.8 million	$2.6 million	$2.4 million	$2.2 million	$1.9 million
Surplus	$1.5 million	$1.5 million	$1.5 million	$1.5 million	$1.5 million
General Fund Budget	$40.7 million	$42.7 million	$45.3 million	$49.1 million	$52.1 million
T Rate Chg.	**4.6%**	**7%**	**8.3%**	**11.8%**	**8.4%**



NOTE: The tax rate for 2024-2028 is projected based on a set of variable assumptions. The actual rate will be set in the fall of each year.

Unassigned Fund Balance Policy

MAINTAIN A RANGE BETWEEN **19%** TO **24%** OF CURRENT GENERAL FUND EXPENDITURE BUDGET

STANDARD DEVELOPED BY THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB)

ALLOWS FOR ADEQUATE CASH FLOW BETWEEN TAX BILLINGS

SERVES AS A CASH RESERVE FOR EMERGENCIES

Adopt Revised UFB Policy

- NH Dept. of Revenue Administration, Government Finance Officers Assoc. and National Advisory Council on State & Local Budgeting guidance.
- at a minimum, that "…general purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures."

-Recommend revision of policy to establish a new range from **15%-19%** from the present 19%-24%.

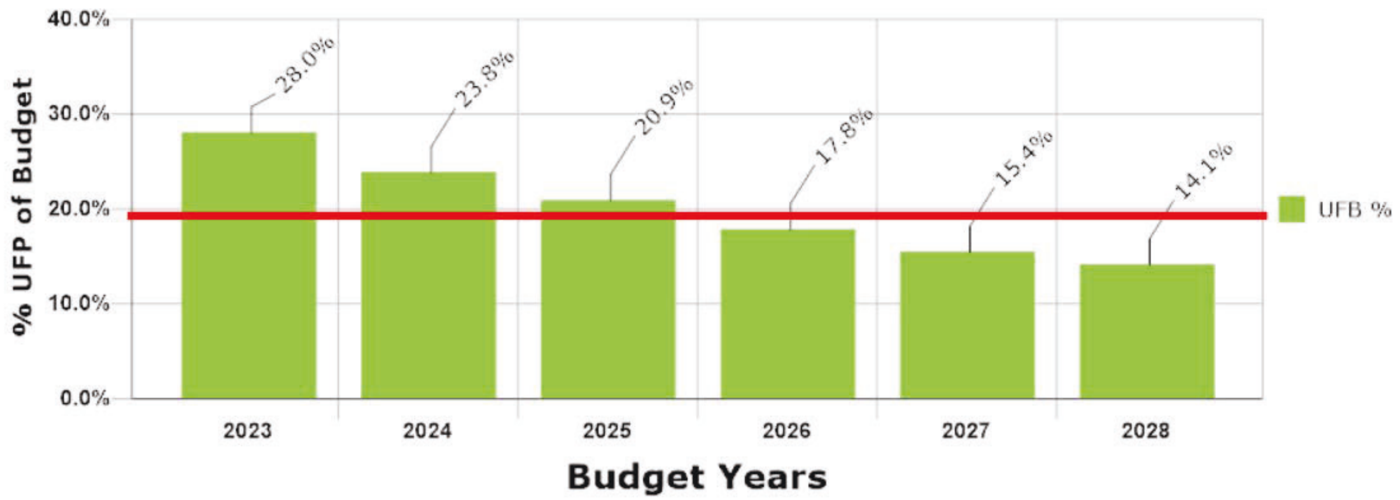
Fund Balance Use to Offset Debt. Service

The plan requires the use of fund balance and tax rate increases to smooth the impact of debt service on the budget.

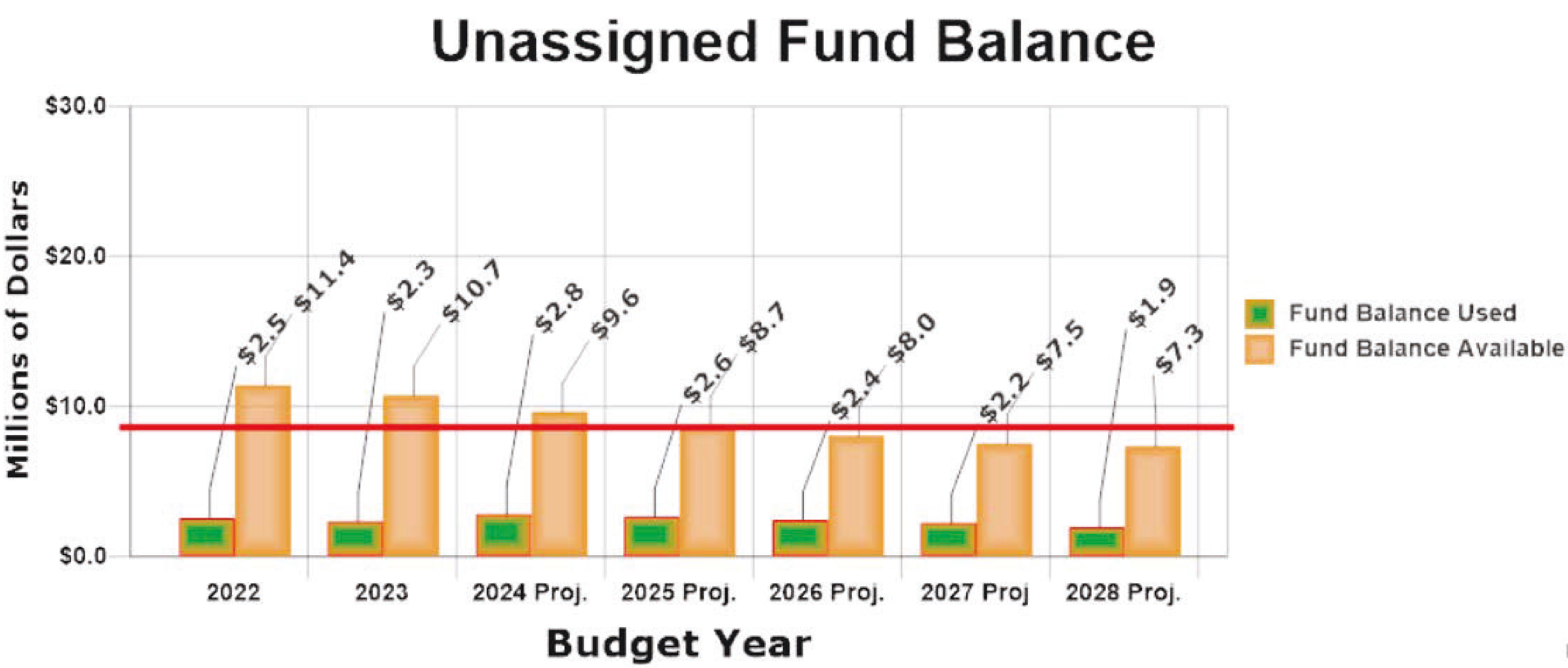
The plan is to offset the increase in debt service for 2024 by the use of approx. $2.8 million from fund balance to stabilize the tax rate.

The Unassigned Fund Balance of the General Fund is approx. $10.7 million.

Unassigned Fund Balance % of Budget



NOTE: The red line represents the present minimum standard of 19% of Unassigned Fund Balance as a % of the budget. The % beyond 2023 is projected based upon a set of variables.



NOTE: Redline represents present minimum UFB level standards (19%)

Long Term Financial Plan

Reduce or eliminate	Reduce or eliminate the use of fund balance to offset the tax rate.
Utilize	Utilize the Unassigned Fund Balance to offset the cost of Capital Projects • Pay as you go- using cash to pay for projects/equipment • Capital Reserve Funds
Eliminate	Eliminate the use of the UFB to subsidize the cost of operating expenses

In Summary

The 2024 Total budget is **15%** higher than the 2023 Budget.

The 2024 total projected revenues increase by **15.1%**.

The 2024 General Fund Budget is up by **5.8%.**

4.6% projected increase in the 2024 tax rate.

7.2% increase in Water rates and **5.2%** increase in Sewer rates.

Budget Overview All Funds

2023 Budget
- 4.1% increase in Tax Rate
- 8% increase in Water Rates
- 7.2% increase in Sewer Rates
- Total Budget **$99,841,240**
- Without capital $58,360,700

2024 Budget
- 4.6% increase in Tax Rate
- 7.2% increase in Water Rates
- 5.2% increase in Sewer Rates
- Total Budget **$114,779,210**
- Without capital $61,442,260 (**5.2%**)

General Fund Budget Change

$38,460,840

2023

2024

$40,702,460 5.8% Increase

Wage Increases

2.2% General Wage Increase (COLA)

3% Merit or Step Increase (for those eligible)

Consumer Price Index for Northeast is **2.2%** (6/30)

2024 Budgetary Impacts (Without CIP)

The 2024 Budget represents a cost increase of **5.2%** equal to **$3,081,560.**

The total impact of cost increase drivers as listed on subsequent slides is equal to **$3,097,340.**

Cost Increase Drivers

Wages **$1,060,860 (2.2% GWI & 3% Merit/Step)**

Health 3.9%/Dental 4.7% Ins. cost increase **$447,740**

Retirement/WC/UC/FICA/Medicare **$87,000**

Human Services - **$487,190**

Cost Increase Drivers (continued)

Wastewater Repairs/Maint
$324,300

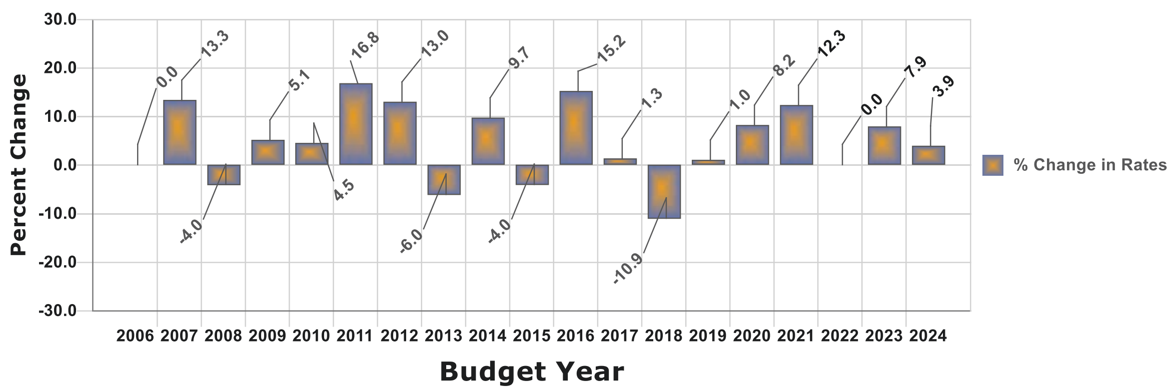
Water
Transfer to CRF
$241,200

Library Repairs/Maint
$54,160

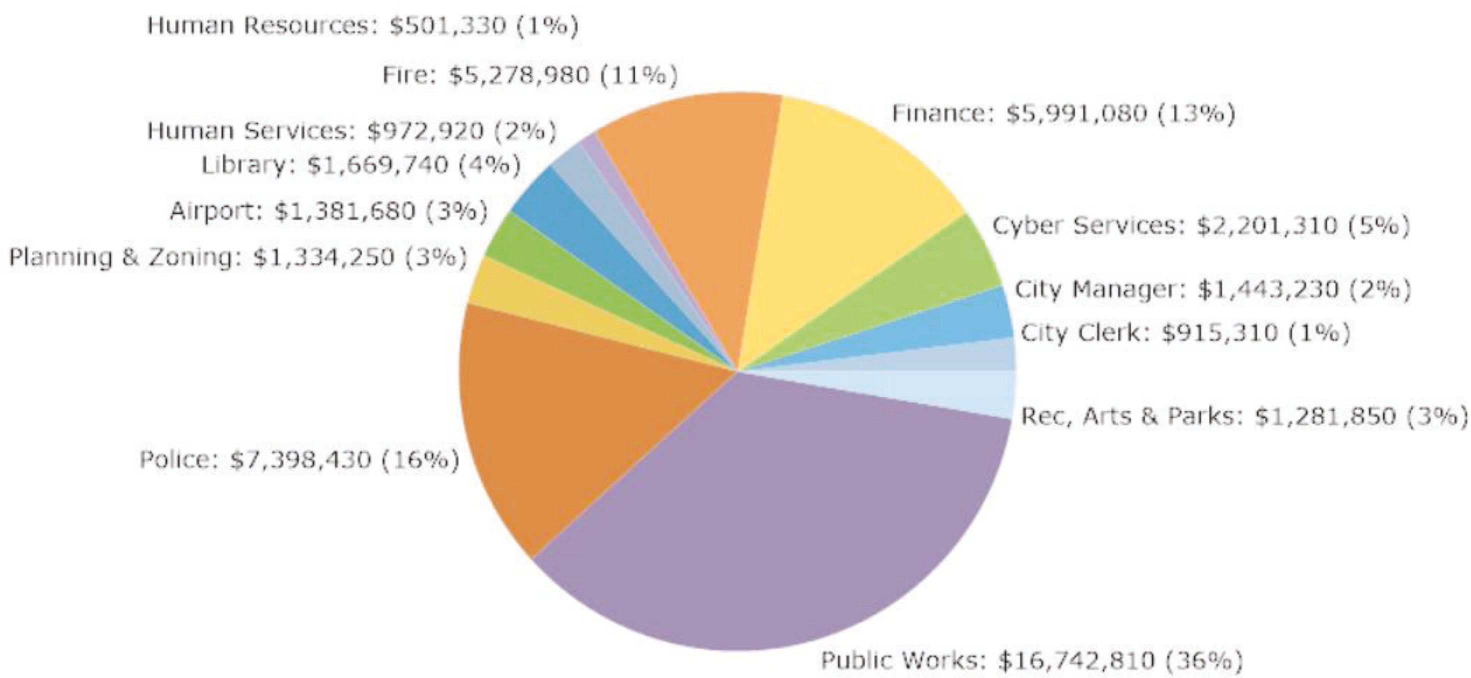
DPW Vehicle Leases
$192,890

DPW Repairs Sidewalk/Signals
$202,000

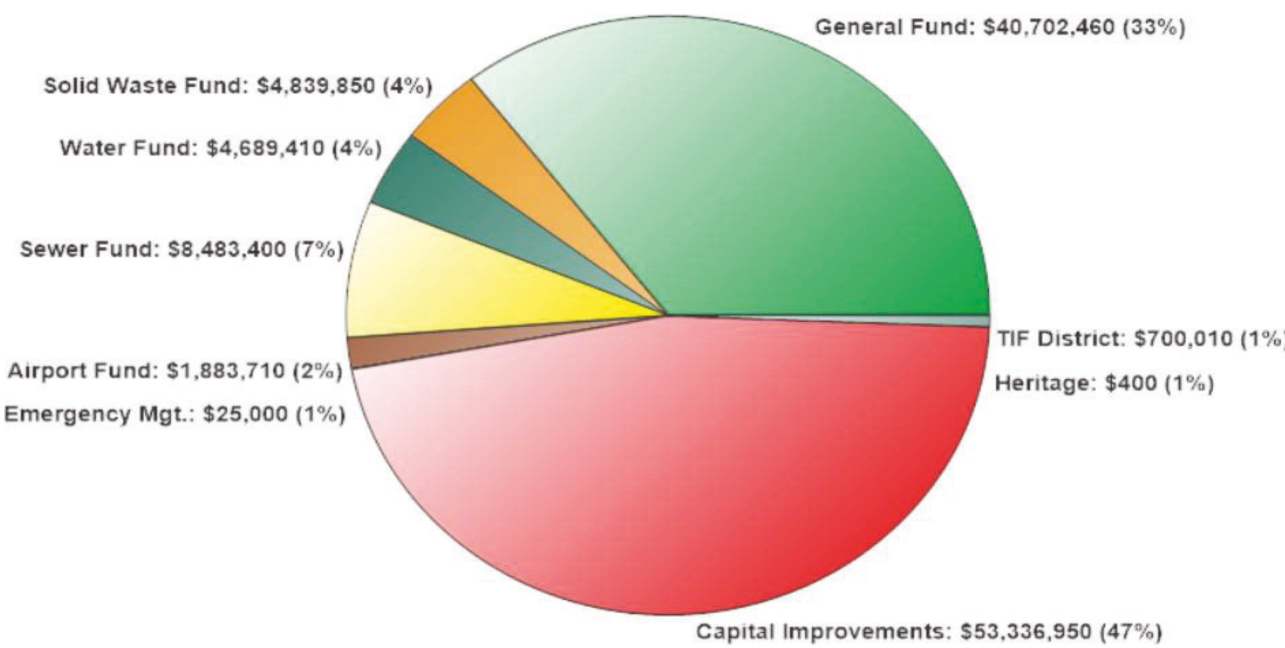
Health Insurance Rate History



Operating Budget by Department



2024 Budget By Fund



City Revenue Impacts Vary by Source

Property Tax

MV Registration Fees

Rooms & Meals Tax

Development Fees

Utility Users Tax, Franchise Payments

Recreation and Fee Programs

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State Revenue Impacts

- No funding this year to offset retirement system
- Municipal Bridge Aid & Highway Block Grant funding
- Grants relative to Housing
- Rooms & Meals Tax Distribution

Payment In Lieu of Taxes (PILOT)

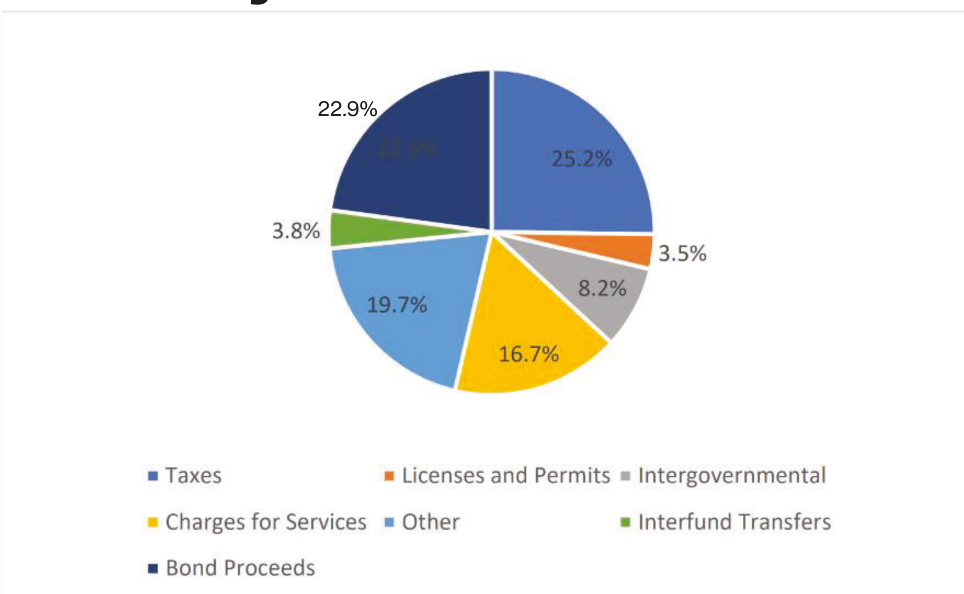
Alice Peck Day Hospital owes approximately $919,713 in property taxes

PILOT agreement presently under negotiation

Revenue Projections

- Taxes- 0.76% Increase
- Licenses & Permits – 6.19% Decrease
- Intergovernmental- 61.4% Decrease
- Charges for Services- 8.5% Increase
- Miscellaneous Sources- 262.9% Increase
- Interfund Transfers- 10.9% Decrease
- Bond Proceeds- 95.8% Increase

2024 Projected Revenue Sources



2024 CITY BUDGET ADOPTION GUIDE – DECEMBER 13, 2023

This document is provided as a guide to help facilitate adoption of the 2024 City Budget.

- In conformance with Section C419:41 of the Lebanon City Charter, the Notice of Public Hearing for the 2024 Budget adoption process was published in the Valley News on Saturday, November 25, and Saturday, December 2, 2023.

- Budgets are adopted by the City Council on a fund basis. A fund segregates revenues and expenditures that are legally restricted to specific uses.

- A majority of City Councilors present and voting, with a quorum of at least **five** members present, is required to approve the annual budget. The issuance or rescission of bonds or notes must be authorized by at least 2/3 (**six)** of the members. The change of purpose for a capital reserve fund must be authorized by at least 3/4 (**seven)** of the members.

- The City Council may act on the amendments as written, or they may be modified. Amendments may perish for lack of movement and seconding, or other amendments may be introduced.

- Once the relevant Resolution (MAIN MOTION) has been moved and seconded, amendments may be introduced by being moved and seconded and voted on. If passed, the vote is then on the MAIN MOTION AS AMENDED.

- Clarity of Resolutions is imperative as the New Hampshire Department of Revenue Administration, and the City's bond counsel review the meeting minutes and actions associated with appropriation and debt issuance authorization for compliance with New Hampshire law.

Summary of City Manager's Proposed 2024 City Budget: (amendments to be introduced where applicable during proposed action)

Fund	2024 Budget	$ Chg. V. '23	Sources of Revenes	2024 Budget	$ Chg. V. '23
General	$40,702,460	$2,241,620	Taxes	$28,076,450	$1,367,140
Solid Waste Disposal	$4,839,850	($76,380)	Licenses and Permits	$3,845,600	($254,020)
Water Treatment and Distribution	$4,689,410	$252,450	Intergovernmental	$9,154,800	($14,593,490)
Sewage Collection and Disposal	$8,483,400	$621,380	Charges for Services	$18,613,480	$306,240
Municipal Airport	$1,883,710	($151,760)	Miscellaneous Sources	$21,975,150	$15,920,450
Emergency Management	$25,000	$0	Interfund Transfers	$4,202,400	($518,210)
Heritage Fund	$400	$0	Bond Proceeds	$25,435,140	$12,445,530
Enterprise Properties Relvoing Fund	$118,020	$118,020			
Capital Improvements	$53,336,950	$11,856,410	Total	$111,303,020	$14,673,640
TIFD	$700,010	$76,230	Applied/(Realized) Fund Balance	$3,476,190	$264,330
Total	$114,779,210	$14,937,970	Total Revenues and Fund Balance	$114,779,210	$14,937,970

The estimated 2024 Municipal Tax Rate is $9.39 per $1,000 of assessed real estate value, an increase of $0.42 or 4.6% from the 2023 tax rate. A single-family home assessed for $350,000 will have an estimated 2024 municipal tax bill of about $3,286, an increase of $147. Four rates make up the Total Tax Rate: Municipal, School: Local and State, and County. This budget concerns the Municipal portion only. **Increases of 7.2% and 5.2% to water and sewer service rates, respectively, are factored into the budget.**

2024 CITY BUDGET ADOPTION GUIDE – DECEMBER 13, 2023

ORDER OF BUSINESS:

1. **OPEN PUBLIC HEARING**
2. **CLOSE PUBLIC HEARING**
3. **ENACT RESOLUTIONS TO ADOPT 2024 BUDGET**

Proposed Resolutions include the following:

Resolution	Page(s)	Purpose of Action
No. 1	**3**	To Vote on the General Fund Budget
No. 2	**3**	To Vote on the Solid Waste Disposal Fund Budget
No. 3	**4**	To Vote on the Water Treatment and Distribution Fund Budget
No. 4	**4**	To Vote on the Sewage Collection and Disposal Fund Budget
No. 5	**4**	To Vote on the Municipal Airport Fund Budget
No. 6	**5**	To Vote on the Emergency Management Fund Budget
No. 7	**5**	To Vote on the Heritage Fund Budget
No. 8	**5**	To Vote on the Enterprise Properties Revolving Fund
No. 9	**6**	To Vote on the Downtown Lebanon Tax Increment Finance District Budget
No. 10	**6**	To Vote on the Airport-Tech Park Tax Increment Finance District Budget
No. 11	**6-8**	To Vote on the Capital Improvements Fund Budget
No. 12	**8-9**	To Vote on the Authorization of the Issuance of Bonds or Notes to Finance 2024 Capital Improvements
No. 13	**9**	To Vote to Authorize the disbursement of Water Investment Fee Funds
No. 14	**9**	To Vote to Establish an Urban Forestry Trust Fund in Accordance with NH RSA 31:19-a
No. 15	**10**	To Vote to Establish a Dependent Care Flexible Spending Account Reimbursement Revolving Fund in Accordance with NH RSA 31:95-h
No. 16	**10-13**	To Vote to Rescind Prior Authorizations for the Issuance of Bonds or Notes
No. 17	**13**	To Vote to Authorize the Disbursement of Recreation Impact Fees

1. OPEN PUBLIC HEARING:

PUBLIC HEARING ITEM:

ADOPTION OF 2024 CITY BUDGET – Public Hearing for the purpose of receiving public input and taking action to adopt the 2024 City Budget as proposed by the City Manager with additional actions to include: authorizing the issuance of bonds or notes to finance 2024 capital improvements; authorizing the disbursement of Water Investment Fee funds; establishing an Urban Forestry Trust Fund in accordance with NH RSA 31:19-a; establishing a Dependent Care Flexible Spending Account Reimbursement Revolving Fund in accordance with NH RSA 31:95-h; rescinding prior authorizations for the issuance of bonds or notes; and authorizing the disbursement of Recreation Impact Fees.

2. CLOSE PUBLIC HEARING

3. ENACT RESOLUTIONS TO ADOPT 2024 BUDGET

RESOLUTION NO. 1

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 1 TO APPROPRIATE $40,702,460 FOR GENERAL CITY OPERATIONS:**

RESOLVED, for the purpose of authorizing and financing the General Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of $40,702,460.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION: ____/____.

TWO PROPOSED AMENDMENTS TO RESOLUTION NO. 1

(1) MOTION BY COUNCILOR _______________ to increase the Planning & Development budget by $60,930.

SECONDED BY COUNCILOR _______________. VOTE ON THE AMENDMENT ____/____.

(2) MOTION BY COUNCILOR _______________ to increase the General Fund, Interfund Transfers budget by $165,860 to provide the City's portion of the funds required to accept funding from the New Hampshire Department of Environmental Services through the Granite State Clean Fleets Grant Program.

SECONDED BY COUNCILOR _______________. VOTE ON THE AMENDMENT ____/____.

RESOLUTION NO. 2

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 2 TO APPROPRIATE $4,839,850 FOR SOLID WASTE DISPOSAL:**

RESOLVED, for the purpose of authorizing and financing the Solid Waste Disposal Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of $4,839,850.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

PROPOSED AMENDMENT TO RESOLUTION NO. 2

(1) MOTION BY COUNCILOR _______________ to increase the Solid Waste Disposal Fund budget by $541,100 which reflects the increase in fees adopted through Ordinance #2023-06 on December 6, 2023.

SECONDED BY COUNCILOR _______________. VOTE ON THE AMENDMENT ____/____.

RESOLUTION NO. 3

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 3 TO APPROPRIATE $4,689,410 FOR WATER TREATMENT AND DISTRIBUTION:**

RESOLVED, for the purpose of authorizing and financing the Water Treatment and Distribution Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of $4,689,410.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 4

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 4 TO APPROPRIATE $8,483,400 FOR SEWAGE COLLECTION AND DISPOSAL:**

RESOLVED, for the purpose of authorizing and financing the Sewage Collection and Disposal Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of $8,483,400.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 5

*** MOTION BY COUNCILOR ________________ TO MOVE PASSAGE OF RESOLUTION NO. 5 TO APPROPRIATE $1,883,710 FOR MUNICIPAL AIRPORT OPERATIONS:**

RESOLVED, for the purpose of authorizing and financing the Municipal Airport Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of $1,883,710.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 6

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 6 TO APPROPRIATE $25,000 FOR EMERGENCY PREPAREDNESS:**

RESOLVED, for the purpose of authorizing and financing the Emergency Management Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of $25,000.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 7

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 7 TO APPROPRIATE $400 FOR HISTORIC RESOURCES & PRESERVATION EFFORTS:**

RESOLVED, for the purpose of authorizing and financing the Heritage Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of $400.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 8

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 8 TO APPROPRIATE $118,020 FOR THE ENTERPRISE PROPERTIES REVOLVING FUND:**

RESOLVED, for the purpose of authorizing and financing the Enterprise Properties Revolving Fund.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of $118,020.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 9

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 9 TO APPROPRIATE $700,000 FOR THE DOWNTOWN LEBANON TAX INCREMENT FINANCE DISTRICT:**

RESOLVED, for the purpose of financing the Downtown Lebanon Tax Increment Finance District Fund.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of $700,000.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 10

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 10 TO APPROPRIATE $10 FOR THE LEBANON AIRPORT–TECH PARK TAX INCREMENT FINANCE DISTRICT:**

RESOLVED, for the purpose of financing the Lebanon Airport-Tech Park Tax Increment Finance District Fund.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of $10.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 11

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 11 TO APPROPRIATE $53,336,950 FOR CAPITAL IMPROVEMENTS AND ACQUISITIONS:**

RESOLVED, for the purpose of authorizing and financing the Capital Improvements Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be appropriated in the amount of $53,336,950 for expenditure in connection with the following Capital Improvements and Acquisitions:

Department	Project Name	2024	Bonds/Note Proceeds/Debt	Existing Funds from CRF	Transfers to CIP	Other (SAD, sale proceeds, DHMC PILOT, etc)	Inter-governmental Grants
	AIRPORT FUND						
AIR	*Runway Safety Area Improvements_2024*	$3,878,340			$193,910		$3,684,430
	TOTAL AIRPORT	**$3,878,340**	**$0**	**$0**	**$193,910**	**$0**	**$3,684,430**
	GENERAL FUND						
FACILITIES							
FIRE	*Station 1 Replacement*	$22,669,940	$22,669,940				
DPW	City Hall Renovations (Phase 4)	$150,000	$150,000				
DPW	*City Owned Electric Vehicle Service Equipment*	$251,000	$50,200				$200,800
CM	*Childcare Facility Project*	$21,977,670				$19,977,670	$2,000,000
CM	*Main Street Building Demolition*	$250,000	$250,000				
FLEET & EQUIPMENT							
FIRE	Personal Protective Equipment Replacement	$210,000		$210,000			
FIRE	Self-Contained Breathing Apparatus (SCBA) Replacement	$485,000		$485,000			
FIRE	Engine #2 Replacement	$1,200,000	$1,200,000				
ROADS & BRIDGES							
DPW	*Route 120-Etna Rd-Old Etna Rd Ped/Bike Improvements*	$250,000	$152,000			$98,000	
DPW	*Lahaye Drive Ped&Bike Improvements*	$540,000			$48,000	$60,000	$432,000
OTHER							
REC	*Mascoma River Greenway Extension*	$32,000				$6,000	$26,000
REC	*Westboro Park*	$77,000	$47,000			$30,000	
	TOTAL GENERAL FUND	**$48,092,610**	**$24,519,140**	**$695,000**	**$48,000**	**$20,171,670**	**$2,658,800**
	WATER FUND						
DPW-WATER	*New Source Water Supply Study Investigation Phase 2*	$150,000				$100,000	$50,000
	TOTAL WATER FUND	**$150,000**	**$0**	**$0**	**$0**	**$100,000**	**$50,000**
	SEWER FUND						
DPW-SEWER	Septage Receiving Upgrade	$300,000	$0			$300,000	
	TOTAL SEWER FUND	**$300,000**	**$0**	**$0**	**$0**	**$300,000**	**$0**
	SOLID WASTE FUND						
DPW-SOLID	*Landfill Phase 3-4 Design, Permitting, and Construction*	$800,000	$800,000				
DPW-SOLID	*Landfill Site Improvements*	$116,000	$116,000				
	TOTAL SOLID WASTE FUND	**$916,000**	**$916,000**	**$0**	**$0**	**$0**	**$0**
	TOTAL CITY CAPITAL IMPROVEMENTS PROGRAM	**$53,336,950**	**$25,435,140**	**$695,000**	**$241,910**	**$20,571,670**	**$6,393,230**

BE IT FURTHER RESOLVED, by the City of Lebanon, that the City Manager is authorized to take steps necessary and appropriate to apply for and secure maximum federal and state grant funding assistance.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

PROPOSED AMENDMENT TO RESOLUTION NO. 11

(1) MOVED BY COUNCILOR_______________ to amend the list of capital improvements projects to include the Electric Street Sweepers and Charging Stations project which includes the procurement of two 100% electric street sweeper units to replace two existing diesel sweeper units; and the procurement and installation of two electrical vehicle charging stations (one Level 2 and one Level 3).

BE IT FURTHER MOVED that the Capital Improvements Fund budget be increased by $165,860 to provide the City's portion of the funds required to accept funding from the New Hampshire Department of Environmental Services Granite State Clean Fleets Grant Program.

SECONDED BY COUNCILOR _______________. VOTE ON THE AMENDMENT ____/____.

PROJECT TYPE & DEPARTMENT			BONDS/NOTE 2024 PROCEEDS/DEBT	TRANSFERS TO CIP	INTER-GOVERNMENTAL GRANTS
	GENERAL FUND				
FLEET & EQUIPMENT	Electric Street Sweepers & Charging Stations	$165,860		$165,860	

RESOLUTION NO. 12

*** MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 12 TO AUTHORIZE THE ISSUANCE OF BONDS OR NOTES TO FINANCE 2024 CAPITAL IMPROVEMENTS:**

RESOLVED, by the City of Lebanon, that the City Treasurer, with the approval of the City Manager, is authorized to issue, in accordance with the Municipal Finance Act (RSA 33), a bond issue or bond issues in an amount not to exceed $25,435,140 as follows:

Department	Project Name	Estimated Useful Life	Paid for by	Amount
	GENERAL FUND			
FACILITIES				
FIRE	Station 1 Replacement	20 Years	Property Taxes	$ 22,669,940
DPW	City Hall Renovations (Phase 4)	20 Years	Property Taxes	$ 150,000
DPW	City Owned Electric Vehicle Service Equipment	20 Years	Property Taxes	$ 50,200
CITY MANAGER	Main Street Building Demolition	20 Years	Property Taxes	$ 250,000
FLEET & EQUIPMENT				
FIRE	Engine #2 Replacement	20 Years	Property Taxes	$ 1,200,000
ROADS & BRIDGES				
DPW	Route 120-Etna Rd-Old Etna Rd Ped/Bike Improvements	20 Years	Property Taxes	$ 152,000
OTHER				
REC	Westboro Park	20 Years		$ 47,000
	SOLID WASTE FUND			
DPW-SOLID WASTE	Landfill Phase 3-4 Design, Permitting, and Construction	20 Years	Solid Waste User Fees	$ 800,000
DPW-SOLID WASTE	Landfill Site Improvements	20 Years	Solid Waste User Fees	$ 116,000
TOTAL CITY CAPITAL IMPROVEMENTS PROGRAM				**$ 25,435,140**

BE IT FURTHER RESOLVED, that, except as herein otherwise provided, discretion to fix the dates, maturities, denominations, interest rate, form, and other details of said note(s) / issue(s), is hereby delegated to the City Treasurer, with the approval of the City Manager;

BE IT FURTHER RESOLVED, that, in accordance with the requirements of the Municipal Finance Act (RSA 33:2 Repayment of Loans), no loans issued to pay for public works or improvements shall exceed the expected useful life of said public works or improvements as determined by the City Council as designated in the foregoing table.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 13

∗ **MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 13 TO AUTHORIZE THE DISBURSEMENT OF WATER INVESTMENT FEE FUNDS TO PARTIALLY FUND THE NEW SOURCE WATER SUPPLY STUDY INVESTIGATION PHASE 2:**

RESOLVED, by the City of Lebanon, that funds in an amount not to exceed $100,000 be disbursed from the Water Investment Fees Fund to the Capital Improvements Fund to partially fund the New Source Water Supply Study Investigation Phase 2.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 14

∗ **MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 14 TO ESTABLISH AN URBAN FORESTRY TRUST FUND IN ACCORDANCE WITH NH RSA 31:19-a**

RESOLVED, by the City of Lebanon, that an Urban Forestry Trust Fund be established for the purpose of accumulating resources to provide for the planting and caring of urban shade and ornamental trees; that money in the Urban Forestry Trust Fund shall accumulate from year to year and shall not be considered part of the City's General Fund; that the City Manager may accept private donations, legacies, and devises to be placed in the fund; and that the City Manager shall be the agent of the City to carry out the purposes of the Fund.

BE IT FURTHER RESOLVED, that funds in the amount of $107,000 be transferred from the unassigned fund balance in the General Fund to the Urban Forestry Trust Fund for future use.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 15

∗ **MOTION BY COUNCILOR _______________ TO MOVE PASSAGE OF RESOLUTION NO. 15 TO ESTABLISH A DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT (FSA) REIMBURSEMENT REVOLVING FUND IN ACCORDANCE WITH NH RSA 31:95-h:**

RESOLVED, by the City of Lebanon, that a Dependent Care FSA Reimbursement Revolving Fund be established for the purpose of accumulating resources for the reimbursement of Dependent Care Expenses in accordance with Federal Flexible Spending Account Guidelines.

BE IT FURTHER RESOLVED, that funds in the amount of $50,000 be transferred from the General Fund Budget (Finance Department) to the Dependent Care FSA Reimbursement Revolving Fund.

BE IT FURTHER RESOLVED, that funds in the amount of $10,000 be transferred from the Solid Waste Disposal Fund Budget to the Dependent Care FSA Reimbursement Revolving Fund.

BE IT FURTHER RESOLVED, that funds in the amount of $5,000 be transferred from the Water Treatment and Distribution Fund Budget to the Dependent Care FSA Reimbursement Revolving Fund.

BE IT FURTHER RESOLVED, that funds in the amount of $5,000 be transferred from the Sewage Collection and Disposal Fund Budget to the Dependent Care FSA Reimbursement Revolving Fund.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

RESOLUTION NO. 16

∗ MOTION BY COUNCILOR _______________TO MOVE PASSAGE OF RESOLUTION NO. 16 TO RESCIND AND/OR TRANSFER PRIOR AUTHORIZATIONS FOR THE ISSUANCE OF BONDS OR NOTES TOTALING $292,064.19 FOR THE FOLLOWING 7 PROJECTS:

1. <u>2021 RECREATION PLAYING FIELDS</u>

WHEREAS, on December 16, 2020, the Lebanon City Council authorized a capital project for Recreation Playing Fields in the amount of $45,000, including a transfer from the Recreation Impact Fee Fund; and

WHEREAS, the Recreation Playing Fields project did not take place, there remains a balance of $45,000 in the capital project account.

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that the appropriated yet unspent amount of $45,000 be rescinded, and funding be transferred back to the Recreation Impact Fee fund.

This resolution shall be effective upon passage.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

2. <u>2019 LEBANON LIBRARY RENOVATION</u>

WHEREAS, on December 16, 2020, the Lebanon City Council authorized the issuance of bonds or notes in the amount of $6,467,141 to fund Capital projects, including $1,720,210 to finance the Lebanon Library Renovation Project; and

WHEREAS, a portion of the project was funded through other sources including $900,000 ARPA funds and $300,000 library foundation; and

WHEREAS, there is a remaining appropriated balance of $272.94 of which $62.94 has been funded.

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that the authorized issuance of bonds in the amount of $1,200,210 is hereby rescinded.

BE IT FURTHER RESOLVED, that the appropriated but unfunded amount of $210.00 is hereby rescinded, and the funded yet unspent appropriation of $62.94 be transferred from the Lebanon Library Renovation project to the 2023 Fire Ambulance Replacement project.

This resolution shall be effective upon passage.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

3. <u>2020 FACILITY ASSESSMENT PLAN</u>

WHEREAS, on December 18, 2019, the Lebanon City Council authorized a capital project for the Facility Assessment Plan in the amount of $75,000 as a transfer from the general fund; and

WHEREAS, there is a remaining appropriation and funded balance of $1,850.00 which is not required as the Facility Assessment Plan project is complete.

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that appropriated yet unspent funds totaling $1,850.00 be transferred from the 2020 Facility Assessment Plan project to the 2023 Fire Ambulance Replacement project.

This resolution shall be effective upon passage.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

4. <u>2021 FIRE DEPARTMENT STAFF VEHICLE REPLACEMENT</u>

WHEREAS, on December 16, 2020, the Lebanon City Council authorized a capital project for the replacement of a Fire Department Staff Vehicle in the amount of $60,000 with monies from the MIH Pilot; and

WHEREAS, there is a remaining appropriation and funded balance of $70.31 which is not required as the Fire Department Staff Vehicle Replacement project is complete.

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that appropriated yet unspent funds totaling $70.31 be transferred from the 2021 Fire Department Staff Vehicle Replacement project to the 2023 Fire Ambulance Replacement project.

This resolution shall be effective upon passage.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

5. <u>2021 MILL ROAD SLOPE STABILIZATION</u>

WHEREAS, on December 16, 2020, the Lebanon City Council authorized the issuance of bonds or notes in the amount of $6,467,141 to fund Capital projects including $100,000 to finance the 2021 Mill Road Slope Stabilization project; and

WHEREAS, the Mill Road Slope Stabilization project was completed for a total of $57,000 leaving a remaining balance of $43,000 in the capital project account.

NOW THEREFORE BE IT RESOLVED, as the project will be funded by monies approved as part of the 2024 Sewage Collection & Disposal Fund Budget, the City of Lebanon hereby rescinds bonds or notes authorized on December 16, 2020, totaling $100,000, and rescinds appropriations authorized in the amount of $43,000.

This resolution shall be effective upon passage.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

6. <u>2019 STREET LIGHT CONVERSION</u>

WHEREAS, on December 19, 2018, the Lebanon City Council authorized the issuance of bonds or notes in the amount of $19,925,000 to fund capital projects including $920,000 to finance the Street Light Conversion project; and

WHEREAS, there is a remaining appropriation and funded balance of $37,454.80, which is not required as the Street Light Conversion project is complete.

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that appropriated yet unspent funds totaling $37,454.80 be transferred from the Street Light Conversion project to the Main Street West Lebanon Capital Improvements Project.

This resolution shall be effective upon passage.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

7. 2018 LPD RADIO COMMUNICATIONS REPEATER REPLACEMENT PROJECT

WHEREAS, on December 19, 2018, the Lebanon City Council authorized the issuance of bonds or notes in the amount of $ 19,925,000 to fund capital projects including $1,070,000 to finance the LPD Radio Communications Repeater Replacement project; and

WHEREAS, in January 2023, a request for bonding in the amount of $3,127,412.24, including $107,412.24 for the LPD Radio Communications Repeater Replacement project was submitted to the New Hampshire Bond Bank; and

WHEREAS, on March 1, 2023, the Council rescinded prior bonding and appropriation authority and authorized the transfer of unspent funds from three other completed capital projects totaling $131,104.06 for the completion of the Radio Communications Repeater Replacement project; and

WHEREAS, on July 13, 2023, the New Hampshire Bond Bank issued bonds to the City in the amount of $3,120,000 of which $100,000 was granted for the LPD Radio Communications Repeater Replacement project; and

WHEREAS, funding in the amount of $123,691.82 was needed for the completion of the Radio Communications Repeater Replacement project leaving a remaining balance of $107,412.24.

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that unspent funds totaling $107,412.24 be transferred from the LPD Radio Communications Repeater Replacement project to the Main Street West Lebanon Capital Improvements Project.

This resolution shall be effective upon passage.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

NOT PART OF THE RESOLUTION - Rescission efforts are part of an ongoing objective to reduce outstanding authorized but unissued long-term debt and, ultimately, the City's debt exposure and the significant costs associated with servicing that debt. Therefore, unlike the other resolutions presented herein, the above resolutions will be effective upon passage, as they are to be taken into consideration when assessing the City's fiscal condition for year ending 2023.

RESOLUTION NO. 17

*** MOTION BY COUNCILOR _______________TO AUTHORIZE THE DISBURSEMENT OF RECREATION PUBLIC FACILITIES IMPACT FEES:**

RESOLVED, by the City of Lebanon, that funds in an amount not to exceed $30,000 be disbursed from the Recreation Impact Fees Fund to the Capital Improvements Fund to partially fund the Westboro Park project.

This resolution shall be effective January 1, 2024.

SECONDED BY COUNCILOR _______________. VOTE ON THE MOTION ____/____.

LEBANON CITY COUNCIL
NOTICE OF PUBLIC HEARING
2024 City Budget as Proposed by the City Manager

Starting at 6:00 p.m., Wednesday, December 13, 2023, a public hearing will be held on the 2024 City Budget as proposed by the City Manager. The meeting will be held in Council Chambers, City Hall or REMOTELY VIA VIRTUAL PLATFORM. Citizens are encouraged to attend the public hearing to provide written and oral comments and ask questions. A copy of the proposed budget may be obtained from the City Manager's office or accessed at LebanonNH.gov/Budget.

The estimated 2024 Municipal Tax Rate is $9.39 per $1,000 of assessed real estate value, an increase of $0.42 or 4.6% from the 2023 tax rate. A single-family home assessed for $350,000 will have an estimated 2024 municipal tax bill of about $3,286, an increase of $147. Four rates make up the Total Tax Rate: Municipal, School: Local and State, and County. This budget concerns the Municipal portion only. **Increases of 7.2% and 5.2% to water and sewer service rates, respectively, are factored into the budget.**

1. TO ADOPT NINE BUDGETS:

Budgets are adopted by the City Council on a fund basis. A fund segregates revenues and expenditures legally restricted to specific uses. Municipal property tax revenues, and revenues not allocated to other funds, are accounted for in the General Fund; other operating funds (Solid Waste Disposal, Water Treatment and Distribution, and Sewage Collection and Disposal) are primarily supported by user fees.

Fund	2024 Budget	$ Chg. v. '23	Source of Revenues	2024 Budget	$ Chg. v. '23
General	$40,702,460	$2,241,620	Taxes	$28,076,450	$212,780
Solid Waste Disposal	$4,839,850	($76,380)	Licenses and Permits	$3,845,600	($254,020)
Water Treatment and Distribution	$4,689,410	$252,450	Intergovernmental	$9,154,800	($14,593,490)
Sewage Collection and Disposal	$8,483,400	$621,380	Charges for Services	$18,613,480	$1,460,600
Municipal Airport	$1,883,710	($151,760)	Miscellaneous Sources	$21,975,150	$15,920,450
Emergency Management	$25,000	$0	Interfund Transfers	$4,202,400	($518,210)
Heritage Fund	$400	$0	Bond Proceeds	$25,435,140	$12,445,530
Enterprise Properties Revolving Fund	$118,020	$118,020			
Capital Improvements	$53,336,950	$11,856,410	Total	$111,303,020	$14,673,640
TIFD	$700,010	$76,230	Applied/(Realized) Fund Balance	$3,476,190	$264,330
Total	$114,779,210	$14,937,970	Total Revenues and Fund Balance	$114,779,210	$14,937,970

The Lebanon School District and Grafton County are autonomous. The City Budget does not concern expenditures for those entities.

The Capital Improvements Fund is where the acquisition or construction of major, expensive, and long-lived capital facilities, equipment, and vehicles are budgeted; it is supported by multiple financing sources, but primarily through the issuance of long-term debt. The City strives to identify anticipated capital expenditures in a six-year Capital Improvement Program (CIP); the first year of the CIP makes up the Capital Improvements budget.

2. TO AUTHORIZE THE ISSUANCE OF BONDS OR NOTES TO FINANCE 2024 CAPITAL IMPROVEMENTS:

RESOLVED, by the City of Lebanon, that the City Treasurer, with the approval of the City Manager, is authorized to issue, in accordance with the Municipal Finance Act (RSA 33), a bond issue or bond issues in an amount not to exceed $25,435,140 (Twenty Five Million Four Hundred Thirty Five Thousand One Hundred Forty Dollars) as follows:

Department	Project Name	Estimated Useful Life	Paid for by	Amount
	GENERAL FUND			
FACILITIES				
Fire	Station 1 Replacement	20 years	Property Taxes	$22,669,940
DPW	City Hall Renovations (Phase 4)	20 years	Property Taxes	$150,000
DPW	~~City Owned Electric Vehicle Service~~ Equipment	20 years	Property Taxes	$50,200
CITY MANAGER	Main Street Building Demolition	20 years	Property Taxes	$250,000
FLEET & EQUIPMENT				
FIRE	Engine #2 Replacement	20 years	Property Taxes	$1,200,000
ROADS & BRIDGES				
DPW	Route 120-Etna Rd-Old Etna Rd Ped/Bike Improvements	20 years	Property Taxes	$152,000
OTHER				
REC	Westboro Park	20 years		$47,000
	SOLID WASTE FUND			
DPW-SOLID WASTE	Landfill Phase 3-4 Design, Permitting, and Construction	20 years	Solid Waste User Fees	$800,000
DPW-SOLID WASTE	Landfill Site Improvements	20 years	Solid Waste User Fees	$116,000
	TOTAL CITY CAPITAL IMPROVEMENTS PROGRAM			$25,435,140

BE IT FURTHER RESOLVED, that, except as herein otherwise provided, ~~discretion to fix the~~ dates, maturities, denominations, interest rate, form, and other details of said note(s)/issue(s), is hereby delegated to the City Treasurer, with the approval of the City Manager;

BE IT FURTHER RESOLVED, that, in accordance with the requirements of the Municipal Finance Act (RSA 33:2 Repayment of Loans), no loans issued to pay for public works or improvements shall exceed the expected useful life of said public works or improvements as determined by the City Council as designated in the foregoing table.

3. TO AUTHORIZE THE DISBURSEMENT OF WATER INVESTMENT FEE FUNDS:

RESOLVED, by the City of Lebanon, that funds in an amount not to exceed $100,000 (One Hundred Thousand Dollars) be disbursed from the Water Investment Fees Fund to the Capital Improvements Fund to partially fund the New Source Water Supply Study Investigation Phase 2.

4. TO ESTABLISH AN URBAN FORESTRY TRUST FUND IN ACCORDANCE WITH NH RSA 31:19-a

RESOLVED, by the City of Lebanon, that an Urban Forestry Trust Fund be established for the purpose of accumulating resources to provide for the planting and caring of urban shade and ornamental trees; that money in the Urban Forestry Trust Fund shall accumulate from year to year and shall not be considered part of the City's General Fund; that the City Manager may accept private donations, legacies, and devises to be placed in the fund; and that the City Manager shall be the agent of the City to carry out the purposes of the Fund.

5. TO ESTABLISH A DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT REIMBURSEMENT REVOLVING FUND IN ACCORDANCE WITH NH RSA 31:95-h

RESOLVED, by the City of Lebanon, that a Dependent Care Flexible Spending Account Reimbursement Revolving Fund be established for the purpose of accumulating resources for the reimbursement of Dependent Care Expenses in accordance with Federal Flexible Spending Account Guidelines.

6. TO RESCIND PRIOR AUTHORIZATIONS FOR THE ISSUANCE OF BONDS OR NOTES TOTALING $303,101.36 AS UNNECESSARY DUE TO PROJECT COMPLETION.

The City Council will consider rescinding previous authorizations for appropriations and issuance of bonds or notes concerning eight (8) bond/note issues totaling $303,101.46. This is an ongoing effort to reduce outstanding authorized but unissued long-term debt, the City's debt exposure, and the significant costs ultimately associated with servicing that debt.

7. TO AUTHORIZE THE DISBURSEMENT OF IMPACT FEES:

RESOLVED, by the City of Lebanon, that funds in an amount not to exceed $30,000 be disbursed from the Recreation Impact Fees Fund to the Capital Project Fund to partially fund the Westboro Park project.

Meetings are open for in-person and remote attendance. Members of the public that wish to attend remotely may do so by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the City's virtual platform or by phone. Please note: Should technical difficulties occur during the meeting that disrupts virtual or phone connection(s), the meeting will continue without remote access capabilities.

The foregoing notice was published in the *Valley News*, a newspaper of general circulation in the City of Lebanon, in accordance with the Code of the City of Lebanon on Saturday, November 25, 2023 and Saturday, December 2, 2023.

Jaseya Ewing

Jaseya Ewing, City Clerk

December 4, 2023

LEBANON CITY COUNCIL
NOTICE OF PUBLIC HEARINGS
Wednesday, December 13, 2023 - 6:00pm
Council Chambers, City Hall or
REMOTE VIA VIRTUAL PLATFORM
LebanonNH.gov/LIVE

The Lebanon City Council will hold public hearings on December 13, 2023, beginning at 6:00pm for the following:

A. **ADOPTION OF 2024 CITY BUDGET** – Public Hearing for the purpose of receiving public input and taking action to adopt the 2024 City Budget as proposed by the City Manager with additional actions to include: authorizing the issuance of bonds or notes to finance 2024 capital improvements; authorizing the disbursement of Water Investment Fee funds; establishing an Urban Forestry Trust Fund in accordance with NH RSA 31:19-a; establishing a Dependent Care Flexible Spending Account Reimbursement Revolving Fund in accordance with NH RSA 31:95-h; rescinding prior authorizations for the issuance of bonds or notes; and authorizing the disbursement of Recreation Impact Fees.

B. **AMEND ORDINANCE NO. 18, SALARY PLAN** – A public hearing for the purpose of receiving public input and taking action to amend Ordinance No. 18, Salary Plan, to include implementation of a 2.2% General Wage Increase, and to retitle, reclassify, and add positions to the existing salary plan.

The December 13, 2023 City Council agenda packet will be available on the City's website beginning December 8, 2023: LebanonNH.gov/Agendas

Meetings are open for in-person and remote attendance. Members of the public that wish to attend remotely may do so by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the City's virtual platform or by phone. Please note: Should technical difficulties occur during the meeting that disrupts virtual or phone connection(s), the meeting will continue without remote access capabilities.

The foregoing notice was published in the *Valley News*, a newspaper of general circulation in the City of Lebanon, in accordance with the Code of the City of Lebanon on Saturday, December 2, 2023.

Jaseya Ewing

Jaseya Ewing, City Clerk

Agenda
Lebanon City Council
December 13, 2023

5. Public Hearing Item:

5.B – Amendments to Ordinance #18, Salary Plan, To Include Implementation of A 2.2% General Wage Increase, And To Retitle, Reclassify, And Add Positions to the Existing Salary Plan

A public hearing for the purpose of receiving public input and taking action to amend Ordinance No. 18, Salary Plan, to include implementation of a 2.2% General Wage Increase, and to retitle, reclassify, and add positions to the existing salary plan.

The City Council scheduled this public hearing at its November 15, 2023 regular meeting. The public hearing was properly noticed in the Valley News on December 2, 2023 in accordance with City Code and State Law.

BACKGROUND

The City Council is asked to take action to amend Ordinance #18, Salary Plan, as follows:

1. Implement a 2.2% General Wage Increase for 2024, for all Non-Affiliated positions, and all positions within the following Bargaining Units: Lebanon Professional, Administrative, and Salaried Employees (LPASE), Lebanon Permanent Firefighters' Association, Local 3197/International Association of Fire Fighters (LPFFA/IAFF) and Lebanon Police Benevolent Association (LPBA)/New England Police Benevolent Association (NEPBA)
2. Article II, Non-Affiliated Employees to:
    - I. Add the non-exempt position of Facilities Maintenance Specialist, within the Public Works Department, to Grade 4.
3. Article II, LPASE Employees to:
    - I. Add the non-exempt position of Cemetery Supervisor, within the Public Works Department, to Grade 9.
    - II. Retitle Solid Waste Foreperson, Grade 9 position, to Solid Waste Supervisor.
4. Article II, Seasonal/Temporary & Stipend Employees to:
    - I. Retitle the following positions, with the Library Department:
        - a. Circulation Substitutes retitled to Library Clerk I
        - b. Custodian Substitutes retitled to Library Custodian Substitute
        - c. Reference Librarian Substitutes retitled to Library Clerk II
    - II. Implement additional wage adjustments to the following positions:
        - a. Outdoor Adventurer – Educator
        - b. Library Clerk I (Newly Retitled)
        - c. Library Custodian Substitute (Newly Retitled)
    - III. Relocate the following positions:
        - a. Tree Warden from Recreation, Arts & Parks Stipend Positions, to Public Works Positions, as a non-exempt position.
        - b. Softball Coordinator position from Recreation, Arts & Parks Positions, to Recreation, Arts & Parks as a stipend position.
5. Article III, Bargaining Unit Employees, Section A, AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO, to:

I. Retitle the following positions:
   a. Airport Maintenance Foreman to Airport Maintenance Supervisor
   b. Foreman to Supervisor
   c. Parks & Grounds Crew Foreman to Parks & Grounds Crew Supervisor

6. Article III, Bargaining Unit Employees, Section B, Lebanon Permanent Firefighters' Association, LOCAL 3197/International Association of Fire Fighters (IAFF), to:
   I. Adjust pay grades in conformance to the Collective Bargaining Agreement, and the Wage Study conducted in May of 2021.

2024 General Wage Increase (GWI)

The City Manager is responsible for maintaining the City's Compensation and Classification Plan. Within Ordinance #18, compensation for exempt (salaried) and non-exempt (hourly) Non-Affiliated employees is expressed as a minimum and maximum grade range, via hourly rates for non-exempt employees, and weekly rates for exempt (salaried) employees. Movement within ranges is achieved through annual General Wage Increases, and merit or step adjustments, applicable for employees who are not already at the top of their wage range. To be useful, it is imperative that compensation and classification systems be kept current. This is achieved primarily by revising compensation ranges through regular general wage adjustments and by systematically reviewing all positions on a regular basis. This is achieved by meaningful sampling of the labor market and internally relative to other positions.

For general wage adjustments, the City's practice is to use the percentage change in the Northeast Region CPI for June, from 12 months prior, with a minimum adjustment of 1% (floor), and a maximum adjustment of 3% (ceiling). This is true for Non-Affiliated (non-union) employees, as well as those that belong to our Collective Bargaining Units, which include:

- Lebanon Professional, Administrative, and Salaried Employees (LPASE)
- American Federation of State, County and Municipal Employees, Local #1348/Council 93 AFL-CIO (AFSCME)
- Lebanon Permanent Firefighters' Association, Local 3197/International Association of Fire Fighters (LPFFA/IAFF)
- Lebanon Police Benevolent Association (LPBA)/New England Police Benevolent Association (NEPBA)

The increase in the Northeast Region CPI, for the period of June 2022-June 2023, was 2.2%. As a result, the City Council is being asked to take action, and implement a 2.2% General Wage Increase for all employees, as part of the 2024 City Budget. This change would be effective as of the first pay period of 2024.

In addition to the General Wage Increase (GWI), City Administration is proposing additional amendments, as outlined below.

Article II, Non-Affiliated Employees

City Administration is proposing the addition of a Facilities Maintenance Specialist position. The Facilities Maintenance Specialist is a non-exempt, Grade 4 position.

Article II, LPASE Employees

City Administration is proposing the addition of a Cemetery Supervisor position. The Cemetery Supervisor is a non-exempt, Grade 9 position.

Administration is also proposing that the Grade 9, Solid Waste Foreperson position be retitled Solid Waste Supervisor.

Article II, Seasonal/Temporary & Stipend Employees

The following positions within the Library Department are to be retitled:

1. Circulation Substitutes retitled to Library Clerk I
2. Custodian Substitutes retitled to Library Custodian Substitutes
3. Reference Librarian retitled to Library Clerk II

Furthermore, due to the difficultly hiring for specific positions within the Seasonal/Temporary & Stipend classification, Administration is proposing additional wage adjustments, above the 2.2% GWI, for three positions, to include:

1. Outdoor Adventurer – Educator
2. Library Clerk I (Newly Titled)
3. Library Custodian Substitutes (Newly Titled)

Administration is proposing that the Tree Warden position, currently a position within the Recreation, Arts and Parks Department, be relocated to the Public Works Department and be changed from a stipend employee to an hourly employee; and that the Softball Coordinator position be relocated from an hourly employee to a stipend employee.

Article III, Bargaining Unit Employees

SECTION A, AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO

For consistency purposes, City Administration is proposing that the following AFSCME positions be retitled:

1. Foreman retitled to Supervisor
2. Airport Maintenance Foreman retitled to Airport Maintenance Supervisor
3. Parks & Grounds Crew Foreman retitled to Parks & Grounds Crew Supervisor

SECTION B, LEBANON PERMANENT FIREFIGHTERS' ASSOCIATION, LOCAL 3197/ INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS (IAFF)

In conformance with the Collective Bargaining Agreement, and in addition to the GWI of 2.2%, pay grades in this Bargaining Unit will be escalated to the 60^{th} percentile of the Wage and Salary Study, conducted in May of 2021.

SECTION C, LEBANON POLICE BENEVOLENT ASSOCIATION (LPBA)/NEW ENGLAND POLICE BENEVOLENT ASSOCIATION (NEPBA)

No additional amendments are proposed.

Amendment Process

Samantha Lauzon, Human Resources Director, will be present to discuss all proposed amendments and answer any questions the City Council may have.

Amending Ordinance #18 requires three separate presentations (see City Charter subsections §419:22, §419:24, §419:25, §419:52), followed by a public hearing, and the vote of at least two-thirds (2/3) of all members of the City Council - six (6) members - to adopt.

The first presentation was recognized by the City Council on November 15, 2023. The second presentation was acknowledged on December 6, 2023. The Council is asked to finalize the amendment process by acknowledging the third presentation and acting to amend the Salary Plan following the close of the public hearing.

The tables below reflect all changes (as shown in red text), to include the addition of new positions, changes in position titles and/or classification, as well as the 2.2% General Wage Increase. These changes would be effective as of the first pay period of 2024.

The following pay plan shall be in effect the first pay period of 2024.

REGULAR FULL-TIME/REGULAR PART-TIME NON-AFFILIATED & LPASE EMPLOYEES 2024 SALARY & GRADES TO INCLUDE 2.2% GWI					
Grade	**Position Title**	**Hourly**		**Weekly**	
		Minimum	**Maximum**	**Minimum**	**Maximum**
1	General Intern	*$18.18*	*$26.57*	-	-
2	Custodian	*$20.43*	*$27.58*	-	-
	Department Secretary	-	-	-	-
3	Airport Maintenance Worker	*$21.67*	*$29.24*	-	-
	Custodian I	-	-	-	-
	Accounting Clerk	-	-	-	-
4	Library Assistant	*$22.95*	*$30.98*	-	-
	Custodial Supervisor	-	-	-	-
	Facilities Maintenance Specialist (New)	-	-	-	-
5		*$24.32*	*$32.85*	-	-
6		*$25.77*	*$35.18*	-	-
7	Administrative Secretary	*$27.34*	*$38.67*	-	-
	Assessing Clerk	-	-	-	-
	Assistant City Clerk	-	-	-	-
	Assistant Human Services Director	-	-	-	-
	Communications Specialist	-	-	-	-
	Library Administrative/Technical Assistant	-	-		-
8	Accounting Clerk III	*$30.07*	*$40.58*	-	-
	Administrative Assistant	-	-	-	-
	Benefits Specialist	-	-	-	-
	Payroll Specialist	-	-	-	-

	Deputy City Clerk	-	-	-	-
	Deputy Tax Collector	-	-	-	-
	Deputy City Clerk/Deputy Tax Collector	-	-	-	-
	Field Inspector**	-	-	-	-
	Electrical Inspector**	-	-	-	-
	Utility Billing Clerk	-	-	-	-
	Outreach Librarian	-	-	*$1,202.64*	*$1,623.50*
	Children's Librarian	-	-	-	-
9	Code Health Inspector**	*$33.07*	*$44.65*	-	-
	Executive Assistant	-	-	-	-
	Public Relations Coordinator	-	-	-	-
	Digital Media Officer	-	-	-	-
	Deputy Assessor	-	-	-	-
	Cyber Services Technical Specialist	-	-	-	-
	Real Estate Appraiser II**	-	-	-	-
	~~***Solid Waste Foreperson*****~~	-	-	-	-
	Solid Waste Supervisor**				
	Cemetery Supervisor (New)**	-	-	-	-
	Associate Planner**	-	-	*$1,322.88*	*$1,786.15*
10	Asset Manager**	*$36.42*	*$49.16*		-
	Assistant City Engineer**			-	-
	Financial Analyst	-	-	-	-
	Community Nurse	-	-	-	-
	Police Communications Supervisor**	-	-	-	-
	Recreation Program Coordinator**	-	-	*$1,456.88*	*$1,966.38*
	Youth Services Librarian	-	-	-	-
11	Technical Advisor I	*$38.60*	*$52.10*	-	-
	Cemetery Sexton**	-	-	-	-
	Fleet Maintenance Supervisor**	-	-	-	-
	Maintenance Superintendent**	-	-	-	-
	Utilities Maintenance Superintendent**	-	-	-	-
	System Administrator	-	-	-	-
	Airport Operations Supervisor**	-	-	*$1,544.04*	*$2,083.91*
	Assistant Recreation Director**	-	-	-	-
	Code Enforcement Director**	-	-	-	-
	Fire Marshall**	-	-	-	-
	Planner/GIS Coordinator**	-	-	-	-
	Senior Planner**	-	-	-	-
	Systems Librarian	-	-	-	-
	Information Technology Librarian	-	-	-	-
12	Wastewater Treatment Superintendent**	*$40.91*	*$55.23*	-	-
	Water Treatment Superintendent**	-	-	-	-
	Administrative Services Manager**	-	-	*$1,636.34*	*$2,209.02*
	City Assessor**	-	-	-	-
	City Clerk/Tax Collector	-	-	-	-
	City Engineer**	-	-	-	-
	City Planner**	-	-	-	-
	Deputy Library Director	-	-	-	-
	Energy & Facilities Manager**	-	-	-	-
	Human Services Director	-	-	-	-

	Police Lieutenant**	-	-	-	-
	Prosecuting Attorney	-	-	-	-
	Solid Waste Manager	-	-	-	-
13	Chief Innovation Officer	-	-	*$1,734.53*	*$2,341.63*
	Cyber Security Analyst	-	-	-	-
	Deputy Finance Director	-	-	-	-
	Deputy Human Resources Director	-	-	-	-
	Deputy Fire Chief**	-	-	-	-
	Information Systems Manager**	-	-	-	-
	Maintenance Manager	-	-	-	-
	Police Captain**	-	-	-	-
	Deputy Planning and Development Director	-	-	-	-
	Systems and Operations Administrator	-	-	-	-
14	Human Resources Specialist	*$45.97*	*$62.06*	-	-
	Airport Manager	-	-	*$1,838.70*	*$2,482.05*
	Assistant Director/Public Works	-	-	-	-
	Assistant Fire Chief	-	-	-	-
	Chief Assessor	-	-	-	-
	Human Resources Director	-	-	-	-
	Library Director	-	-	-	-
	Lead Network Infrastructure Engineer	-	-	-	-
	Recreation, Arts & Parks Director	-	-	-	-
15	Deputy Police Chief	-	-	*$2,065.67*	*$2,630.81*
16	Technical Advisor II	*$56.57*	*$71.59*	-	-
	Chief of Police	-	-	*$2,262.71*	*$2,863.64*
	Planning and Development Director	-	-	-	-
	Public Works Director	-	-	-	-
	Finance Director	-	-	-	-
	Fire Chief	-	-	-	-
	Cyber Services Director	-	-	-	-
	Deputy City Manager	-	-	-	-

**Denotes LPASE Employees for which the January 1, 2024, GWI shall be based on the Northeast Region CPI for June 2022 – June 2023, but in no case shall be less than one percent (1%), nor greater than three percent (3%).

B. Seasonal/Temporary& Stipend Employees

POSITION TITLE	HOURLY	
ELECTION POSITIONS (HOURLY)		
Ballot Clerk	-	*$15.63*
Election Assistant	-	*$15.63*
Supervisors of the Checklist	-	*$15.63*
Moderator	-	*$22.32*
Ward Clerk	-	*$22.32*
ELECTION DAY STIPEND		
Chair Supervisor of the Checklist	-	*$250.25*
Supervisor of the Checklist	-	*$212.00*
FIRE DEPARTMENT POSITIONS		
Call Firefighter	*$12.56*	*$31.85*
RECREATION, ARTS & PARKS POSITIONS		
Front Desk Attendants – Pool	*$11.32*	*$17.02*

Lifeguards	*$11.32*	*$19.53*
Head/Lead Counselors	*$14.74*	*$18.12*
Head & WSI Lifeguards	*$13.59*	*$20.37*
Head Front Desk Attendant - Pool	*$13.59*	*$17.00*
Outdoor Adventurer - Educator	***$15.00***	***$20.00***
~~*Softball Coordinator*~~	~~*$14.15*~~	~~*$18.12*~~
Day Camp Counselors	*$11.32*	*$17.02*
Arts & Craft Director	*$14.74*	*$18.97*
Farmers Market Coordinator	*$15.86*	*$20.39*
Market Assistant	*$13.59*	*$17.00*
Tennis Instructor	*$17.00*	*$21.52*
Stomp & Romp	*$17.00*	*$21.52*
Pool Operations Manager	*$17.00*	*$23.43*
Asst. Pool Director	*$17.00*	*$23.43*
Assistant Camp Director	*$17.00*	*$23.43*
Pool Director	*$18.12*	*$26.78*
Camp Director	*$18.12*	*$26.78*
RECREATION, ARTS & PARKS STIPEND POSITIONS: Sport Coaches – Seasonally (Lacrosse, Track, Youth – Basketball, Field Hockey, Football, Cheerleader Coach etc. – may vary due to Programs)	*$228.74*	*$797.81*
Softball Coordinator - Stipend	***$1,981.00***	***$2,536.80***
~~*Tree Warden – Stipend*~~	~~*$2,555.00*~~	~~*$5,110.00*~~
LIBRARY POSITIONS		
~~*Circulation Substitutes*~~ **Library Clerk I**	-	***$18.00***
~~*Custodian Substitutes*~~ **Library Custodian Substitutes**	-	***$20.00***
~~*Reference Librarian Substitutes*~~ **Library Clerk II**	-	*$25.27*
PUBLIC WORK POSITIONS		
Engineering Clerk	*$12.47*	*$15.86*
GIS Clerk – (or Intern)	*$17.00*	*$19.26*
Seasonal Laborers – Summer & Fall DPW, Parks & Rec.& Airport	*$18.12*	*$22.90*
Tree Warden	***$23.00***	***$26.00***
CDL Seasonal Drivers	*$25.45*	*$55.79*
PLANNING POSITIONS		
Park Ranger	*$17.00*	*$19.26*
POLICE DEPARTMENT POSITIONS		
Crossing Guard	-	*$18.45*
*Communications Specialist	*$27.34*	*$38.67*
Police Administrative Aide	*$22.66*	*$26.05*
Parking Control Officer	*$22.66*	*$26.05*
Police Officers	*$29.34*	*$38.78*
CITY CLERK POSITIONS		
*Assistant City Clerks (Part-Time/Temp. <20)	*$27.34*	*$38.67*
Lead Recording Secretary	*$25.46*	*$30.98*
Recording Secretary	*$24.35*	*$26.61*
Recording Secretary Coordinator	*$25.46*	*$27.19*
SHARED POSITION		
General Intern I	*$14.74*	*$18.69*

Article III, Bargaining Unit Employees

A. AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO

Employees covered by the terms and conditions of the Collective Bargaining Agreement between the City and AFSCME (American Federation of State, County and Municipal Employees) Local #1348/Council 93 AFL-CIO, (effective January 1, 2022 to December 31, 2024) shall be paid in accordance with the accompanying pay plan covering the time period of the first pay period of 2024, through the last pay period of 2024, as provided in that Agreement, and as placed on file in the office of the City Clerk.

AFSCME POSITIONS	
GRADE	**POSITION(s)**
1	Laborer
2	Utility Operator Trainee
3	Operator; Recycling Attendant; Construction Utility Operator I; Meter/Backflow Technician; Scale Technician
4	Light Equipment Operator; Airport Maintenance Technician;
5	Heavy Equipment Operator; Utilities Operator I; Airport Maintenance Specialist; Maintainer (Cemetery Crew Leader); Utilities Operator I;
6	Mechanic; Water Treatment Plant Operator; Wastewater Treatment Plant Operator;
7	Laboratory Technician/ Utilities Plant Operator; Airport Maintenance ~~Foreman~~ Supervisor; Utilities Maintenance Mechanic; Engineering Technician;
8	~~*Foreman*~~ Supervisor; Parks & Grounds Crew ~~*Foreman*~~ Supervisor
9	Chief of Quality Assurance, Electrician

AFSCME LOCAL 1348 - 2024 SALARY GRADES							**2.2% GWI**
<u>Minimum</u> **<u>Maximum</u>**							
<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>
1	$19.96	$20.52	$21.12	$21.72	$22.27	$22.96	$23.67
2	$21.53	$22.16	$22.80	$23.42	$24.04	$24.78	$25.55
3	$23.25	$23.95	$24.65	$25.31	$26.04	$26.85	$27.68
4	$25.11	$25.89	$26.63	$27.40	$28.20	$29.07	$29.98
5	$27.21	$28.03	$28.86	$29.69	$30.56	$31.51	$32.49
6	$29.46	$30.34	$31.32	$32.28	$33.26	$34.25	$35.18
7	$31.92	$32.92	$33.96	$35.00	$36.05	$37.13	$38.13
8	$33.52	$34.58	$35.68	$36.78	$37.96	$39.12	$40.64
9	$36.40	$37.54	$38.77	$39.98	$41.21	$42.44	$44.18

The January 1, 2024, GWI shall be based on the Northeast Region CPI, for June 2022 – June 2023, but in no case shall be less than one percent (1%) nor greater than three percent (3%).

B. LEBANON PERMANENT FIREFIGHTERS' ASSOCIATION LOCAL 3197 / INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS (IAFF)

Employees covered by the terms and conditions of the Collective Bargaining Agreement between the City and Lebanon Permanent Firefighters' Association Local 3197/International Association of Fire Fighters (IAFF), (effective January 1, 2022 to December 31, 2024), shall be paid in accordance with the accompanying pay plan covering the time period of the first pay period of 2024, through the last pay period of 2024, as provided in that Agreement, and as placed on file in the office of the City Clerk.

LEBANON PERMANENT FIREFIGHTERS/IAFF - 2024 SALARY GRADES							**2.2% GWI**
Minimum **Maximum**							
Position Title	**Step 1**	**Step 2**	**Step 3**	**Step 4**	**Step 5**	**Step 6**	**Step 7**
Firefighter - EMT	$25.81	$26.64	$27.46	$28.32	$29.13	$29.96	$30.88
Firefighter - Paramedic	$29.23	$30.11	$31.04	$31.89	$32.76	$33.66	$34.59
Fire Alarm Technician	$35.94	$36.69	$37.44	$38.15	$38.90	$39.61	$40.33
Lieutenant	$34.59	$35.07	$35.56	$36.06	$36.54	$37.02	$37.51
Fire Inspector	$36.22	$36.80	$37.43	$38.01	$38.63	$39.22	$39.87
Lieutenant - Paramedic	$36.09	$36.57	$37.04	$37.51	$38.01	$38.46	$38.95
Captain	$42.24	$42.67	$43.17	$43.62	$44.08	$44.56	$45.01
Inspector - Paramedic	$37.52	$38.10	$38.67	$39.27	$39.84	$40.41	$41.06
Captain - Paramedic	$42.71	$43.16	$43.59	$44.04	$44.50	$44.93	$45.44

The January 1, 2024, GWI shall be based on the Northeast Region CPI, for June 2022 – June 2023, but in no case shall be less than one percent (1%) nor greater than three percent (3%).

C. LEBANON POLICE BENEVOLENT ASSOCIATION (LPBA)/NEW ENGLAND POLICE BENEVOLENT ASSOCIATION (NEPBA)

Employees covered by the terms and conditions of the Collective Bargaining Agreement between the City of Lebanon and the Lebanon Police Benevolent Association (LPBA)/New England Police Benevolent Association (NEPBA), (effective January 1, 2022 to December 31, 2024), shall be paid in accordance with the accompanying pay plan covering the time period of the first pay period of 2024, through the last pay period of 2024, as provided in that Agreement, and as placed on file in the office of the City Clerk.

LEBANON POLICE BENEVOLENT ASSOCIATION – 2024 SALARY GRADES							**2.2%GWI**
Minimum **Maximum**							
Position Title	**Step 1**	**Step 2**	**Step 3**	**Step 4**	**Step 5**	**Step 6**	**Step 7**
Patrol Officer	$29.34	$31.05	$32.12	$33.71	$35.40	$37.19	$38.78
Corporal	$39.90	-	-	-	-	-	-
Sergeant	$39.90	$40.74	$41.78	$42.85	$43.89	$44.94	$46.04

The January 1, 2024, GWI shall be based on the Northeast Region CPI, for June 2022 – June 2023, but in no case shall be less than one percent (1%) nor greater than three percent (3%).

ACTION

The City Council is asked to act on the following:

1. ACKNOWLEDGE THIRD PRESENTATION:

MOVED, that the Lebanon City Council acknowledges the third of three presentations to amend Ordinance #18, Salary Plan, as outlined in the tables contained on pages ___ through ___ of the December 6, 2023, City Council Agenda Packet:

2. RESOLUTION:

FOR THE PURPOSE OF amending Ordinance #18, Salary Plan.

NOW THEREFORE BE IT RESOLVED, that the Lebanon City Council hereby amends Ordinance #18 to implement a 2.2% General Wage Increase for 2024 for all City employees; and to implement all other changes as outlined in the tables contained on pages ____ through ____ of the December 13, 2023 City Council Agenda Packet, effective the first pay period of 2024.

BE IT FURTHER RESOLVED, that the 2024 approved pay rate for the Library Clerk I position is retroactive to May 23, 2023.

Included in this Section:

1. Notice of Public Hearing as Published in the December 2, 2023 Edition of the Valley News

December 4, 2023

LEBANON CITY COUNCIL
NOTICE OF PUBLIC HEARINGS
Wednesday, December 13, 2023 - 6:00pm
Council Chambers, City Hall or
REMOTE VIA VIRTUAL PLATFORM
LebanonNH.gov/LIVE

The Lebanon City Council will hold public hearings on December 13, 2023, beginning at 6:00pm for the following:

A. **ADOPTION OF 2024 CITY BUDGET** – Public Hearing for the purpose of receiving public input and taking action to adopt the 2024 City Budget as proposed by the City Manager with additional actions to include: authorizing the issuance of bonds or notes to finance 2024 capital improvements; authorizing the disbursement of Water Investment Fee funds; establishing an Urban Forestry Trust Fund in accordance with NH RSA 31:19-a; establishing a Dependent Care Flexible Spending Account Reimbursement Revolving Fund in accordance with NH RSA 31:95-h; rescinding prior authorizations for the issuance of bonds or notes; and authorizing the disbursement of Recreation Impact Fees.

B. **AMEND ORDINANCE NO. 18, SALARY PLAN** – A public hearing for the purpose of receiving public input and taking action to amend Ordinance No. 18, Salary Plan, to include implementation of a 2.2% General Wage Increase, and to retitle, reclassify, and add positions to the existing salary plan.

The December 13, 2023 City Council agenda packet will be available on the City's website beginning December 8, 2023: LebanonNH.gov/Agendas

Meetings are open for in-person and remote attendance. Members of the public that wish to attend remotely may do so by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the City's virtual platform or by phone. Please note: Should technical difficulties occur during the meeting that disrupts virtual or phone connection(s), the meeting will continue without remote access capabilities.

The foregoing notice was published in the *Valley News*, a newspaper of general circulation in the City of Lebanon, in accordance with the Code of the City of Lebanon on Saturday, December 2, 2023.

Jaseya Ewing

Jaseya Ewing, City Clerk

7. New Business:

7.A – Review and adoption of amendments to City Council Policy CC-101, Fund Balance

Background

The City Council annually re-adopts the Fund Balance Policy. The Fund Balance Policy ensures the City has sufficient reserves to meet the emergency needs of the City as well as the maintenance of cash flow throughout the year. In 2009 the City entered into a consent decree with the US EPA to address the City's violation of the Clean Water Act. The City had combined sanitary sewer and storm water drains which were common in the 1800's and 1900's. The Clean Water Act was passed into law by Congress in 1972. Municipalities were required to separate sanitary sewers from storm drains to ensure that raw sewer was not discharged into rivers, lakes and streams.

The City began an extensive project to separate its sewer system from the storm drain system which was completed in 2021. The cost of the project was $71 million. The City implemented a plan to fund the project over time which included a higher fund balance in the general fund to a range of 19% to 24%. This allowed sufficient reserves to be built up to address projected spikes in later years of the project as the work accelerated. The reserve funding that was built up was used to smooth the tax rate in those years where debt service spikes occurred.

Now that the project is completed there is no need to maintain fund balance ratios at this higher range. The NH Department of Revenue Administration has recommended a minimum range of 5% to 17% of general fund balance or no less than two months of operating revenues or regular general fund operating expenses. This mirrors the recommendations of the Government Accounting Standards Board Statement 54 and the Government Finance Officers Association. Further, support for this standard can be found by the National Advisory Council on State and Local Budgeting in its publication of *Framework for improved State and Local Government Budgeting: Recommended Budget Practices.*

The collective guidance further states, "Retention amounts, as part of the municipality's stabilization fund policy [1], should be assessed dependent upon your governments own long-term forecasts and special circumstances." The City relies predominantly on property taxes to fund its operations. Property taxes tend to be more reliable and less susceptible to economic fluctuations. Some municipalities in other states rely heavily upon sales and income taxes as well as funding from their respective states. These sources of revenue are far more volatile.

The City Manager is proposing a change in the fund balance range to 15% to 19%. The City has sustained damages to roadway infrastructure in 2017 and most recently this past summer. The frequency and severity of storm events has caused significant damage to our infrastructure which requires immediate action while at the same time we don't have specific funds in the annual operating budget to address these unanticipated costs. Reducing the range to the minimum range of 5% to 17% does not provide sufficient reserves to meet the City's emergency needs or cash flow needs. The City Manager proposes revision of the Fund Balance policy that is projected to meet the emergency needs of the City and cash flow needs.

Action

MOVED, that the Lebanon City Council approves the revisions to the Fund Balance Policy CC-101 now named CC-101.1 as included in the December 13, 2023 City Council Agenda Packet.

Included in this Section:

1. Fund Balance Policy CC-101.1 as revised.

City of Lebanon
New Hampshire

COUNCIL POLICY Fund Balance Policy			
Policy Number	*Effective Date*	*Last Revision*	*Page No.*
CC-101.1	6/20/2018	12/13/23	Page **1** of **5**
Approved by:	City Council		

Section 1.0: Purpose

To provide adequate financial resources to ensure the continued orderly operation of government and the provision of services to residents and the continued stability of the tax or rate structure that can be threatened by uncertainty emanating from a number of areas including economic uncertainty, unanticipated changes in federal and state policies, imposition of federal and state mandates, unanticipated expenditures resulting from natural disasters or other unforeseen circumstances, errors in estimating expenditures and revenues, potential drain on resources from funds facing financial difficulties, and disparities in timing between revenue collections and expenditures.

Section 2.0: Scope

Funds other than the General Fund exist primarily to ensure and demonstrate compliance with limitations on the use of existing resources or as enterprises. The General Fund, as the chief operating fund of the City, has a broader mandate which may include accumulating sufficient financial resources for contingencies. Accordingly, this Policy is limited to the General Fund. Fund balance is a measurement of available financial resources and is the difference between total assets and total liabilities in each fund. Governmental Accounting Standards Board (GASB) Statement No. 54 distinguishes fund balance classified based on the relative strength of the constraints that control the purposes for which specified amounts can be spent.

Section 3.0: Definitions

1) *Appropriate* – is a policy decision to set apart from the public revenue a certain sum for a specified public purpose and to authorize the expenditure of that sum for that purpose. The most important policy tool is the annual budget. Policy is *what* is going to be done. The budget is the means of determining *what* will get done because that is where money is allocated to programs, services, projects and facilities.

City of Lebanon
New Hampshire

COUNCIL POLICY			
Fund Balance Policy			
Policy Number	*Effective Date*	*Last Revision*	*Page No.*
CC-101.1	6/20/2018	12/13/23	Page **2** of **5**
Approved by:	City Council		

Appropriations can be made only by vote of the legislative body. Legislative power is the power to set overall policy, the power to raise and appropriate money (tax and spend) and set the purposes for expenditures. The City Council is the City's legislative body; the county convention, which consists of the state representatives comprising Grafton County, is the county's legislative body (NH RSA 24), acting on budgetary recommendations compiled by the county commissioners; the annual meeting of the Lebanon School District is that entity's legislative body.

2) *Assigned Fund Balance* – includes amounts the City intends to be *used for specific purposes but are neither restricted or committed*. In accordance with GASB Statement No. 54, funds that are intended to be used for specific purpose, but have not received the formal approval action at the governing body level (City Council), may be recorded as assigned fund balance. Likewise, redeploying assigned resources to an alternative use does not require formal action by the City Council. GASB Statement No. 54 states that resources can be assigned by the governing body or by another internal body or person whom the governing body gives the authority to do so. Therefore, having considered the requirements to assign fund balance, the City Manager, or the City Manager's designee, shall have the authority to assign fund balance.

Encumbrances (purchase orders), or other contractual commitments, the provision of contingency for assessment abatements and bankruptcy proceedings, special revenue funds and capital project funds are examples of assigned fund balance.

3) *Committed Fund Balance* – includes amounts that can be *used only for the specific purposes determined by a vote of the City Council*. Commitments may be rescinded, changed or lifted only by a subsequent vote of the City Council. Included are expendable trust funds (capital reserve funds).

4) *Current General Fund Budgeted Expenditures* – are related to the appropriated budget of the current year and not prior year expenditures carried over to the current year as encumbrances or non-budgeted current year expenditure adjustments.

5) *Encumbrance* – is a purchase order, a contractual (outstanding) commitment. The process of encumbering budgeted funds is meant to

ensure budgetary compliance both to prevent overspending appropriations for the year and to detect violations of budgetary authority.

6) *Fund* – segregates resources (revenues) and requirements (expenditures) that are legally restricted to specific uses.
7) *Non-spendable Fund Balance* – includes amounts *not in spendable form*, such as inventory, or amounts required to be maintained intact legally or contractually such as for inventory, prepaid items, and the non-expendable portion of permanent trust funds.
8) *Restricted Fund Balance* – includes *amounts that are subject to externally enforceable legal restrictions* and can be spent only for the specific purposes stipulated by law, ordinance or regulation, external resource providers or through enabling legislation. Restrictions applicable to this fund balance may not be changed or lifted by the City without the consent of the resource providers or enabling legislation. Included are library funds, the income balance of permanent funds (trust funds), grant funds and unspent bond proceeds.
9) *Unassigned Fund Balance* – is the *residual classification for the City's General Fund* and includes all amounts not contained in other fund balance component classifications and therefore not subject to any constraints. Appropriation from Unassigned Fund Balance requires approval of the City Council.
10) *Unassigned Fund Balance Maintenance Range* – an amount of money, in dollars or as a percentage of a defined base, that is considered a prudent level at which to maintain the unassigned fund balance.
11) *Unrestricted Fund Balance* – is total fund balance less non-spendable fund balance and restricted fund balance, which is the total of committed fund balance, assigned fund balance and Unassigned Fund Balance.

Section 4.0: Policy Detail

1) Spending Prioritization:
    a. When both restricted and unrestricted funds (committed, assigned and unassigned) are available for expenditure, restricted funds should be spent first unless legal requirements disallow it.

b. When committed, assigned and unassigned funds are available for expenditure, committed funds should be spent first, assigned funds second, and unassigned funds last.

2) Unassigned Fund Balance Maintenance Range:

a. It is the objective of the City to maintain an Unassigned Fund Balance of 15% to 19% of gross current General Fund budgeted expenditures.

b. The City considers a balance of less than 15% to be a cause for concern and, considering factors or circumstances that may require a higher than normal maximum level of Unassigned Fund Balance, a balance of more than 19% as excessive.

c. In the event Unassigned Fund Balance is less than 15%, restorative steps shall be taken in the immediate subsequent fiscal years.

d. In the event Unassigned Fund Balance is more than 19%, steps should be taken to reduce the excess balance in the immediate subsequent fiscal years, or a plan for doing so over a reasonable period should be prepared, including an explanation of how the excess fund balance will be reduced to an acceptable level. An amount more than 19% may be considered to reduce tax levy requirements determined in conjunction with the annual budget process, as a capital improvement funding component, for reservation to accumulate funding for future capital improvements, or for any legal purpose deemed appropriate and desirable by the City Council.

e. This Policy is not intended to preclude the administrative application of Unassigned Fund Balance as a companion to the budgeted application of Unassigned Fund Balance as a mitigating utility in setting the annual Municipal Tax Rate.

3) This Policy shall be reviewed annually by the City Council and revised as warranted.

Section 5.0: References (Charter/Code/State Statues)

1) *Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.*

2) *NH Department of Revenue Administration administrative rule Rev. 1702.05 Hierarchy of Generally Accepted Accounting Principles for Municipalities.*

3) *The National Advisory Council on State and Local Budgeting (NACSLB), (1998), Framework for Improved State and Local Government Budgeting: Recommended Budget Practices (4.1), pg 17.*

Section 6.0: Policy & Procedure Revision History

	Section	Revisions	Date
Original Adoption			6/20/18
Reviewed			6/19/19
Reviewed			7/15/20
Reviewed			8/04/21
Reviewed			8/3/22
Revised	2, a,b,c,d	Change UFB balance range to 15%-19%	12/13/23

Agenda
Lebanon City Council
December 13, 2023

7. New Business:

7.B – Review and Adoption of Amendments to City Council Policy CC-107, Debt Management

Background

The City Council implemented a Debt Management Policy in 2021 to formalize the procedures for setting the City's internal debt limits for the General Fund, Water Fund and Solid Waste Fund. The provisions relative to the Sewer Fund were on hold awaiting a capital needs assessment which has now been completed.

The first proposed change to the policy is to establish the procedure for sewer rates by setting a base rate of a 5% increase each year with a variable inflator added to that percentage based upon the Consumer Price Index (CPI) for the Northeast Region for Urban Wage Earners. The period for the CPI assessment would be a look back of the previous 12 months from June 30th. In no event shall the increase be over 8% in the sewer rate. The criteria mirrors the criteria of the water rate process. These rate limits establish how much debt can be incurred using the debt service amounts and other operational expenses while at the same time staying with the annual budget.

The second proposed change to the policy would change the debt ceiling calculation to allow additional borrowing above the calculated debt ceiling for projects. This change would allow projects that are partially grant funded during those periods (budget years) in which the principal debt limit supported by the General Fund has reached or exceeded the ceiling. These grant funded projects, more specifically the City's portion of the project that requires borrowing would still be calculated into the debt ceiling. Once the debt ceiling is reached, projects that are not partially grant funded cannot be proposed or approved until capacity is made available within the debt ceiling.

Action

MOVED, that the Lebanon City Council approves the revisions to the Debt Management Policy CC-107 now identified as CC-107.1 as included in the December 13, 2023 City Council Agenda Packet.

Included in this Section:

1. Debt Management Policy CC-107.1 as revised.

COUNCIL POLICIES & PROCEDURES			
DEBT MANAGEMENT POLICY			
Policy Number	*Effective Date*	*Last Revision*	*Page No.*
CC-107.1	**9/15/2021**		Page **1** of **7**
Approved by:	City Council		

Section 1.0: Purpose

The incurring of debt to fund public infrastructure is a key component of the City's strategy to spread the cost of significant long-term assets over their useful life. Further, by spreading the cost of the asset over a longer period of time ensures that future users will help to pay for the cost. This document outlines the City's policy regarding debt limits, debt structuring, debt issuance and debt management.

Section 2.0: Scope

This policy applies to debt issued for municipal purposes as defined and permitted by NH RSA Chapter 33 (Municipal Finance Act) and not for debt issued in connection with either the Lebanon School District or Grafton County.

This debt policy will be all-inclusive of debt issued by the City, but not be limited to general obligation debt, government purpose revenue debt, economic development related debt, lease obligations, and all forms of debt having an annual appropriation of City revenues.

This debt policy contains certain elements on procedures and practices to achieve the objectives of the policy and to ensure that professional standards are defined and met in the policy's implementation.

Authority for the issuance of debt is delegated to the City Manager and City Treasurer in accordance with RSA Chapters 33 and 33B and City Charter Section 419:41, 419:43 and 419:49. The City Treasurer shall be responsible for all transactions undertaken.

Section 3.0: Definitions

Debt Ceiling- the maximum amount of principal owed by the City in long term debt in each fund.

Debt Service- the combination of principal and interest payments

Financial Obligation- means a (i) debt obligation; (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). Some examples of financial obligations include but are not limited to:

- Direct placements, loans, lines of credit or other credit arrangements with private lenders or commercial banks.
- Letters of credit issued in connection with variable rate debt issuance.
- Interest rate swaps entered into in connection with debt issuance.
- Vehicle or equipment leases whether they include a non-appropriation clause or not

Section 4.0: Policy Detail

4.1 Debt Limits

Legal Restrictions:

All debt legally permitted to be issued by the City is typically General Obligation Debt, supported by the full-faith-and-credit of the City. Debt is issued pursuant to NH RSA 33, the Municipal Finance Act, RSA 33-B, Municipal Revenue Bonds, Lebanon City Charter Section 419:49 Borrowing Procedure and resolutions of the City Council which must be passed by at least 2/3 of all the members present.

4.1.1 General Fund Debt Limits

This policy sets debt limits for the City's General Operating Fund that are in compliance with present statutes and meets the goals of the City. There are several factors that comprise this policy.

1. The initial debt ceiling will be set based upon the present amount of long-term debt that is owed by the City as of the 2021 Budget Year that is applicable to the General Fund. This does not include debt that is applicable to other funds such as the various enterprise funds.
2. The debt ceiling will be adjusted annually based upon the rate of increase/decrease of the Consumer Price Index for the Northeast Region for Urban Wage Earners. The period will be fixed looking back from June 30th to the previous June 30th. The average over this period of time will be the adjustment factor.
3. New projects or portions of new projects that involve long term debt that either result in or are projected to generate revenue to substantially offset the debt service payments or substantially offset operating costs that would substantially pay for the debt service payments are not included in the debt ceiling calculation.

4. The Capital Improvements Plan would be developed using a six-year rolling debt capacity for that period of time. To the extent that a large project, or projects, may require the need for appropriations exceeding the debt ceiling calculation, no additional debt shall be incurred until the debt levels drop below the debt ceiling. Projects that require the City to incur debt that are partially funded by grants from the State or Federal Governments are exempt from the debt ceiling provisions.
5. Projects involving long term debt that are located within Tax Increment Finance Districts or Special Assessment Districts in which the debt service is paid for solely by TIF or SAD District Funds are not included in the debt ceiling calculation. The proportional debt service that is paid by TIF or SAD District Funds as it relates to the amount of principal for long term debt shall not be included in the debt ceiling. This relates to situations in which part of the debt service is paid for by TIF or SAD District Funds. There may be situations in which projects and their related debt service are partially attributed to these districts or start out being the responsibility of the General Fund and then transition to the appropriate district fund.

4.1.2 Water and Sewer Funds Debt Limits

This policy sets debt limits for the City's Water and Sewer Funds that are in compliance with present statutes and meets the goals of the City. There are several factors that comprise this policy.

1. Debt limits in the Water Fund and Sewer Fund are limited to the funds that can be raised to offset debt service payments and that would otherwise be needed for operating expenses within the Water Fund and Sewer Fund respectively.
2. The annual increase in rates in each fund shall be set by two components. A fixed percentage and a variable percentage. Water rates would increase by a fixed 5% (effective January 2024) and Sewer rates by a fixed ~~**~~5% (~~to be determined prior to~~effective January of 2024)[1] with a variable inflator added to those percentages based on the Consumer Price Index for the Northeast Region for Urban Wage Earners. The period will be fixed looking back from June 30th to the previous June 30th. The average CPI over this period of time will be the adjustment factor.

[1] An analysis of the infrastructure needs in the City's sewer system will not be completed until sometime in 2022.

3. In no event shall the calculations in section 2 result in an annual rate increase exceeding 8% in the Water Fund or ~~**~~8% in the Sewer Fund.
4. As stated in 1 above the amount of debt that could be incurred would be relative to the amount of revenue generated in 2 above to pay for debt service and the operating budget of the water and/or sewer funds.
5. New capital expenditures that either result in projects that are projected to generate revenue to substantially offset the debt service payments or substantially offset operating costs that would substantially pay for the debt service payments are not included in the debt ceiling calculation.

4.1.3 Solid Waste Fund Debt Limits

This policy sets debt limits for the City's Solid Waste Fund that are in compliance with present statutes and meets the goals of the City. There are several factors that comprise this policy.

1. Debt limits are based upon the present and future capacity of the Solid Waste Facility to accept waste and generate the revenue from that waste to pay for operating expenses and debt service payments for the ensuing year and beyond.
2. The period by which indebtedness may occur for any given project is limited to the useful life of the infrastructure asset.
3. Situations where the state or federal government mandate by administrative or court order that action must be taken by the City that requires long term debt may require borrowing funds for periods beyond the useful life of the asset.

4.1.4 Other Debt and Revenue Bonding

Revenue bonds authorized under the provisions of RSA 33-B shall not be included in the debt ceilings established in the various funds. Projects funded under the following statutory provisions shall not be included under the debt ceiling of any of the various funds.

1. The purchase and installation of parking meters and construction of parking facilities relative to RSA 33:6-a and RSA Chapter 249.
2. The construction, reconstruction and enlargement of energy projects related to light, heat, power or water for the public as defined in RSA 33:6-b and RSA 373-D:1
3. The cost of waste site cleanup projects as defined in RSA 147-B and for the closing of landfills and other solid waste facilities as defined by RSA 149-M, RSA 33:6-d.

4. The cost of Broadband Infrastructure as defined in RSA 33:6-f and RSA 38:38,I(e).
5. Equipment and vehicles that are leased in accordance with RSA 33:7-e.

4.2 Debt Structuring Practices

Specific guidelines regarding the debt structuring practices for each type of bond, include:

Maturity of Bonds. Generally, bonds cannot be issued for a longer maturity schedule than a conservative estimate of the useful life of the asset to be financed. The City will attempt to keep the average maturity of general obligation bonds at or below 20 years. The limit of the City's and School's general obligation debt is subject to parameters set by Charter §C419:49 and New Hampshire RSA 33:4-a.

Enterprise Fund Debt Coverage. It is City policy that each utility or enterprise fund should provide adequate debt coverage in its rate structure to ensure that sufficient revenues are generated to pay for the financing of capital projects crucial to the operation of the Enterprise Fund. Rates may be increased in phases to meet this standard, provided such increases are identified in rate studies and/or the capital improvement plan and clearly shown as part of an overall long-term strategy for the utility or enterprise.

Short Term Financing/Capital Lease Debt will be considered to finance certain equipment and rolling stock purchases when the aggregate cost of equipment to be purchased exceeds $25,000. Adequate funds for the repayment of principal and interest must be included in the requesting department's approved budget. The term of short-term financing will be limited to the usual life period of the vehicle or equipment, but in no case will exceed ten years.

Financial Restrictions or Planning Considerations:

- The City will maintain at any one time its Net Overall Bonded Indebtedness at a level not to exceed 3 percent of the assessed valuation of taxable property within the City as determined for debt limitation purposes by the New Hampshire Department of Revenue Administration.
- The City will strive to maintain its annual Direct Bonded Debt Service costs at a level not to exceed 15 percent of the General Fund Operating Budget.

Prior to the issuance of debt, the City will prepare revenue projections (financial forecast) to ensure that there is adequate revenue to make principal and interest payments.

The City will utilize long-term borrowing only for capital improvement projects or for projects that cannot be financed from current revenue sources.

4.3 Debt Issuance Practices

Debt may be issued through one or more of the following means depending upon what is in the best interest of the City.

1. NH Municipal Bond Bank
2. State revolving loan funds or other state loan programs
3. Federal revolving loan funds or other federal loan programs
4. Bonds, leases, or other types of short and long-term debt issued to the City by financial institutions
5. Partnerships with not for profit, for profit entities and other governmental entities involving structural arrangements that are not repugnant to federal or state law.

4.4 Debt Management Practices

Debt Issuance and Management. The primary tool used to plan for debt is the Capital Improvement Plan (CIP). The focus of the CIP process is planning for the City's future; the guiding principle of this planning effort is to advance the vision of the Master Plan (MP). The CIP is developed and updated annually for use by the City Council to review proposed budget expenditures relative to the capital needs of the community. The CIP is an essential component of the City's financial planning effort and provides the long-range perspective and framework for addressing its capital improvement needs. As a companion to the annual budget, the CIP provides the mechanism for anticipating future facility and infrastructure requirements and ensuring they are funded in a responsible and systematic fashion.

Acceptable Use of Bond Proceeds. Include any items that may be capitalized and are considered an acceptable use under New Hampshire State law. Refunding bond issues designed to restructure currently outstanding debt are also an acceptable use of bond proceeds.

Unacceptable Uses. The City will not use short-term borrowing to finance operating needs except in the case of an extreme financial emergency which is beyond its control or reasonable ability to forecast. Recognizing that bond issuance costs add to the total interest costs of financing, bond financing should not be used for projects under $100,000 unless the aggregate cost of multiple projects from different bond amortizations will exceed that amount at the time of a bond sale. In the event that there are no other projects to be financed by bonds, bond issuance will be considered only if the total interest and issuance costs will be less than the cost of any other available financing.

Section 5.0: Procedures

Section 6.0: References (Charter/Code/State Statues)

1. Government Finance Officers Association (GFOA) model policy guidance
2. NH RSA Chapter 33 Municipal Finance Act
3. NH RSA Chapter 33-B Municipal Revenue Bonds
4. City Charter provision C419:49 Borrowing Procedure
5. U.S. Dept. of Labor, Bureau of Labor Statistics annual CPI Report

Section 7.0: Policy & Procedure Revision History

	Section	Revisions	Date
Original Adoption	99-02-C	Original Policy Adopted	1/6/1999
Amendment	CC-107	Complete re-write and re-formatted	9/15/2021
Amendment	4.1.1,4; 4.1.2,2	Debt ceiling-grants, sewer rate limits	12/13/23
Amendment			