

AGENDA ITEM #: 20-75  
COUNCIL MTG OF: June 21, 2020  
FROM: Dave Caron, Town Administrator  
OFFERED BY: Mark A. Fleischer, Chief Financial Officer  
PREPARED BY: Mark A. Fleischer, Chief Financial Officer  
SUBJECT: Disburse COVID-19 Revenues



## STAFF REPORT

**INTRODUCTION:** The effects on the Town of Derry's operations due to COVID-19 are many. Unanticipated expenses have occurred which are eligible for reimbursement from different sources. Per Resolution #2020-023 and RSA 21-P:43, revenues have been accepted by the Town Administrator and the Council, as Agent to Expend, is being requested to transfer these funds back to the operating accounts from which the original expenses were incurred.

**TOWN ADMINISTRATOR COMMENTS:** The Town has engaged with a number of resources to assist with reimbursements for extraordinary expenses incurred due to COVID-19. All of the expenses follow a parallel track with the Town incurring the expense, a reimbursement is requested and received, and then the appropriate accounts are credited.

The only modification is the Governor's hazard pay for firefighters and police officers; the Town simply acted as a pass through for this program. However, in order to satisfy any concerns from the auditors, these expenses have been included as well.

### BACKGROUND

The President declared New Hampshire a major disaster area due to COVID-19 on April 3, 2020 allowing the Town to be eligible for Public Assistance through the Federal Emergency Management Agency (FEMA). The town can be reimbursed for 75% of the costs related to emergency protective measures associated with this event. Additionally, Governor Sununu made federal CARES Act funding available to assist New Hampshire municipalities with costs not covered by FEMA, including the 25% local share for FEMA expenses, which was authorized by the President. The Governor also made CARES Act funding available to provide Hazard Pay to eligible First Responders for (8) weeks and (2) days for the period of 5/4/20-6/30/20.

### DISCUSSION

Listed below are the revenue sources, amounts and expense activities to be reimbursed:

- **First Responder Stipend: \$288,470.94** (Fire \$162,471.15, Police \$125,999.79)
- **FEMA 75% Funding \$64,636.79**-Emergency Protective Measures. Example: Backfill OT for quarantined Fire personnel, EOC coverage, PPE, sanitizer, and custodial supply purchases for town facilities.
- **Governor's Office for Emergency Relief and Recover Grant(GOFERR)**
  - **Request #1-\$31,850.03**-Non-FEMA expenses such as CARES Act emergency sick and administrative leave(less any Workers Comp Insurance reimbursements), expenses related to remote meetings and equipment and supply purchases needed to continue to conduct business at the Derry Municipal Center or other town facilities.
  - **Request #2-\$79,152.91**- In addition to the non-FEMA expenses as described above, Human Services assistance, increased Solid Waste disposal costs, 25% Town Share of FEMA expenses and employer taxes and benefits associated with payment of the First Responder Stipend will be reimbursed.

**Expenditures by Activity Center:**

|                      |              |                                   |                      |
|----------------------|--------------|-----------------------------------|----------------------|
| Derry Public Library | \$ 4,492.78  | Fire (Net after WC reimbursement) | \$204,087.68         |
| Emergency Mgmt.      | \$ 57,805.63 | Police                            | \$153,589.18         |
| Administration       | \$ 449.74    | Comm Development                  | \$ 29.98             |
| IT                   | \$ 5,048.70  | Human Services                    | \$ 1,345.00          |
| Finance              | \$ 1,199.18  | Tax Collector                     | \$ 3,210.38          |
| OMO                  | \$ 1,007.50  | Town Clerk                        | \$ 204.20            |
| Recreation           | \$ 1,743.30  | Parks                             | \$ 142.71            |
| Highway              | \$ 4,170.68  | Transfer Station                  | \$ 23,714.62         |
| Cable                | \$ 1,654.82  | <b>Total</b>                      | <b>\$ 463,896.08</b> |

**FISCAL IMPACT**

Action by the Council will allow the Town to be reimbursed for expenses resulting from the Pandemic for such visible activities as additional public safety expenses to other expenses not as visible such as Zoom expenses, higher trash volumes resulting from the Stay at Home order and other reimbursable expenses incurred by various departments. A budget adjustment to Object Code 033199, "Federal Funds Passed Thru State", with a corresponding budget adjustment to various expense lines within the activity centers listed above is needed.

**RECOMMENDED ACTION & MOTION BY COUNCIL**

I move the adoption of Resolution #2020-037 (please read the motion).