



STAFF REPORT
Public Hearing 8-18-20

AGENDA ITEM #: 20-76
COUNCIL MTG OF: July 21, 2020
FROM: David Caron, Town Administrator
OFFERED BY: Michael A. Fowler, P. E., Public Works Director
PREPARED BY: Michael A. Fowler, P. E., Public Works Director
SUBJECT: Accept Unanticipated Revenues under RSA 31:95-b- DPW FY 2020 Budget

PURPOSE

The purpose of this document is to request approval by the Town Council to accept unanticipated revenues to the General Fund – to cover expenses related to DPW functions.

TOWN ADMINISTRATOR COMMENTS

The Council is encouraged to schedule a public hearing for August 18 and thereafter, approve the requests.

BACKGROUND

The Town of Derry Department of Public Works encompasses 11 divisions, 9 of which have operating expenses covered by the General Fund. During a fiscal year, the Department often receives insurance proceeds from numerous sources including employee disability leaves, property damage claims and third-party damage to public property. In the case of a damage claim, the repair is made as expediently as practical and then the expense is booked as an overage to the department bottom line. At the end of the fiscal year, this action is required to properly reconcile the unanticipated revenue against the unanticipated expense.

DISCUSSION

Unanticipated FY 20 insurance proceeds total \$80,847. These proceeds covered the following expenses:

1. \$17,129 for repairs to Adams Memorial, Vets Hall and MGCC related to a lightning strike which caused damage to fire panels and HVAC equipment.
2. \$9,774 for repairs to flashing beacon at crosswalk damaged on East Broadway
3. \$16,269 for repairs to backhoe damage
4. \$38,675 for overtime expenses related to coverage for employees on disability leave

FISCAL IMPACT

No tax impact after the transfer of funds.

RECOMMENDED ACTION BY COUNCIL

It is recommended that Town Council approve the following budget adjustments:

- 1) a **\$8,500** budget adjustment to FY 2020 General Fund – Buildings & Grounds (18020002 – 430000) from property insurance proceeds.
- 2) a **\$5,185** budget adjustment to FY 2020 General Fund – Buildings & Grounds (18020024 – 430000) from property insurance proceeds.

- 3) a **\$299** budget adjustment to FY 2020 General Fund – Buildings & Grounds (18020002 – 630000) from property insurance proceeds.
- 4) a **\$1,211** budget adjustment to FY 2020 General Fund – Buildings & Grounds (18020024 – 630000) from property insurance proceeds.
- 5) a **\$1,934** budget adjustment to FY 2020 General Fund – Buildings & Grounds (18020005 – 490000) from property insurance proceeds.
- 6) a **\$5,112** budget adjustment to FY 2020 General Fund – Buildings & Grounds (18020000 – 140001) from disability insurance proceeds
- 7) a **\$9,774** budget adjustment to FY 2020 General Fund – Highway (18422001 – 630000) from property insurance proceeds.
- 8) a **\$16,269** budget adjustment to FY 2020 General Fund – Vehicle Maintenance (18622000 – 660000- 657) from property insurance proceeds.
- 9) a **\$33,563** budget adjustment to FY 2020 General Fund – Transfer Station (18823000 – 140001) from disability insurance proceeds.

RECOMMENDED MOTION

See Resolution #2020-038 (please read the motion).