MINUTES
City of Concord Finance Committee Meeting
June 4, 2026 @ 5:30 PM
City Council Chambers

Present: Mayor Byron Champlin, City Councilors Nathan Fennessy, Fred Keach, Judith Kurtz, Brent Todd, Michele Horne, Stacey Brown, Jennifer Kretovic, Mark Davie, Amanda Grady Sexton, Jim Schlosser, Aislinn Kalob, Kris Schultz, Ali Sekou, and Jeff Foote.

The Mayor opened the meeting at 5:30 PM and stated that the purpose of this meeting was to hold a work session to discuss potential changes to the FY 2027 proposed budget, followed by a City Council meeting for a public hearing and budget adoption.

A motion was made and seconded to approve the minutes of the June 1, 2026 Finance Committee Meeting. The minutes were approved with a unanimous voice vote.

Councilor Todd proposed making the following changes to the proposed FY 2027 budget:

- Freeze six vacant positions, excluding Fire and Police, resulting in a total savings of $187,952.92, which equals a .33% reduction on the tax rate.
- Eliminate three weeks of bagged leaf pick-up in the fall, and six weeks of bagged leaf pick-up in the spring, resulting in a total savings of $99,225, which equals a .17% reduction in the tax rate.

Councilor Todd noted that in order to save more money, and have a 0% tax rate increase, the City would have to cut currently filled positions. There was lengthy discussion about eliminating positions, with the majority preferring not to eliminate filled positions, as it would result in cuts in services.

MOTION: A motion was made by Councilor Kurtz, and duly seconded, to amend the proposed FY 2027 budget to achieve a savings of $187,952.92 by freezing the hiring of six vacant positions, which include a permanent part-time Municipal Customer Service Representative in Finance, a full-time Maintenance & Operations Flex Technician position in the General Services Department, three part-time Guest Services Associates in Parks and Recreation, and a part-time Custodian in Parks and Recreation.

The motion passed with a unanimous voice vote.

Discussion moved on to Councilor Todd's proposal to eliminate the curbside bagged leaf collection in the fall and spring. Councilor Keach asked if the City has any contractual obligations to Casella for the bagged leaf collection. City Solicitor John Conforti indicated that the City is under contract with Casella, however, there is a non-appropriation clause. There was also discussion about shortening the timeframe of the bagged leaf collection and not eliminating it completely.

MOTION: A motion was made by Councilor Brown to reduce the bagged leaf collection from six weeks in the spring to three weeks.

There was no second on the motion; therefore, the motion failed.

MOTION: A motion was made, and duly seconded, to amend the proposed FY 2027 budget to achieve a savings of $99,225 by eliminating three weeks of curbside bagged leaf collection in the fall, and eliminating six weeks of curbside bagged leaf collection in the spring.

The motion passed with a unanimous voice vote.

Discussion continued regarding ways to further reduce the tax rate, with suggestions being made to give the City Manager some parameters and have him go back to his Departments and come back with reductions to meet those parameters. Councilor Brown expressed her opinion that we shouldn't rush the adoption of this budget.

Councilor Kretovic noted that we currently don't have a Police Chief and we have three Deputy Chiefs, with one of them acting as Interim Police Chief. She suggested the committee consider eliminating the vacant Deputy Chief position now, and let the new Police Chief, once hired, decide if he needs three.

Discussion ensued. Councilor Brown recused herself from the discussion. Councilors discussed the savings that could be achieved if we delayed the hiring of a Police Chief and only budgeted for the position for six months this year.

MOTION: A motion was made by Councilor Fennessy, and duly seconded, to amend the proposed FY 2027 budget to achieve a savings of $205,000 by eliminating one vacant Deputy Police Chief position.

The motion passed with a unanimous voice vote. Councilor Brown did not vote.

MOTION: A motion was made by Councilor Fennessy, and duly seconded, to amend the proposed FY 2027 budget to achieve a savings of $81,244 by eliminating the vacant Library Acquisition Technician.

Councilor Fennessy noted that there are already four other Library Technicians, and asked if there was a need for an additional one. Library Director Todd Fabian indicated that this position is not vacant. He explained that, although there are four other Library Technicians, the Acquisition Technician is a very unique position to the Library and was recently vacated due to the retirement of a long-time employee. The position acts as a contract purchaser for the Library and works to find the best rates on new books and other items the Library purchases. No other positions at the Library conduct this work. Councilor Foote noted that Library expenses have increased 28%-29% over the last two years.

The motion failed with a unanimous voice vote.

MOTION: A motion was made by Councilor Fennessy, and duly seconded, to amend the proposed FY 2027 budget to achieve a savings of $100,000 by reducing the funding for Special Programs in the General Overhead section of the budget.

Discussion ensued with many City Councilors and the Mayor opposing this motion because the funding of these agencies provides services to our most vulnerable population. Councilor Keach supported the motion, indicating that he felt the City shouldn't be in the business of having to determine which non-profit agency should receive funds and who shouldn't. Councilor Kalob recused herself from the discussion.

City Manager Aspell indicated that this funding used to be twice the amount it is now, and at the City Council's request, many years ago, was cut in half. At that time, the City Manager prioritized funding those non-profits that focus on housing and children. Councilor Grady Sexton suggested that if we are going to make cuts to this funding, we should re-visit the matter next year to allow the affected agencies to plan for the cuts.

A roll call vote was taken. The motion failed with a vote of 10-4; with Councilors Brown, Fennessy, Foote, and Keach in support of the motion; and Mayor Champlin and Councilors Davie, Grady Sexton, Horne, Kretovic, Kurtz, Schlosser, Schultz, Sekou, and Todd opposed. Councilor Kalob recused herself from the vote.

MOTION: A motion was made by Councilor Grady Sexton, and duly seconded, to authorize the City Manager to further reduce his proposed budget to an amount necessary to result in an overall tax rate increase of no more than 2%. This reduction should be achieved without further cuts to the Police or Fire Department budgets, and with the goal of minimizing impacts to other public safety measures, core city services, and direct service delivery to residents.

Discussion ensued with some Councilors concerned that a tax rate of 2% is too deep of a cut.

Councilor Schlosser noted that his constituents are more concerned with large capital project expenses, and they don't want to lose services. Discussion continued about the possibility of rescinding some of the capital projects that were approved last year, which haven't been started, and re-purposing those funds.

Councilor Foote noted that the CPI is currently 3.1% and he doesn't want to see any cuts made to the paving program. He asked Councilor Grady Sexton if she would amend her motion to a 3.1% tax rate with no cuts to the paving program. Councilor Grady Sexton declined.

City Manager Aspell noted that he had just read an article stating that, since the start of the Iran war, the CPI is actually 4.4%, and he suggested a 4.4% tax rate be our target. He also noted that to get the tax rate down to 2%, Concord will be very different, with the loss of many services. Councilor Keach noted that many residents choose to live here for the exceptional quality of life, which does have a cost, and feels we should keep the tax rate in line with inflation. Councilor Kurtz agreed.

A roll call vote was taken. The motion failed with a vote of 11-4; with Councilors Grady Sexton, Horne, Kalob, and Schultz in support of the motion; and Mayor Champlin and Councilors Brown, Davie, Fennessy, Foote, Keach, Kretovic, Kurtz, Schlosser, Sekou, and Todd opposed.

<u>MOTION</u>: A motion was made by Councilor Kurtz, and duly seconded, to authorize the City Manager to further reduce his proposed budget to an amount necessary to result in an overall tax rate increase of no more than 4%. This reduction should be achieved without further cuts to the Police or Fire Department budgets, with no more than $1.2 million taken from unassigned fund balance, and with the goal of minimizing impacts to other public safety measures, core city services, and direct service delivery to residents.

Councilor Brown stated that she feels we could go lower than 4%. Councilor Foote asked Councilor Kurtz if she would amend her motion and stipulate no cuts to the paving program. Councilor Kurtz declined.

A roll call vote was taken. The motion <u>passed</u> with a vote of 9-6; with Mayor Champlin and Councilors Davie, Fennessy, Grady Sexton, Keach, Kretovic, Kurtz, Schlosser, and Todd in support of the motion; and Councilors Brown, Foote, Horne, Kalob, Schultz, and Sekou opposed.

<u>MOTION</u>: A motion was made by Councilor Brown to amend the FY 2027 proposed budget to achieve a savings in the General Fund of $764,495 by requiring the Golf Fund to pay for its debt service since FY 2022.

There was no second on the motion; therefore, the motion <u>failed</u>.

<u>MOTION</u>: A motion was made by Councilor Kretovic, and duly seconded, to take $100,000 from the Economic Development Reserve to continue funding the Event Arts Grant Program.

Councilor Brown indicated that she feels the $100,000 should go to CAT, which is a bigger economic driver than events and festivals. Many Councilors disagreed and stated that events and festivals bring slews of people downtown who utilize our restaurants and bars, and that many attendees come from out of town and stay in our hotels. Councilor Todd indicated that he would like to see some events take place in Penacook.

A roll call vote was taken. The motion <u>passed</u> with a vote of 11-4; with Mayor Champlin and Councilors Davie, Fennessy, Foote, Grady Sexton, Keach, Kretovic, Kurtz, Schlosser, Sekou, and Todd in support of the motion; and Councilors Brown, Horne, Kalob, and Schultz opposed.

<u>MOTION</u>: A motion was made by Councilor Horne, and duly seconded, to take $89,175 from the Economic Reserve Fund to fully fund Concord Area Transit.

A roll call vote was taken. The motion <u>passed</u> with a vote of 10-5; with Mayor Champlin and Councilors Brown, Davie, Fennessy, Foote, Grady Sexton, Keach, Kretovic, Kurtz, Schlosser, Sekou, and Todd in support of the motion; and Councilors Brown, Horne, Kalob, and Schultz opposed.

Councilor Kalob asked about the potential of closing the NEOCTIF and whether the TIF funds could be released to the General Fund. Deputy City Manager Matt Walsh indicated that a TIF has to stay open until the debt service associated with it is paid off. He said the debt service on the NEOCTIF is not paid off. He also indicated that the closing of a TIF can be a lengthy process and he doesn't recommend undertaking it during the budget process. Councilor Horne asked what the debt service is on the NEOCTIF. Deputy City Manager Walsh said he will find out and provide that information. At Councilor Foote's request, Deputy City Manager Walsh explained why the NEOCTIF has remained open.

MOTION: A motion was made by Councilor Todd, and duly seconded, to defer CIP #252, $350,000 improvements to the paved parking areas at the Heights, Broadway, and Central Fire Stations, to FY 2028.

The motion passed with a unanimous voice vote.

MOTION: A motion was made by Councilor Kurtz, and duly seconded, to defer CIP #107, $50,000, replacing the Beaver Meadow Golf Course event tent floor, by one year.

BMGC Director of Operations Pat Lanman explained the need for the floor replacement.

The motion passed with a unanimous voice vote.

MOTION: A motion was made by Councilor Kurtz, and duly seconded, to defer CIP #235, driving range upgrades, by one year.

BMGC Director of Operations Pat Lanman noted that the driving range is not part of the overall clubhouse project. Only the ball shed is being moved as part of that project. CIP #235 will expand the driving range and increase space, which will allow for more revenue.

The motion failed with a unanimous voice vote.

MOTION: A motion was made by Councilor Kurtz, and duly seconded, to defer $35,000 from CIP #530, in part, by deferring the purchase of a greens roller by one year, but keeping the purchase of the new triplex mower.

The motion passed with a unanimous voice vote.

MOTION: A motion was made by Councilor Schlosser, and duly seconded, to increase CIP #520 by $70,000, using funds from the Highway Reserve, to improve safety at the intersection of Broadway and South Main Street.

The motion passed with a unanimous voice vote.

MOTION: A motion was made by Councilor Foote, and duly seconded, to push CIP #59, Terrill Park, out to FY 2029.

Councilor Foote expressed that he doesn't feel the City should commit this funding for a temporary playing field. Councilor Sekou indicated he feels it is very important to develop Terrill Park and that this part of the city should be more of a priority. Parks & Recreation Director David Gill provided a historical overview of Terrill Park.

A roll call vote was taken. The motion failed with a vote of 12-3; with Councilors Brown, Foote, and Todd in support of the motion; and Mayor Champlin and Councilors Davie, Fennessy, Grady Sexton, Horne, Kalob, Keach, Kretovic, Kurtz, Schlosser, Schultz, and Sekou opposed.

MOTION: A motion was made by Councilor Brown, and duly seconded, to reduce CIP #51, cutting all but $15,000, to dredge the White Park Pond instead of hydro-raking.

Parks and Recreation Director David Gill explained that the pond hasn't been dredged since the 1980s, and that we are losing the pond to overgrowth.

The motion failed with a unanimous voice vote.

MOTION: A motion was made by Councilor Brown, and duly seconded, to defer CIP #64, Arena Improvements, until after the citywide evaluations are completed, which will allow the City Council the time to consider what to do at the Arena property.

The motion failed with a unanimous voice vote.

With no other discussion, the Mayor called for a brief recess at 9:33 PM.

The meeting reconvened at 9:37 PM.

Deputy City Manager LeBrun read the list of proposed changes that were voted on by the Finance Committee, and noted that $99,225 for bagged leaf pickup would be reduced from the Solid Waste Fund, and the reduction in the General Fund would be as a transfer to the Solid Waste Fund. The list is as follows:

General Fund Operating Budget
Freeze positions ($187,953)
Transfer out to Solid Waste Fund ($99,225)
Deputy Police Chief ($205,000)
Event Arts Program $100,000 (Funding from EDR)
Concord Area Transit $89,175 (Funding from EDR)

Solid Waste Operating Fund
Bagged leaf pick-up ($99,225)

General Capital
Fire Station parking lot ($350,000)
Broadway & So Main Intersection $70,000

Golf
Tent Floor replacement ($50,000)
Greens Roller ($35,000)

MOTION: A motion was made and duly seconded affirming the proposed changes that were voted on.

The motion passed with a unanimous voice vote.

The meeting was adjourned at 9:42 PM with a unanimous voice vote. The Mayor indicated that they would take a break and reconvene as the City Council for a public hearing and adoption of the FY 2027 budget.

A true copy, I attest,
Sue Stevens, Executive Assistant