

MINUTES

City of Concord Finance Committee Meeting
May 19, 2025 @ 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, Karen McNamara, Amanda Grady Sexton, Paula McLaughlin, Jim Schlosser, Kris Schultz, Jeff Foote (late), and Ali Sekou.

The Mayor opened the meeting at 5:30 PM.

A motion was made and seconded to approve the minutes of the May 15, 2025 Finance Committee meeting. The minutes were approved with a unanimous voice vote.

Mayor Champlin announced that the City has been awarded a \$678,000 EPA Brownfields grant for clean-up of the Concord Stables property. He gave kudos to Beth Fenstermacher, the City's Assistant for Special Projects, for her hard work on the grant submission.

Manager Aspell indicated that tonight's FY 2026 proposed budget review will cover General Government, Police, Fire, and General Services. He began with review of the General Government section of the budget, which includes the City Manager's Office, Legal, Assessing, Human Resources, Finance, Information Technology, City Council, City Clerk, and General Overhead.

GENERAL GOVERNMENT:

City Manager's Office: No revenues were budgeted in FY 2026. The revised budget and projected amount in FY 2025 is from the NH Business and Economic Affairs Municipal Per Unit Grant, which was transferred to reserve for future use. Budget to budget, expenses are down \$157,000, or 20%. The difference is due to wage, benefit, and other operational changes; as well as the discontinuation of the \$150,000 budgeted in FY 2025 for events.

Legal Department: Revenues are up \$1,800, or 2%, and reflect fees collected from the Towns of Bow, Dunbarton, and Loudon for prosecutorial services provided by the City. Expenses, budget to budget, are down \$13,000 or 1%. This is due to wage and benefit decreases as a result of staffing changes.

Assessing: Budget to budget, revenue is up \$68,000, or 9%. This is due to Briar Hydro Payment in Lieu of Taxes (PILOT) revenue being budgeted \$39,000 higher in FY 2026, and additional changes in other PILOT agreements. Expenses, budget to budget, are up by \$38,000 or 4%, due to regular wage and benefit changes, as well as licenses and training.

Councilor Todd asked for an update on the citywide revaluation process. Jon Rice, the City's Director of Real Estate Assessments, indicated that the project is going well. He indicated that the information on the Assessing website is accurate and kept up-to-date. He noted that, although the contractor, Vision, has experienced some staff turnover, the project is on target and two neighborhoods have been completed. The contractor will be moving on to a new neighborhood in a couple weeks. Councilor Todd requested that the City find a way to publicize when each new neighborhood is being started, to give residents a bit of forewarning. Mr. Rice indicated that he

would work with the City's Public Information Officer to make this happen. Councilor Brown asked when property owners could expect to learn their new assessment. Mr. Rice indicated it would most likely be sometime in September/October 2026.

Human Resources: Budget to budget, revenue is down \$1,200 or 3%, due to the reduction of the Other Revenues line item. Expenses, budget to budget, are up \$95,000 or 11%. This is due to annual wage and benefit increases; an increase of \$14,000 for professional development; an increase of \$10,000 in Professional Services for online application systems, increased premiums for Paid Family Medical Leave, and an increase in pre-employment physicals; and an increase for HR recertification and mailings to retirees.

Finance: Budget to budget, revenue is up \$3.5 million or 5%. The main drivers of this increase are property tax revenue being up \$2.7 million; motor vehicle registrations are up \$636,000; investment income is down \$76,000; use of Fund Balance is down \$11,000; and Rooms and Meals Tax revenue is up \$158,000. Expenses, budget to budget, are down \$50,000, or 2%, due to wage and benefit reductions as a result of staffing changes.

Information Technology: No revenue is budgeted for FY 2026. Expenses, budget to budget, are up \$253,000 or 17%. This is due to wage and benefit increases, as well as an increase of \$179,000 for software/hardware maintenance, of which \$150,000 is for a new e-mail subscription, which moves the City from an internal server basis to subscription based.

Councilor Todd noted that the City Manager didn't fund the IT Department's PCR in the amount of \$27,000 for Advanced Malware Protection & Automated Response, and asked if the City's information technology is adequately protected. Manager Aspell noted that last year a considerable amount of money was spent on security, as well as the hiring of a Network Security Engineer. As a result, Manager Aspell feels that we have adequate security and, therefore, didn't fund the PCR.

Councilor Fennessy asked if the City has any intentions of investing in/using Artificial Intelligence (AI). Manager Aspell indicated that he has considered it and will do some research on it, but, at this time, does not feel the use of AI is appropriate for the City.

City Council: Expenses, budget to budget, are up \$5,000, or 12%, due to Council Orientation and Priority Setting expenses after elections in the fall; an increase in advertising costs; and an increase for the Legislative Management System.

City Clerk: Budget to budget, revenue is down \$3,000, or 3%, due to a decrease in dog and marriage license revenue. Expenses, budget to budget, are down \$18,000, or 3%. While there is an increase in a part-time position approved during FY 2025, the decrease is due to the reduction of election workers (temporary employees) for the non-Presidential election year and benefit changes for full-time employees. Rent is down \$6,000 due to non-Presidential election year.

Councilor Todd asked if there were any intentions of the City Clerk's office conducting marriage ceremonies again, since they were stopped during COVID. Manager Aspell indicated that the Clerk's office simply doesn't have enough staffing to resume marriage ceremonies.

General Overhead: Budget to budget, revenue is down \$189,000 or 4%. This is due to a decrease of \$22,000 in Cable TV franchise revenue; a decrease of \$109,000 in retiree health insurance reimbursements, offset by a decrease in retiree health expenses; a \$204,000 decrease in transfer-in from trust for the grants for events funded by City Council in FY 2025 (\$150,000); and a reduction in use of Economic Development Reserve (\$55,000).

Expenses, budget to budget, are up \$309,000 or 2%. This is due to a decrease of \$75,000 in retiree health insurance costs, in conjunction with the reduced revenues; bond costs are up \$20,000 due to anticipated bonding expenses; electricity is down \$243,000 due to a decrease in streetlight electricity costs and the elimination of on-bill financing for streetlights; Special Program costs are up \$31,000 due to an increase of \$1,000 for the Holiday Celebration line for veterans Memorial Day observance, an increase of \$10,000 for Concord Area Transit, and an increase of \$20,000 for the Concord Coalition to End Homelessness, as requested to extend the warming shelter hours to include weekends; an increase of \$589,000 in principle and interest costs; and an increase of \$53,000 in transfer-out for paving.

Although the Cable TV revenue is down \$22,000, and the payment to Concord TV is based on a formula, Manager Aspell kept the payment to them consistent at \$335,000 so that they can continue to do the good work that they do, uninterrupted.

All other Special Programs and Agencies are level funded for FY 2026.

There was a considerable amount of discussion about the funds earmarked for the social service agencies and the importance of ensuring that the agencies are prioritizing Concord citizens. Manager Aspell noted that he and Human Services Director Karen Emis-Williams have had discussions with some of the agencies to express the City's concerns about this. He noted that the City is considering creating agreements with the agencies to ensure space is available for Concord citizens when needed. Manager Aspell indicated that the Human Services Department is now seeing more frail and elderly people needing housing, and that it is difficult to place this population due to physical limitations.

Councilor Grady Sexton expressed that she feels the City is spending an exorbitant amount of money on placing people in hotels, and suggested that the funds could be put to better use in placing Concord citizens. Councilor Grady Sexton also asked if the Human Services Department is tracking the number of people it is seeing who are recently released from a State agency. Human Services Director Karen Emis-Williams was not in attendance at the meeting; however, Manager Aspell indicated that she will answer all of the committee's questions in regards to this matter at a future meeting.

Councilor Fennessy asked if the County is engaged in the matter of placing the frail and elderly population. Councilor Schultz noted that the Merrimack County Nursing Home has a waiting list and staffing issues.

Councilor Horne asked if the funding for the Community Action Program Area Center is earmarked for Concord citizens. Ms. Emis-Williams will answer this question at a future meeting.

PUBLIC SAFETY:

Police Department: Revenue, budget to budget, is down \$137,000, or 22%, due to decreases in special duty services and School District payments for reduction of the School Resource Officer at Merrimack Valley School District.

Expenses, budget to budget, are up \$1.4 million, or 9%, due to a \$1.2 million increase in wages and benefits, which includes a reduction of \$300,000 for attrition and the addition of \$88,000 for the addition of a third Social Worker position. Also included in this budget are increases in the amount of \$2,500 for a recruitment video; \$2,500 for motorcycle unit improvements; \$2,500 for bike registration; \$30,000 for additional education and training; \$40,000 for a first responder wellness consultation program; and \$10,000 for Power Ready Training software.

This budget continues the emphasis on public safety and support resources for working with the City's most vulnerable populations, training, continued support for non-lethal options when dealing with offenders, and police officer wellness and support for traumatic situations.

There was considerable discussion amongst committee members about staffing shortages at the Police Department and the ability to respond to the increased number of calls. Councilor Horne requested a future presentation from the Police social workers as to what kinds of calls they are responding to.

Fire Department: Revenue, budget to budget, is up \$196,000, or 4%, mainly due to an increase of \$385,000 in ambulance charges. There is a decrease in Other Revenue due to Southern NH Hazmat being over budgeted last year in the amount of \$90,000 (this year it is budgeted at \$93,000) and is for reimbursement to the Fire Department for overtime expenses for hazmat events.

Expenses, budget to budget, are up \$912,000 or 5%. The main increase is due to wages and benefits in the amount of \$811,000. This includes the addition of an Assistant Fire Marshal position for half the year, and a \$496,000 increase for overtime. The Fire Department budget does not include a COLA increase for the IAFF collective bargaining agreement since a successor agreement has not been reached. Their collective bargaining agreement expires on June 30, 2025.

Also included in the FY 2026 Fire Department budget are:

- \$23,000 increase for Paramedic Tuition and Backfill;
- \$15,000 for a technical rescue trailer;
- \$16,000 for uniform washing machines;
- \$47,000 for training and backfill for recruitment;
- \$43,000 for backfill training coverage;
- \$32,000 for swiftwater training; and
- \$1,200 increase for Concord Hospital recertification.

The City continues to support the work of our emergency service professionals with an added emphasis this year on overtime and training.

There was considerable discussion amongst committee members about staffing shortages at the Fire Department and the ability to respond to the increased number of calls due to the growing community. Manager Aspell indicated that the Fire Department has invested in increased training opportunities, tuition reimbursement, increased pay, and new equipment to help attract applicants; and is doing everything it possibly can to address the staffing shortage.

Councilor Kurtz noted that 70% of the Fire Department's calls are EMS calls, which some municipalities contract out. She asked what the benefit is to residents of keeping EMS within the Concord Fire Department. Manager Aspell said he has looked at this and feels that the Fire Department staff provide a higher quality skill set and better training.

Councilor Schultz noted the high number of calls the Fire Department responds to at the State Prison, and asked if the State is billed for those calls. Fire Chief John Chisholm indicated that the patients that are transported, many of which have Medicare or Medicaid, are billed for the service. We do not bill the State.

There was considerable discussion about impact fees, and if the City could expand on its impact fees to benefit the Fire and Police Departments. Manager Aspell noted that we do collect impact fees; however, we've moved away from them a bit in order to encourage development. He also noted that impact fees can only be collected for increasing capacity – not for repairing a building or building a new building. Councilor Schlosser asked if City Administration could provide the Council with a list of the impact fees we do collect. Deputy City Manager – Development Matt Walsh indicated that the Planning Board is currently reviewing the ordinance pertaining to impact fees and that the Council can expect a report from the Planning Board in July/August.

GENERAL SERVICES: Revenue, budget to budget, is up \$57,000 or 5%. This increase is due to additional rental income of \$22,000 from the Concord School District for their portion of the debt services for the fuel farm; and an increase in transfers-in from other funds.

Expenses, budget to budget, are up \$562,000 or 5%. The majority of the increase in the General Services budget is for wages and benefits (\$407,000), winter treatment supplies (\$47,000), and an increase in the Solid Waste Fund transfer (\$45,000).

This budget also supports increased funds for:

- Eagle Square Downtown Lighting, \$10,000; and
- Increased CDL Driver Training, \$18,000.

Also included under General Services are two supplemental reports – one on Downtown Services and one on Snow and Ice Control. For Downtown Services, expenses, budget to budget, are up \$42,000, due to wage and benefit increases; and for Snow and Ice Control, expenses are up \$82,000, due to wage and benefit increases and winter treatment supplies.

The Mayor opened up a public hearing at 7:29 PM.

Terri Paige, CAT Transportation Director, thanked the City Council for its ongoing support. She responded to Councilor Horne's question about the CAP Area Center and whether the funds are earmarked for Concord citizens. She noted that CAP has many Area Centers within the two counties it serves, and that the funding provided is solely for each community's Area Center.

Councilor Horne asked Ms. Paige about the \$3,000 that CAT requested, which was not funded by the City Manager. Ms. Paige indicated that those funds would support the commuter bus that transports people from Concord to Laconia. She noted that the route provides services to residents of Concord, Boscawen, Franklin, Tilton and Laconia. CAT has requested match funding from each of these municipalities and has received none. CAT is now reaching out for funding from major employers who benefit from the commuter bus route. She indicated that the full match for this service is about \$75,000.

Concord resident Steven Kidder said he is happy to hear that the Police Department wants to hire an additional social worker, but asked committee members to reconsider this funding, and put it towards homelessness instead.

Karen Jantzen, Director of the Concord Coalition to End Homelessness (CCEH), thanked the City Council for its continued support. She indicated that the \$20,000 increase requested will allow CCEH to hire two temporary seasonal staff in order to expand the shelter's hours to be open on Saturday and Sunday afternoons next winter. She noted that, due to this year's extremely cold winter, CCEH opened the shelter on Sunday afternoons in February and March, and saw a huge increase in the number of people utilizing the facility and coming back during the week. Councilor Grady Sexton asked if staffing was an issue for CCEH. Ms. Jantzen said they were fully staffed this past winter. She indicated they are providing case management services, and that they've put 35% of their clientele on the path to permanent housing.

Concord resident Drew Beamer spoke in appreciation of the City's public safety professionals and thanked the City Council for their commitment to public safety. He asked the committee to reinstate Engine 1, with a phased approach. He stated that it would relieve pressure on the Fire Department's apparatus.

Concord resident Roy Schweiker made comments on the following: phone/computer allowances for City employees; discontinuing funding for Intown Concord; increased Annual Leave for members of the Police Department as it relates to staff shortages; body cameras for police officers; parking enforcement being expanded beyond downtown; Engine 1 not needing to be reinstated and the need to increase ambulance services; and CDL training for employees.

Councilor Foote thanked Mr. Schweiker for his participation in the trash clean-up effort that took place on April 19th.

Alan Robidas, Concord resident and member of the Concord Fire Department, spoke about the call volume at the Fire Department and noted that, while the growth in population certainly affects call volume, he feels there are many other factors involved, beyond population growth, like homelessness, mental health, addiction, etc. He feels these other factors need to be considered in City Administration's future planning for the Fire Department.

With there being no further discussion, a motion was made and seconded to adjourn. The meeting adjourned at 8:19 PM with a unanimous voice vote.

Respectfully submitted,
Sue Stevens, Executive Assistant