MINUTES

City of Concord Finance Committee Meeting
May 14, 2026 @ 5:30 PM
City Council Chambers

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

Excused: Councilors Amanda Grady Sexton and Ali Sekou.

The Mayor opened the meeting at 5:31 PM.

City Manager Aspell delivered his FY 2027 Budget Presentation, which provided an overview of the proposed budget. He noted that the presentation is available to the public on the City website.

Following the presentation, the Mayor opened the meeting for questions and discussion.

Councilor Schultz asked if the Concord Police Department could use the firing range at NHTI to save money. City Manager Aspell indicated that the City had looked into that and determined that scheduling would be very difficult. He indicated that the City already owns its firing range, the funding being requested for this year is for new security cameras at the range.

Councilor Brown asked if the profits from the Special Revenue Funds flow into the unassigned fund balance. Deputy City Manager – Finance Brian LeBrun indicated that profits from the Special Revenue and Enterprise funds flow into the fund balance for each respective fund. They do not go into General Fund unassigned fund balance.

At Councilor Schultz's request, City Manager Aspell explained how we determine equipment replacement timelines, as well as how we determine when we need to do studies using outside consultants and the RFP/bidding process the City utilizes.

Councilor Keach asked how many open positions there are within the organization and if we could implement a hiring freeze on some of the positions. Manager Aspell indicated he would get back to Council with the number of open positions.

With no further questions, the Manager then went on to discuss the Budget Summaries and the General Fund Revenue.

Manager Aspell indicated that public hearings will be held at the end of each night's Finance Committee Meeting to ensure that the public has a chance to weigh in on the budget deliberations.

Manager Aspell noted that the proposed FY 2027 budget provides a spending plan for both operational and capital budgets, and is in line with the City Council's goals and objectives.

Manager Aspell stated that the total proposed FY 2027 budget for all funds, including Capital, is $156,626,337. This is $2.3 million more than last year's adopted budget. He noted that $41 million for the Police Station project was not included in the original adopted budget last year. Had that

been included, the total FY 2027 proposed budget would have been $38.6 million less than last year's adopted budget.

Manager Aspell gave an overview of notable staffing changes within the organization that are included in the proposed budget, which results in a reduction of 0.84 full-time equivalent positions.

He indicated that the total General Fund budget is $93.8 million, an increase of $6.8 million, or 7.8%, over the adopted FY 2026 budget.

War service credits increase by $94,000 to $526,000 in FY 2027. This is a result of the decision made by City Council to increase the amount of veterans' credits last year.

The total use of funds, including war service credits and overlay, is $94.6 million. All other revenues, not including taxes, total $37.6 million, an increase of $4.1 million over FY 2026.

The proposed amount to raise in taxes is $57 million, an increase of $2.8 million over FY 2026.

The anticipated assessed value is $5.3 billion. Manager Aspell explained that he did not allocate any real growth in property assessments for this budget. He noted that, while there has been assessed value growth, the changes with utility assessments, the upcoming market value changes, and the anticipated sale of another property to the State of New Hampshire will provide for the full overall adjustments during the MS-1 and tax rate setting this fall.

The estimated City portion of the tax rate is $10.74, a $0.56 increase (5.5%) over FY 2026. Manager Aspell noted that 1% of the tax rate is the equivalent of $569,600.

Manager Aspell highlighted the following large revenue items:

1) Property Taxes – The single largest revenue item in the budget, $56.1 million; an increase of $2.7 million.
2) Payments in Lieu of Taxes (PILOTs) – budget to budget increase of $364,000. The biggest single changes are the additions of Dartmouth Hitchcock ($155,000), Kearsarge Old Turnpike Road, LLC, ($99,000) for the new City solar array, and LSE Urse Minor, LLC ($83,000), for the new solar array on West Portsmouth Street. All other PILOTs increased marginally to make up the difference.
3) Rooms and Meals Tax revenue is up $101,000.
4) Fines and Penalties are up $80,000 due to interest payments on delinquent tax accounts and based on FY 2026 year-to-date projections.
5) Licenses and Permits – Construction permits are up $887,000 due to the Police Station, middle school, and other anticipated projects.
6) Investment Income is flat.
7) Transfer-in from Trust is up $647,000 due to a $90,000 increase in the Opioid Reserve for the Police social worker positions; a $245,000 transfer-in from the Recreation Reserve for debt service for the clubhouse at Beaver Meadow; a $500,000 transfer-in from the Community Improvement Reserve for Police Station debt service; a $380,000 transfer-in from the OPEB Trust; a $5,000 transfer-in from the Recreation Reserve for the snow groomer maintenance at Beaver Meadow; and a $9,000 increase from Cemetery Trusts.

8) Transfer-in from Parking is up $166,000 due to increasing the municipal overhead transfer.
9) Transfer-in from Golf is up $279,000 due to a $250,000 transfer for clubhouse debt service and an increase in municipal overhead charges.
10) Transfer-in from TIFs is up $335,000 due to increased administrative support paid to the General Fund and increased Public Safety support.
11) Use of Fund Balance – Budget to budget, this revenue is up $300,000, of which $200,000 is for Police Department debt and $100,000 is to help balance the budget.
12) Motor Vehicle Registration – This revenue is up only slightly by $125,000 over the FY 2026 budget.
13) Department Service Charges – Review fees are down $40,000; Police Special Duty services are up $15,000; Ambulance charges are up $135,000; and Alarm Box revenue is up $105,000.
14) Retiree Health Reimbursements are up $140,000 due to an increase in the number of retirees paying insurance reimbursements.
15) Other Revenue – Cable TV franchise revenue is down $67,000.

Manager Aspell noted that the ten-year fund balance history shows an unassigned fund balance of $15,751,060 or 20.6% of expenses.

Manager Aspell provided an overview of the Summary of Expenses:

1) Compensation and Benefits - Compensation and benefits represents $67.5 million, which is 72% of the total FY 2027 expenditure budget and is up $4.1 million over FY 2026.
2) Outside Services – Outside Services is down $206.
3) Utilities – Utilities are up marginally since most fuel/natural gas and electricity contracts do not expire until FY 2028.
4) Insurances are up $166,000 of 27.4% due to rate increases.
5) Debt Service is up $2.4 million or 27.7% due to a number of large projects included in the January bond sale.
6) Miscellaneous – This line is down $21,000 or 1.8%, due to the Edna McKenna House not requesting funding for FY 2027 and an increased contribution to Concord Area Transit by $10,000.
7) Transfers Out – Transfers out are up $262,000, or 7%, and include increases to the Arena ($170,000) and Solid Waste ($145,000); and a decrease of $52,500 in transfers to Capital Projects.

Lastly, Manager Aspell explained the ratio of expenses, which shows each expense category by percentage. He noted that Wages, Benefits, Debt Service, Utilities, Insurance and Transfers equate to $82.3 million of the $93.8 million budget. This is 88% of the total budget.

This concluded the City Manager's presentation.

At 7:46 PM, the Mayor opened a public hearing.

Concord resident Crissie Ferrara shared her concerns about ongoing tax rate increases and her fear that it will push property owners out of their homes. She suggested the City look at other ways to generate revenue than through property taxes.

As there was no further public testimony, the Mayor closed the public hearing.

With no further discussion, a motion was made and seconded to adjourn the meeting. The motion passed with a unanimous vote and the meeting adjourned at 7:52 PM.

A true copy, I attest.

Sue Stevens
Executive Assistant