

TOWN OF DERRY

Town Council
Derry Municipal Center
14 Manning Street



Tuesday, April 23, 2026
3rd Floor Meeting Room

MINUTES

7:00 PM Call to order – Chair Foote

Pledge of Allegiance, warning of fire exits, handicap access, & turn off all cell phones

Roll Call: Councilors Webb, Foote, Healey, Chase, Milz, Chair Spencer

Absent: Councilor Flood

Present: TA Michael Fowler, Town Clerk Tina Guilford

Consent Agenda

26-42 Approve Budget Workshop Minutes – April 16, 2026

Councilor Webb moves to approve the Consent Agenda, seconded by Councilor Foote

Roll Call Vote: 6-0-0

Public Hearing Budget & Capital Improvements Plan

26-31 Resolution #2026-018 – Adopt the FY27 Town Budget and FY27-FY32 Capital Improvement Plan – *Town Administrator Michael Fowler presenting.*

FY26 Budget– Town Administrator Michael Fowler

- The presented budget tax rate is \$5.57, at the potential increase authorized by the taxpayer-approved Tax Cap (Section 9.4 - Charter).
- Fully funds collective bargaining agreements approved this year and previous years.
- Maintains CIP funding transition from Fund Balance to a blend of Fund Balance/budget support.
- Section 9.8 of the Town Charter vests in the Town Council the responsibility to adopt the Capital Improvements Plan by May 31st. The Planning Board has reviewed the plan and proposed no revisions. Pursuant to RSA 674:5, the plan is a budget tool to assist the Town Council in their consideration of the annual budget, and the Town Council has reviewed the proposed plan and made amendments to the plan as proposed by the Town Administrator.

Motion by Councilor Foote to open public hearing, seconded by Councilor Milz

All Agreed

Brian Chirichiello, Rollins Street - I just first want to congratulate this Council and the town administrator for putting together an outstanding budget. We all know that the town of Derry operates under a tax cap. I like the tax cap. I always tout the tax cap. A lot of people do not like the tax cap. But the town of Derry's operated under a tax cap for 33 years, by the way. It started in 1993. Never been overridden. And look at what we've gotten done. All the good work that the council has done over the years is fantastic. A couple of things. I thought that adding the building inspector was a smart move. I know Bob Mackey was a really smart guy and was here for many years and could do a lot. And then we have Ms. Owens come in. She's newer. So, with all of the building and development happening, it's a smart move because I know that it can get slow sometimes with a two-person office. So that was a smart move. I appreciate you doing that. A couple of things, concerns that I do have with the budget. And it's not anything particular, but I mean, this is going across the whole state. The healthcare cost, as the town administrator mentioned, is something that's really shocking a lot of people. Londonderry, which got hit with a \$2 million increase on their healthcare side of things which we didn't. But it's significant. I don't know how sustainable it can be because when we keep paying that, that's taking away from some of the projects that we want to do. I think maybe in the future, you may want to have a workshop, a discussion of how we can rein some of that pricing in, if possible. The other thing was the concern; it's not a major concern because Derry's always been in the forefront of the road program. I know that you've cut that back, \$250,000, to make things work. And I get that because the way the tax cap works, as Mike said, sometimes you have to go without. That's real world, folks, okay? I don't know anybody who has a household that wants to do everything and they can't. They've got to prioritize. However, with the road program, you've got to be careful because those costs are going up as well. So, we get less and less done for that money. So hopefully, maybe that's just a one-time thing to make things work. So that's fine. So, I want to point out something very interesting. My calculations bring this out to an \$0.18 per 1,000 of assessed value on a home in Derry. That's what your budget is going to actually produce if passed. \$0.18. And like I mentioned, you guys have done a tremendous job. Unfortunately, I think people are not going to see that because come December, this town is going to get hit and hit hard, okay? School's going way up. I found out that the county is looking at a 12% increase. And so, I think there's going to be some angry people. But I want to leave you with one thing. And again, good job, everybody. Mike, very good job. \$0.18 on the tax rate for the town. The school is going up \$1.99. That's 10 times the amount that you guys can raise. That's 10 years of town that the school's going to raise in one year. And if people talk to me, I'll let them know. But they don't know how government necessarily works in town. There's a lot of new people that come in and out. But that's alarming to me. 10 times, okay? And we all know because I've sat in that seat 18 years. Come December, they're going to be calling all of you, making a complaint. They're going to be calling him. They're going to be calling the town clerk and the people downstairs. And I don't think that's fair because the town does the hard job, and they always have. And they've prioritized, and we've done a lot of good in this town. And we've thought outside the box, and things work well, okay? So, I just want to say congratulations. I hope that everything works out well. But keep in mind that come December, you may have some angry people. Thank you.

Motion by Councilor Foote to close public hearing, seconded by Councilor Milz

Roll Call Vote: 6-0-0

Councilor Comments –

Councilor Webb – Going back to the COVID funds, I believe it's \$444,000. At some point, those are going to run out. I know it won't affect this budget. But how do you look at funding that in the future?

Town Administrator Fowler - Yeah. So, I believe, and I have to tell you, I don't have that chart with me, but there was a projection that was made over a five-year period. It's obviously a declining balance because the COVID funds came in. They were banked by a Council action. This year was \$444,000. I do believe that it diminishes and it sunsets. ARPA funds had sunset. You had a period in fiscal '26. I think that was the last revenue allocation. So, to your point, yes, that is going to be, again, another challenge we're going to have to incorporate in a future year's budget because that revenue source won't be there.

Webb - Another question. Somebody in my neighborhood asked me about this one, which surprised me, is the DPW pickup truck. They said, "Why don't you get the hybrid like the Cruisers?" And I said, "I promise I'd ask."

Fowler - No, it's a great question. We've partnered from day one with Net Zero, Jeff Moulton, Mike Fodiman, and the whole committee. And I've had a great opportunity to work with them as we've evaluated various options for hybrid electric vehicles. Sometimes they make sense. For example, we have two vehicles that are used for municipal purposes that are in the parking lot here, which I think have come out great. We were able to get a grant. But those don't have heavy loads on them, right? They drive around town. The police vehicles, the hybrid vehicles, it was evaluated, and it was felt that an electric vehicle wouldn't have been suitable for them. But when you think about the needs for the hybrids had basically the same performance as a gasoline-fired vehicle. They don't tow anything. They don't push snow. They don't do anything of that nature. So again, that was a suitable use. But when it comes to DPW vehicles, and I can tell you from experience that they are not suitable.

Webb - I think he was talking about the one for the inspector, the new one.

Fowler - Yeah. I guess it's something we could look at if it was just a pickup truck versus a plow truck. I would say one of the things that we do try to do specific in public works is a lot of times, if you have a lighter use for a vehicle, it might be in buildings and grounds, and then it can be pushed into a plow truck in later years. It gives us that opportunity. So, a 1500, a 2500, they have some capabilities to put a plow on the front. But again, we try to push those out for many years. So again, we have Tom here in the audience. He can take a look at that as far as the viability. You have \$60,000 in the budget. So, it is something we could potentially take a peek at.

Webb - And the last thing I have is just general comments. And again, thank you. I think a lot of work was done on this. I just want to endorse Mr. Chirichiello's comments on healthcare. But just a reminder to the general public, 90% of our budget is roughly personnel costs. And a lot of that was decided when we did the CBAs. Then the rest is I call nondiscretionary funds like electricity, diesel, even office supplies that you just have to have to run a department. That only leaves, and I know in the case of the police department, about 2% discretionary spending. So, you got to recognize the department heads for being able to bring in new programs when they really only have a couple percent in their budgets of discretionary spending. So that's really nice. But to go back to health insurance at 27.4%, we've got to do a hard look at that. The last time we did it was 1994. I was heavily involved in that. And I remember the numbers. That we went from \$617 a month for Family Plan for Blue Cross JW to \$450 a month for Anthem Blue Choice. And the Council at the time was, "Oh, that's fantastic. We're saving \$200 a month." And if you look at those figures just adjusted by inflation, that \$450 a month just for inflation would be \$1,150 a month now, or roughly \$13,800 a year. We're paying \$50,000 a year now for health insurance. And if you adjusted that \$13,000 for inflation back in '95, it'd be \$31,000.

So, we've got to take a hard look because that really does as those COVID funds go down, as we have to restock the CBA trusts, we've got to really look at that. Thank you. Those are my comments for tonight.

Councilor Healey - I would just add on the health insurance. I'm concerned about the costs and I would be interested in maybe pursuing some other options. But I would just be careful when pursuing those options that I believe the plan that we have right now is very good. And that if we're interested in switching, that we're going to get kind of the same service that we want. I think all the employees are probably happy with the health plan now. I would be interested in seeing what else is out there. But I don't want to decrease any types of their coverage as well. And I know that would be part of the discussion if we do go that route. But I'm pretty confident that a lot of the employees are satisfied with the plan.

Councilor Milz - I wanted to thank all the department heads that helped put together this budget because in all my years of doing budgets here and at the state and everything else, I've never seen so much diligence put into a set of budgets requiring us as overseers to not have to do any heavy lifting and sit here having giant debates on, "Do we need this bus? Do we need this snowplow?" Because it's all been done. It's all been looked at. And the fact that we've got everything down to literally 90% of the budget is just wages and salaries makes it a lot easier to go through the rest of these items. So, kudos to all the department heads for bringing something that was so diligent. Thank you.

Councilor Chase - Through the line items, I didn't see any fluff at all. They really did a tight budget this year and I want to congratulate them on what a fantastic job that they did in keeping the costs low and providing the town with what it needs.

Councilor Spencer - I think it may be that five years in, I finally have an easier time getting through all the budget stuff. But I felt like, in addition to being very diligent in what they were going to spend on, I really appreciate all of the department heads and Mr. Fowler putting together, when you come in with the presentations, it also makes it easier that I have a list of questions when I walk in the door. And almost all of them get answered. So, I really appreciate that thought that's put into what you bring to us so that we don't, again, have to be asking a lot of questions in the moment and having those discussions because you've already had them and you've already explained the rationale for them. So great job. Thank you.

**Motion by Councilor Milz to ADJOURN, seconded by Councilor Foote
All Agreed**

Adjourn: 7:42 PM


Town Clerk


Date

Recording & Transcription by: Cristina Guilford, Town Clerk