

AD HOC JOINT COMMITTEE ON CAPITAL EXPENDITURES AND DEBT SERVICE PLANNING

AUGUST 10, 2026

A meeting of the Ad Hoc Joint Committee on Capital Expenditures and Debt Service Planning was held Monday, August 10, 2026, at 6:00 p.m. in the aldermanic chamber, and duly noticed in two places, including the City's website, in accordance with the requirements of RSA 91-A:2 II.

Let's start the meeting by taking a roll call attendance. If you are participating via Zoom, please state your presence, reason for not attending the meeting in person, and whether there is anyone in the room with you during this meeting, which is required under the Right-To-Know Law.

The roll call was taken with 7 members of the Ad Hoc Joint Committee present:

Mayor James Donchess, Chairman, presided.

Members of the Committee present:	Mayor James Donchess
	Alderman-at-Large Lori Wilshire
	Alderwoman-at-Large Shoshanna Kelly
	Alderman Patricia Klee
	Tim Cummings, Administrative Services Director
	Lisa Fauteux, Public Works Director
	Matt Sullivan, Community Development Director

Members of the Committee absent:	Alderman-at-Large Ben Clemons
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Also in attendance:	Alderman Paula Johnson
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ROLL CALL

DISCUSSION

- Draft Updated Plan

Tim Cummings, Administrative Services Director

Again for the record, Tim Cummings, Director of Administrative Services. So for this evening, I'd like to walk through the plan as it's been developed to date and then walk you through the work that our finance team has done to show how the plan corresponds and correlates with previous guidance that have been given by the Board of Aldermen and the Committee in the past. The ultimate goal is to try to get to some sort of consensus this evening as I'd like to present to the Board of Aldermen tomorrow night and then ultimately what we really need to do is file bond resolutions for the September meeting. So we are really starting to cut it tight.

So you'll see a couple handouts were on the table. Hopefully everyone has received them. Essentially, they are the outline that I'll go through from the PowerPoint this evening and the various charts and graphs that we will go over in detail.

So just as a reminder, previous guidance and we're continuing forward with these recommendations is to file our bond resolutions concurrently or right after the fiscal year operational budget. Capital improvement spending through the operating budget - we're in and around \$1.5 million right now. We're looking to increase the appropriately year over year to try to increase our cash we use for various capital projects. Previous guidance was limit new debt sales to approximately \$25 million a year using a \$25 million average over a five-year period plus inflationary factor. I'll note this is something we may want to go over and talk about depending on what the body's priorities are. Authorize additional spending with surplus through supplemental appropriation in that fall time period.

Lastly, I just want to note this is something I brought up at the last meeting but I do think it's worth reiterating again is any discussion about the plan before us is going to require us exempting debt from the cap calculation. So that's something that has been done in years past. I think it's going to be something that we're going to need to do again to be able to adhere to the various financial constraints that we have before us.

So with that being said, I'd like to call your attention to the handouts that have been provided to you. I originally provided you this geo bonding plan at the last meeting. I provided that draft to you, and I solicited input, and I heard some commentary about some changes and tweaks that you'd like to see. So I've updated the plan accordingly. I'm going to go through line by line and talk about these changes and also make some editorial comments for you to keep in the back of your mind depending on what your priorities may be. There may be ways to potentially drive our planning projects down from a five-year average perspective or increase it depending on what your pleasure may be.

So starting off just at the top, we have approved resolutions with bond authorization where we are selling the debt. First is the continuing our general paving...

Chairman Donchess

Let me just interrupt for a moment. The record should show that Alderwoman Johnson has arrived.

Alderman Johnson

Thank you.

Tim Cummings, Administrative Services Director

So again right at the top here, we have approved resolutions with bond authorizations, and we need to sell the debt, and so first, we have continuing the general paving program. This was originally done in 2022 for \$37.5 million dollars. We have expended almost all of that. We have about \$7.5 million still to spend over the next two years and it's accommodated appropriately.

Next, we have the infrastructure - general infrastructure improvement of Walnut Street and the West Pearl Street. The Walnut Street oval and the West Pearl Street Streetscaping Project and so we have some debt still to sell on that project and that's noted in FY27.

We have the parking garages - both High and Elm Street parking garages. Originally a \$15 million bond authorization. We have about \$3 million of debt still to sell.

Continuing on that West Pearl Street Streetscaping and Walnut Street Oval Project, we have about \$600,000 of debt still to sell in a separate authorization.

We have the DPW garage and fleet maintenance facility project where we are authorized \$3 million and we anticipate selling that at least \$2 million this year and a million dollars next year.

Library design. We have \$1 million authorized and anticipate selling \$1 million.

Citywide infrastructure signal implementation project. We have a million dollars authorized, and I believe we will be spending that in a couple years from now, and it's slated to come up in FY29.

Holman Stadium. Total project cost is, I believe, something like \$7 million. We've authorized three and we have anticipated that debt to be sold in FY29 and FY30.

Then moving on to unauthorized debt and programmed in the over the next five to six or so years. You can see here we have the DPW garage and fleet maintenance facility for \$43.5 million dollars and it is outlined accordingly.

We have the fire general deferred capital maintenance program. This would be reoccurring deferred capital maintenance that needs to be spent of about \$1.5 million.

We have schools needing deferred capital maintenance. It's programmed in here at \$2 million.

As I noted above, the general paving program is coming to an end so we need to reauthorize it. I have it programmed in here at \$4 million starting in in FY29, which aligns with the current debt service planning that

we've done in the past.

We have CERF that we need to continue to accommodate and so we have CERF needing \$4 million to bring us up to current spending levels not to account for additional spending that we anticipate.

We have a library renovation project of \$44 million. That doesn't count the \$1 million that's already been noted above. Total project cost of \$45 million.

Fire training facility of \$1.5 million and then a fire station rehab or what's known as the "Pine Hill Station Number 5" for \$35 million happening a couple years out.

We have another, again, the continuation of the Holman Stadium project of \$4 million dollars and that's happening out after '31, I believe, and out into '32.

The City of Nashua needs to update our ERP system for \$10 million dollars and that is spread out accordingly.

And then we have a new addition of prior comment heard that we needed to increase how much we had set aside for the pools, and we added \$5 million for the pools, and that needs to be done sooner rather than later, and it is noted to come up in FY27 for \$3 million.

Hydro improvements. This is the regulatory requirements only for \$15 million dollars. We have that programmed as well and added into the plan.

And then finally, we have the cell block for the Police Department at \$3 million added into the plan, but it's in later in the in the schedule and coming up in FY32.

Citywide infrastructure improvements, again, pedestrian bridge. We have a contractual obligation to do this but the money is not necessary until an outer year so I accommodated it in FY33, which tracks along the lines of where we believe it is necessary. That is all unauthorized debt but programmed that we anticipate potentially doing capital projects on over the next five or so year horizon.

Unprogrammed and unauthorized. just to note, I included it on the bottom here is the resource center where I believe some additional community input is necessary before we can proceed. I know there's going to be a discussion about a school parking lot being needed at some point in the future. We also have the hydro improvements that are the non-regulatory improvements. We don't have a dollar amount associated to it just yet, but we do know it's a program that's on the horizon. We have a citywide car wash necessary just approximately \$3 million. General school renovation. We know there's going to be a need for a general school renovation. We have a placeholder of \$30 million there. Keefe Auditorium. We don't have a number associated to this yet, but we know it's under active planning and so I anticipate a presentation to the Board of Aldermen in the near future where this could be discussed. Then we have some other infrastructure projects that have been talked about from time to time but is, again, unprogrammed and unauthorized. 14 Court Street, the Court Street Theater, Riverside athletic fields, a new fire station, and then a passenger rail station being necessary.

So with that being said, everything that's in the approved and the unauthorized but blue categories, the average five year is about \$39 million. We should be spending on average about \$30 million so we're a little high. I think there's some ways we could potentially tweak this to bring this down if that is the pleasure of the body but I wanted to just at least at this time report to you on the work that we've done to date.

At this time, I'd like to hand it over to CFO Enwright who can talk to you about how we can accommodate this debt on the various schedules she's provided to you this evening. So if I could, Mr. Mayor, I'd like to hand it over to CFO Enwright.

Chairman Donchess

Yes, please.

Dawn Enwright, CFO

Thank you. For the record, Dawn Enwright, CFO. So first, I'd like to draw your attention to the spreadsheet at the

top that says “target bonded debt service projects”. This schedule that's in front of you is looking at what the target plan was agreed upon last year, which is the \$25 million dollars starting in 2025 with a 5 percent inflationary increase year over year and what the debt would look like if we stayed in line with the target plan. So for instance in 2027, the target amount was \$27,562 500 and so forth. What I would like to do - oh, the current debt column is what we currently are paying our debt service on today. That is the current debt service.

Then we add the additional debt service over the 10-year period that is shown here and it shows you the percent increase year over year. In 2027, you have a 4.14, then you have a 7.07, and you can see in year six that it goes down to 5%, and sometimes all the way down to three. So we range between high 5 down to 3% if we follow the plan.

Tim Cummings, Administrative Services Director

And that is what we aimed to target to do was you know keeping it somewhere between a 3 and, you know, a 3, 5, 6 percent year over year increase is sort of what we had modeled.

Dawn Enwright, CFO

And in the first five years the reason why it is at the 7% is because before we implemented this plan, we were bonding more than the \$25 million and we have to continue paying on that debt. But as we move forward, it matures and the new debt comes on at that \$25 million planned amount, which helps us control the year-over-year spending. Any questions on the target plan?

Chairman Donchess

Yes.

Alderwoman Johnson

Thank you. I'm looking at this. This is a lot of money that we're bonding here and I guess - I'm looking at this. I'm looking at the other sheet here, the big spreadsheet. Out of all these projects, what is the priority of this city on these projects? I see so many projects, unauthorized, approved, unprogrammed, unauthorized, and it's just going to kill us tax-wise. Percentages of our taxes going up every year. So can someone explain with all this debt service coming in, just this debt service alone, what would be the average increase in our taxes without any other spending in the city? Just this. Can I get an answer or are we going to have to go back and send it to me like three weeks later like what happened at the last meeting? We couldn't get any answers.

Chairman Donchess

Let's just give the history or background. So this Committee with slightly different membership met during the last term and decided that we would as a city proceed to bond about \$25 million a year on average over the next five years. And of course, you see a lot more than \$25 million here but the point is that the goal of this Committee is to try to decide what are the priorities within the \$25 million a year guideline that had previously been established. So, the point of this is to try to arrive at a plan that hits that guideline of \$25 million a year.

What does \$25 million if we have a 4% interest rate? That's about a million dollars a year, plus the principle, but a million dollars impacts the tax rate. I'm just giving you some ballpark figures. About, you know, one quarter to one - 1/3 to 40%, you know, of a 1/3 to .4% of a percentage on the tax rate. Now that does not take into account the fact that we pay off debt every year. So if we borrow 25, we might pay off 15. You know, I'm just - that's just a hypothetical figure. So the net increase might be only 10. So if we look, I think, CFO Enwright could go through these other target bonded debt service projections regarding, which a couple other pages, it would probably inform you further.

Dawn Enwright, CFO

Thank you.

Chairman Donchess

And now if I said anything that's incorrect, the CFO could correct me, or Mr. Cummings, or anyone. Yes, Alderwoman Kelly.

Alderwoman Kelly

I just wanted to also clarify for historical purposes the CIC grade to the right of that might be helpful for the Alderman who just joined.

Tim Cummings, Administrative Services Director

Oh yes. So on this spreadsheet here, there is the notation that everything here went through the CIC process and then the grade or ranking that the projects received.

Alderwoman Kelly

Can you be more clear on that? Is one highest or one lowest?

Tim Cummings, Administrative Services Director

One, I believe, is the highest.

Alderwoman Kelly

Yes. Okay.

Alderman Dowd

Yes, that's correct.

Dawn Enwright, CFO

Yes.

Thank you, Donna Enwright, CFO. So now if we look at the planned bonded debt schedule, this is taking into account what has been presented by Director Cummings from our previous meeting year over year what we're expecting to be selling. Example - in FY27 if we sell \$29,723,000, you can find that under the 27 column. That is what the debt service would look like year over year and so on. So if you look at 28, 29, we calculated across what the debt service impact would be with the maturing of the current year debt being taken into consideration and you can see that the plan is slightly higher than what the target was. As Director Cummings' spreadsheet pointed out, it's an average of \$39 million instead of the target plan of \$30 million, and we actually reach 10 percent increase year over year in years four and five, and then we start coming back to the target as we get into year seven and eight.

So as the plan is presented, we are going to see an increase in years four and five. Well actually 2, 3, 4, and 5. So taking consideration of that, those numbers, we may want to look at the projects at hand and see if any of them could be funded on at a later date, or how we want to accommodate the needs of the city, and what we want to fund for year-over-year bonding.

Tim Cummings, Administrative Services Director

And if and I may Mr. Mayor, I'll give an example of this and again, this is all for conversation purposes. But if you were to look at general paving reoccurring, I programmed at \$4 million starting in FY29. One of the ways we could potentially bring the percentage year-over-year increase down from that nine-ish percent figure is if maybe we were to not pave at that \$4 million figure but at a lower dollar amount as an example. What we did want to do right now was just show everyone what we had done as past practice but certainly we could have a conversation like that.

In addition, I programmed in fire's deferred capital maintenance at \$1.5 million. Right now, we do zero to a couple hundred thousand dollars. We may want to just, you know, ratchet it that down a little bit and then more slowly

grow to that 1.5 figure in an in an outer year. So we could recalibrate this plan but we're as an example, additionally I should note, we should also be trying to accommodate some of this deferred capital maintenance in the operating budget in general so we are not relying so much on debt service. But again, that's something that we would have to grow into. These are modifications that we could make to bring us back on target as well as potentially push a project out if so desired, but from the previous conversation that we had last month or the last time we met rather, it seemed like there was an appetite to include some additional projects, which is what this plan reflects.

Alderman Johnson

Thank you. Is there a problem? I'll have to defer to Alderwoman Kelly because she's on the Committee. I don't want any arguments.

Alderwoman Kelly

Thank you. I'm not sure that I understand. Is this target budget bonded debt service projections including all of the projects that you have programmed or is it simply the debt service with the \$25 million issued plus the 5% inflation?

Tim Cummings, Administrative Services Director

So it depends on the - do you want to answer it?

Dawn Enwright, CFO

Certainly.

Tim Cummings, Administrative Services Director

Okay.

Dawn Enwright, CFO

CFO Enwright. The target is what was agreed upon in this Committee of the \$25 million with \$150 million over a five-year period. That is the target. If you look at the planned schedule...

Alderwoman Kelly

That's everything in front of us.

Dawn Enwright, CFO

The planned is what is in front of you.

Alderwoman Kelly

Through the blue sections?

Tim Cummings, Administrative Services Director

So I just wanted to clarify. Just not the green. So it would be the white and blue, not the green.

Alderwoman Kelly

Okay. So this is just what was agreed on and this is everything through the blue sections. Okay.

Dawn Enwright, CFO

Is scheduled, yes.

Alderman Klee

Thank you, Mr. Mayor. A couple questions here. One is when we first did this and we agreed on the \$25 million, we felt that we could easily handle \$30 million but we wanted to have that \$5 million in our pocket. So as I see this increasing are we still within that? I know the \$30 million dollars changes because cost of living and so on so I'd like to know where we are as far as that comfort zone. I don't want to go over that and still have some for emergency.

Tim Cummings, Administrative Services Director

If I may, Mr. Mayor?

Chairman Donchess

Yeah.

Tim Cummings, Administrative Services Director

Thank you. So you are absolutely correct. When we originally started this conversation, it was actually CFO Griffin's original recommendation to do \$30 million and it was this group along with the Board of Aldermen who felt more comfortable bringing it down to \$25 million.

To answer your question, we're still well within reason and we're very, very much within a comfort zone of our debt service. This is really trying to make sure we provide a stable and predictable year-over-year debt service so we can use it for planning purposes. If you wanted to go to that \$30 million originally recommended, you certainly could do that. The inflationary projection that's included now actually kind of does that for us. So that is something to keep in the back of your mind.

Just as a reminder, this is all part of the operational budget so, you know, part of the reason why we're going through this exercise is because the more we spend over here may mean we need to pull back somewhere else to be able to have a reasonable and predictable year-over-year stable tax rate.

Alderman Klee

Another question, please.

Chairman Donchess

Yes.

Alderman Klee

Thank you. So when you said that it's averaging \$39 million is that over - is that all the way up to 2037, or is that up to 2036, or is that just a five-year?

Tim Cummings, Administrative Services Director

If I may, Mr. Mayor? Thank you. That's five years starting in FY27, and then going out five years, and same with the 39 figure as well.

Alderman Klee

Okay. And if I may just again just for clarification. The white items are those that are kind of are either in process or have been approved by the Board of Aldermen. These are kind of done deals. The blue is, as you said, unauthorized. In other words, we don't have any kind of bond approval through the Board of Aldermen. These are kind of where our real decisions making and if we had any room because something got pushed away, we could then move into the green areas. Is that or if the green area became a priority emergency type thing. Is that kind of the way we're looking at the spreadsheet?

Tim Cummings, Administrative Services Director

Yeah, I think that's fair. I'd just note that some of the blue is already well in progress.

Alderman Klee

Okay.

Tim Cummings, Administrative Services Director

And so even though some of it is not necessarily approved I think in fairness, you know, we have been working in good faith to move some of these projects along and so the only note that I would make to your comment is that some of the blue projects, not all of the blue projects, are in some point of progression. And as a reminder, everything is built upon previous work. So some of the conceptual costs are built upon our understanding of us doing a project in a certain time frame and so as we push projects out, please just keep in the back of your mind that some of these project costs could go up.

Alderman Klee

Okay. We lost the screen there. And just - I'm sorry. Two more questions here. There are X's next to some items within the blue area and some not. What are those not X's, or what are the X's?

Tim Cummings, Administrative Services Director

Yup. Thank you. If I may, Mr. Mayor. These are what I've identified as priority authorizations where we would need to get the money authorized to be able to keep the projects going. So probably to no one's surprise, we need to start construction. This is a good example of a project that is well underway for the DPW garage and fleet maintenance facility. So that is that has been designated and denoted as a priority project where we would be looking to file a bond resolution.

Similarly with the deferred capital maintenance, we know from the planning study that we need to start investing in some of our fire assets. So that has been denoted. You'll see that that isn't anticipated until FY28. So we would have a little time there if we didn't necessarily want to do that one right away.

Similarly with schools, you'll see that I did not highlight that one because it's out a couple years but it's certainly something we need to keep in the back of our mind.

Alderman Klee

Okay. I see that.

Tim Cummings, Administrative Services Director

Citywide paving program. Same.

CERF. We absolutely need to do sooner rather than later. That's a priority project.

The library renovation to continue with design, we need to authorize money for that.

Pine Hill Station is out a couple of years. There's still some work to be done but we anticipate needing to start the design on that. Similarly to the library, so continue the design.

Holman Stadium. Not necessarily denoted as a priority because it's in a further year. So it's something that we could push out.

The city's ERP system is coming to end of life. That is a priority project where we're going to need to get that done to be able to have the financial infrastructure in place for our software.

Hydro improvements. I believe that is a priority project that is coming on the horizon but it wasn't necessarily for

this year being necessary but I think it's certainly within the next couple years.

The cell block renovation is a further out project. It is not necessarily a priority.

The pedestrian bridge from a spending of the money and going to construction on the project, it's not happening till a later year but we do have a contractual obligation to it. So we wanted to make sure we got the money authorized just so it could be available for when it does go to construction.

And again, I already talked about the CERF.

Alderman Klee

Okay. Just two really quick comments and they're not really questions. But the two comments is you made a comment about reducing the paving to less than \$4 million. Before we did anything like that, obviously, I would want to hear from Director Fauteux how that would have impacted the city because we've been trying to do that three-year take the city into third. So I'd be very curious as to how this would be impacted because we don't want to go back to the old days to where we had some problems.

And the other thing is the only two, maybe the ERP one is a little different, but the only two items I see that are almost contractual or regulatory is the hydro and the Mohawk pedestrian bridge. Is that correct?

Tim Cummings, Administrative Services Director

Yes.

Alderman Klee

Okay. Thank you.

Alderman Dowd

Yeah, just three quick things based on Alderman Klee's comments. When the cut - because I'm not part of the Committee but I've been to every one of them. Back in the previous board, we originally were looking at \$30 million. They went to 25 for what I'll call "unknown unknowns". You know, like the Pennichuck school thing years ago. But over five years, that's \$25 million. That's a big chunk of safety money. If you did that for a year or two and then if you had a problem with an unknown unknown, you could push some of the later projects off and still cover everything and be fine.

The other thing is on these estimates, we almost always bond for more money than we're actually going to need and return money. We've done that in just about all the school - all the school projects actually. So that drops that number down too in the end. So those are things to consider when you're looking at this as far as a risk factor with your final numbers.

Alderwoman Kelly

Thank you. I'm the problem child. I am unable to vote on the DPW garage and Legal has requested that I not participate in that discussion. So before we go any further, I would request that we talk about that project separately and then we can talk about the rest. That's a motion.

MOTION BY ALDERWOMAN KELLY REQUESTED TO TALK ABOUT THE DEPW GARAGE SEPARATELY AND THEN TALK ABOUT THE REST OF THE PROJECTS

Chairman Donchess

Well I think we already...

Alderman Klee

Does it need to be a motion or can we just agree on it?

Chairman Donchess

What do you mean?

Alderwoman Kelly

Just take it separate like we would on Personnel. We'd just pull it out.

Chairman Donchess

What do you mean by talk about it separately. I mean aren't we talking about each project individually?

Alderwoman Kelly

We could do that.

Chairman Donchess

But I think we're doing that now.

Alderman Klee

Yeah.

Alderwoman Kelly

I think it gets a little wonky. I would really appreciate if we could just talk about it and then I can feel comfortable.

Alderwoman Johnson

Thank you very much. A question for Ms. Enwright please?

Chairman Donchess

Yes, of course.

Alderman Johnson

Okay. I see some of the projects that are small amounts like \$1.5 million. With these small amounts, why do we have to bond them? Why can't we just pay for them so this way, we're pulling money out that we're financing over a long period of time and the costs when you think about the interest over a long period of time, some of this could be the money that we could have been spending without bonding. So a little money to make. I mean it's 1.5 isn't a little bit of money but in the scheme of all this, it is small change. Why can't we, you know, like \$1.5 million, or maybe \$2 million, or \$3 million and not bond all this?

Dawn Enwright, CFO

Thank you, Mayor. That's a very good question. You know that is something that we are constantly considering and until we know our surplus, it's really hard to say that we're going to pay for it with cash. If it comes forward that there is surplus available, we will but then we also have to take into consideration the cap space. When we bond a project, that can be excluded from the cap calculation. So if it's a project that needs to be done, it may be bonding is the best option but always, it's on the table for discussion if we can pay for it with cash.

Chairman Donchess

Now there are some projects that we have paid for in cash for the reasons that you just articulated, Alderman Johnson. For example when the police training building was renovated for their use, the one on Riverside, we spent over \$3 million in cash rather than borrowing money because we had the money in surplus at that time.

Another one - but these aren't the only two. But another one might be would be the rooves on the fire stations. I think that was about \$1.5 million. That was a cash project. So to the extent we have cash, we have tried to use cash to, you know, save on borrowing costs. Yes.

Alderman Johnson

Thank you. Question to Ms. Enwright please, again.

Chairman Donchess

Yes.

Alderman Johnson

So when you talk about the surplus if you have it, when do you know exactly that you're going to have enough money to be able to pay cash for this? Because like I said, you know, 3 million, 2 million, you know. I'll use the example: the rail. Why would you want to bond \$3 million on a rail, you know, or \$3 million on the Mohawk pedestrian bridge? That to me is like wasteful as far as paying interest on it. So, you know, I'm trying to figure out what is going to be the best way. So when it comes to our tax bill, we're not going to see that increase because we have bonded so much. Whether you say anything how much is going to be but you have to compile it all on the bonding. How much bond interest on the debt that you have already there and then you're adding. It's like getting a mortgage. You know you get a home, you get a mortgage, then you get an equity line, and then you get a personal line because you can't do this, you can't do that. You've got to call them. It's the amount of interest on all the debt that you owe. Do you have enough revenue to counteract your spending? So that's what my basic question is on all of this.

Dawn Enwright, CFO

Thank you for your question. Dawn Enwright, CFO. Thank you, Mayor.

So the surplus is a number that we are working on right now because we are just finishing up with all of the AP for FY26 and we should have that number I'd say within the next couple of weeks. Once we do know that number, we will be able to use the cash to pay for some of these projects that are priority.

Alderman Johnson

Thank you very much.

Chairman Donchess

Now sometimes just in addition to that, sometimes people have the impression that when the city does, you know, borrows money - \$30 million to do this or that for example. Oh my God, that's going to, you know, drive the tax rate through the roof. Well when you put together all of the borrowing that is on the books, currently on the books which amounts to a couple \$100 million dollars roughly let's say. The proportion of the city budget that is required to pay for all of those projects, all of those issues, interest and principle is like 7% of the city budget. So it's not like these capital projects really drive the tax rate. It's really salaries, and wages, and benefits that really drive the tax rate not the - and I'm not suggesting that we shouldn't try to save money or anything like that but just to make sure this is in, you know, a perspective of what effect it really does have on the average homeowner.

Yes.

Alderman Klee

Thank you. Again, I have a few questions. One is was I correct that the discussion that we had at the previous meeting, the previous committee that was there, was that we wouldn't bond over a million dollars? Is that correct? I know we have since then for a variety of reasons but that was our guideline. Am I correct?

Tim Cummings, Administrative Services Director

1.5

Chairman Donchess

I think it was 1.5. We would pay cash if we could. We would try it for 1.5.

Alderman Klee

Okay. I just wanted to clarify that.

And the other question that I have is that every year we give a certain amount of millions of dollars back to defer the tax rate or to lower the tax rate. I should say not to defer but to lower the tax rate. If we didn't do that and we said okay we're going to take that money and we're going to use that supplemental money to do that, we would see a much higher tax rate, correct? So this is kind of like a dog chasing its tail kind of thing. When I first came on the Board, I think we did \$1 or \$2 million and we slowly brought it up to \$4,000,000.

Chairman Donchess

Six.

Alderman Klee

\$6 million. That actually gives me anxiety that we're - every year we're kind of hurting ourselves in that respect. To my colleague's point, we could have taken that money and used it for this but then we'd have a much higher tax rate. We're falsely giving a lower tax rate because we're taking that supplemental and decreasing it. Am I correct in all of that?

Dawn Enwright, CFO

Yes.

Alderman Johnson

So this is kind of the dog chasing the tail type of thing. So thank you.

Dawn Enwright, CFO

If I may, Mayor?

Chairman Donchess

Yes, go ahead.

Dawn Enwright, CFO

One thing I would like to add also the importance of standardizing how much we bond year over year actually stabilizes the increase in the tax rate. So you - that's why we're here in this Committee to talk about this so that that percentage in the right-hand column of the spreadsheets that have been provided to you, we're trying to keep it stable year over year so that the impact on your taxes is as minimal as possible.

Chairman Donchess

Right.

Alderwoman Kelly

Thank you. So correct me if I'm wrong, Miss Enwright. You said that we don't know how much supplemental we have yet? Is that correct?

Dawn Enwright, CFO

Surplus.

Alderwoman Kelly

Surplus. Thank you. So I guess my question is if our plan is to pass this bond resolution plan to talk to the Aldermen, how are we going to do that without knowing what we might be able to supplement?

Tim Cummings, Administrative Services Director

If I may, Mr. Mayor.

Chairman Donchess

Yes.

Tim Cummings, Administrative Services Director

This only anticipates debt service. Anything that you'd want to use for "cash" it would be a separate conversation and I think that that's, you know, probably for another evening to kind of talk about because there are a lot more projects that are even not even listed on here that could be used for that, you know, supplemental appropriation using surplus. As an example, we have transit matches that we need to make our 20% matches on. We have congressionally directed spending that we need to have our matches on and those are dollar amounts that are more aligned with something under that \$1.5 million dollar figure that would be more appropriate for cash.

We also have some deferred capital maintenance. Off the top of my head, I can't really name one but those are something we could look at. That would be you know more of a capital conversation, non-debt service.

Alderwoman Kelly

I was specifically looking at the training facility that is that \$1.5 million, which we said we wouldn't necessarily bond as well as the deferred capital maintenance for fire, which is \$1.5 million a year. So I'm just questioning because we talked about that 1.5 whenever possible we would use cash for total project.

Tim Cummings, Administrative Services Director

If I may, Mr. Mayor. I would need to understand that a little bit more. So in lieu of setting aside the \$1.5 million for deferred capital maintenance for fire, try to use surplus? Is that what you're suggesting - in theory?

Alderwoman Kelly

I'm wondering is it a possibility and theory that we should be looking at while we're predicating this plan in front of us?

Tim Cummings, Administrative Services Director

So my response to that would be I think maybe it's maybe not doing it at the \$1.5 million dollar amount but maybe something a little bit lower because we're going from basically zero. And then ultimately what we should try to do is move it into the FY28 operating budget. I would say that for both fire and schools deferred capital maintenance, and we start to grow that, and we don't necessarily utilize surplus. I would recommend surplus more for capital projects that have a beginning, a middle, and an end. I wouldn't want anyone to start to get reliant on using surplus but for deferred capital maintenance in a more regular way, which this tries to suggest, which is basically just following what the schools and the fire have articulated a need for but unfortunately, it's not at the dollar amounts that they are looking for.

Alderwoman Kelly

Thank you.

Alderman Klee

Thank you. I want to bring a point back that Director Cummings had mentioned the congressional spending, and the congressional spending, and projects that we have. So I'm going to be selfish enough to match right. I'm going to be selfish enough to bring up the Lock/Whitney project, which they're having a meeting on April 20th upstairs at 5:30 p.m. on April - August 20th. I got the A right. Yeah, August 20th at 5:30 p.m. to discuss the next steps and so on. I know there's at least a \$1 million match and possibly some other monies that we have to come up with for that particular project. Is that something that you were talking about that we don't know here but that's in the way that - is that - that's something we've planned for it. Am I correct, Director Fauteux? We've actually put that money aside because we've known about this since like 2019 or something.

Lisa Fauteux, Public Works Director

Yes.

Alderman Klee

So, okay. So that other matching funds, we have put that aside though, correct? Am I - no? Because I know when we've had people come here and we've approved a project with matching funds that has not been put aside. Okay.

Tim Cummings, Administrative Services Director

If I may, Mr. Mayor.

Chairman Donchess

Yeah.

Tim Cummings, Administrative Services Director

I'm not going to speak to the Lock and Whitney specifically...

Alderman Klee

Yeah, that's fine. Yeah.

Tim Cummings, Administrative Services Director

...but I'm going to say more generally, I would say we do not necessarily set the monies aside and what we end up doing is once we receive approval and we start to move into contract awardment, we then start to look for the money, and we need the "20% match". I would recommend that as we move forward, we start to do what you're suggesting which is as we move forward with these projects, we actually try to set aside - and it doesn't need to be the entire match because we know it will be quite a few years before we might get a project. But if we could raise, appropriate, and transfer a de minimus dollar amount for these various projects in our operating budget, it then would be setting aside for when we need it. But we're not there yet. So I'm running. I'm like sprinting and we're just starting to crawl, and we'll get there but that's the trajectory we're on.

Alderman Klee

May I make one clarification if that's okay, Mr. Mayor?

Chairman Donchess

Yes.

Alderman Klee

But just for the public and for even for my own knowledge, when the police or somebody come through and say or

Community Development and says, you know, will you approve this project and we need a 10% match or 20% match. At that time, I see that it says using funding with X number cut. Then we do have it. We're talking about projects that we haven't gotten shovel ready or haven't done anything to, correct?

Tim Cummings, Administrative Services Director

That's correct.

Alderman Klee

Okay. I just want to make sure that there's a delineation between those two things and people don't suddenly panic going, there were a lot of things you guys said yes to for matching funds. I just want to make sure that - because we've seen it on the legislation where it's coming from. So okay, thank you very much. Appreciate it.

Alderman Dowd

Yeah, just a couple things. Relative to what you're planning to do tomorrow night is to present this as a potential plan. Each one of those things in the blue and possibly the green are going to have to be voted on separately for bonding, or funding, and we're not making a motion tomorrow night to approve all of these projects. That's not going to happen. So this is just a plan that's being presented with what this Committee feels is a logical attempt to plan out spending, which we haven't done I don't think ever before, out five or six years so that we know what's ahead of us.

And another example of where we spend money cash for good return on the dollar is the Airport Authority. They got very, very high rankings in the CIC because we have some projects that are 95 percent federally funded, and it's a low volume money for us, and some that are 90 percent federal, 5% state, and 5% local. Those are all low numbers but the economic benefit of the airport has been proven many times over in studies that shows that it brings in billions of dollars into the city and the area. So that's another example of where we have to come up with some low volume money that would probably be cash.

Alderwoman Kelly

Thank you. One of the notes on your spreadsheet says that Keefe Auditorium is currently under active planning. I don't recall that the full Board has gotten an update on that. Can you?

Tim Cummings, Administrative Services Director

Yes, happy to if I may, Mr. Mayor. So at the top of the presentation, I noted that the Keefe Auditorium doesn't have a dollar amount associated to it because I didn't want to bias this plan or the Board of Aldermen with denoting something on work that is being actively done by the Keefe Auditorium Commission. I believe they plan on making a presentation to the full Board of Aldermen. I originally it was supposed to be this summer and due to summer schedules and whatnot, I think it's getting pushed off to the fall. But I know it's imminent and based off of their work, then the Board of Aldermen can decide what they would like to do. But I didn't think it was fair to, again, bias this plan with an artificial dollar amount when there's such active work happening on it that's coming down the pike.

Alderwoman Kelly

Thank you for clarifying.

Chairman Donchess

All right. So we, I think, if discussion is concluded, we should have a motion to approve the plan or to delete things from the plan. That's a possibility as well.

Alderman Klee

Before we make any motions...

Chairman Donchess

Or add things to the plan, I suppose.

Alderman Klee

Before we make any motions to delete anything or to speak to what Director Cumming said, would like to hear for Director Fauteux as to how reducing \$4 million is going to have impact on our - I know we would not eliminate it. Just any reduction in it, I don't know because I trust you to be very concise of what you think your needs are.

Lisa Fauteux, Public Works Director

So, Lisa Fauteux, Director of Public Works. We became so far behind in our paving program that we had to bond \$7 million for 10 years and that's because we just didn't appropriate enough. So if we don't appropriate \$4 million is probably not even enough to be honest with you. We probably need more like five or six. So if we don't appropriate that amount of money, what concerns me is we're not going to have the maintenance that we need to be able to keep up with the paving program and therefore, we're going to go backwards and I'd hate to see that after we spend all this money bonding it.

Alderman Klee

May I ask one just question to follow up on that?

Chairman Donchess

Yes.

Alderman Klee

If that were the case – or I know we're almost through the project and so on, would there be any roads left that have to go all the way down to reclamation so that we would have to once the project itself is done and we just get into this maintenance mode, are there any roads that are left on the list that have to go all the way down?

Lisa Fauteux, Public Works Director

Yes.

Alderman Klee

Okay.

Lisa Fauteux, Public Works Director

Yes. Potentially yes.

Alderman Klee

Okay. So reducing this could actually hurt those roads because they actually go on the back burner if I'm not mistaken because they can't be saved anymore. So we try to take care of the better roads.

Lisa Fauteux, Public Works Director

Ones we can save because it's less expensive.

Alderman Klee

So they don't get there. So those people that are living on those roads are going to be negatively affected and for any Alderman, we're going to be hearing, "Why not me?", which is a valid point so. Thank you.

Tim Cummings, Administrative Services Director

If I may, Mr. Chairman. I just want the record to reflect. I wasn't recommending the \$4 million. I was just offering it as a suggestion as a way to try to calibrate.

Alderman Klee

No, I understand that. I just wanted - because it got out there. I just wanted to hear from that. So thank you.

Tim Cummings, Administrative Services Director

I do think though it would be fair to say that I do think there needs to be a policy discussion about potentially including the paving program in the operating budget.

Alderman Klee

Yes.

Tim Cummings, Administrative Services Director

Similar to like how I talked about the deferred maintenance of our various fixed building assets. Similar type conversation should occur on that and I'll leave my comments there on that.

Alderman Klee

But if I may follow up on that comment?

Chairman Donchess

Yes.

Alderman Klee

Thank you. Putting all of the stuff that we talked about putting into the operating, you know, the CERF, the this, and the that. That's going to affect the cap and then we're going to have to lay off all these people. So let's be realistic about what we really can put in the operating budget and what we can't put in the operating budget.

Tim Cummings, Administrative Services Director

And to your point Alderman Klee, that's why when I make the statement, "we need to grow into it", this is what I'm talking about. We need to grow slowly so we don't shock ourselves by taking all that expense off in time. So you kind of layer it. It would be ideal in the ideal world we keep it at this \$4 million figure for the next couple of years, but then we as a team make a concerted effort to drop it in the debt service down to \$3 million, but we include it in the operating budget by \$1 million in the DPW operating budget or wherever. Maybe we put it in under capital improvements for \$1 million. Wherever we decide to house it within the operating budget and then we - and then over time, it would come together and then we would see it in the operating budget, and it would reduce out of the debt service budget. So we...

Alderman Klee

Thank you for that explanation. I appreciate that.

Alderwoman Kelly

Thank you. I had made the motion for line item approval.

Chairman Donchess

Well if we move to approve this, what we could do is divide it into two parts.

Alderman Kelly

That's fine.

Chairman Donchess

One for the garage and one for the rest.

Alderman Kelly

That sounds fine.

Chairman Donchess

Which is what we'll do. So does someone want to make a motion of one kind or another?

Alderman Klee

I'm happy to make that motion to Item number 12 will be voted on its own and the remaining items of 13 through 26 will have a single vote. Does that - what?

Chairman Donchess

Well, we don't - we can do that. We're going to do that without a motion. The question is does someone have a motion regarding the plan?

Alderman Klee

I'll make the motion to approve the plan.

MOTION BY ALDERMAN KLEE TO APPROVE THE PLAN

ON THE QUESTION

Tim Cummings, Administrative Services Director

As presented?

Alderman Klee

Well we have to remove item number 12 out of it. That's why I made that motion.

Alderman Kelly

I thought it made sense.

Chairman Donchess

We're going to divide the question. So...

Alderman Kelly

Correct.

Chairman Donchess

If someone wants to approve the plan...

Alderman Klee

And then we'll put in...

Chairman Donchess

They could either move to approve item 12, or they could move to approve items 13 through 26, or they could move to delete something.

Alderman Klee

So I will make that motion to approve the plan. However, Alderwoman Kelly will not be able to vote on that first.

Chairman Donchess

All right. So that...

Alderman Klee

So then I would say immediately afterwards, I would like to make the motion to separate the - to split the question.

MOTION BY ALDERMAN KLEE TO APPROVE ITEM 12 – THE PUBLIC WORKS GARAGE AS PART OF THE PLAN

Chairman Donchess

All right, but we are going to separate the question. So I think what you've moved is that we approve item 12, the Public Works garage as part of the plan, correct?

Alderman Klee

Yes.

Chairman Donchess

All right and um...

Alderwoman Kelly

I will be abstaining.

Chairman Donchess

Alderwoman Kelly wishes to abstain from that particular motion. Any discussion on that?

Alderman Klee

Is this at the point where I split the question because don't we have to split the question before we do the final vote?

Chairman Donchess

We are going to split the question but I think I as the Chair can just say we're going to split the question.

Alderman Klee

Okay. But – so we can't...

Chairman Donchess

On a request, I can simply do that, which is what we're going to do.

Alderman Klee

Okay but we can't approve the plan without splitting the question.

Chairman Donchess

We're splitting the question.

Alderman Klee

Okay.

Chairman Donchess

We are splitting the question.

Alderman Klee

Okay, thank you. So the plan is for 13 through 26.

Chairman Donchess

So I think - are you moving for item 12 or item 13 through 26?

Alderman Klee

I'll move for 13 through 26 and then Alderwoman Kelly can, in fact, vote on that.

MOTION BY ALDERMAN KLEE TO APPROVE ITEMS 13 THROUGH 26
MOTION CARRIED

Chairman Donchess

Now we're on to item 12 and is there a motion on item 12?

MOTION BY ALDERMAN KLEE TO APPROVE ITEM 12 – THE DPW GARAGE AND FLEET MAINTENANCE FACILITY
MOTION CARRIED (Alderwoman Kelly abstained)

Chairman Donchess

I note for the record that Alderwoman Kelly abstained from that vote but the motion does pass. Do we need other business for tonight?

Tim Cummings, Administrative Services Director

Just one more, Mr. Mayor. I would I would like a recommendation on the draft guidance that's presented in front of you. The one thing I'd note is the plan itself is a little bit higher than the \$25 million figure. It's - so I'm not sure how we want to adjust for that. I can certainly do the math after this meeting and correlate it so it works out correctly. But it would be good just to memorialize that basically the framework of the guidance as previously discussed is still meeting your wishes and sentiments.

Alderman Dowd

Yeah, I presented as this is a plan and we can adjust the final numbers when we approve the different bonds individually. As we get through the planning phase of each one of those projects, like we did with the garage and the fire station stuff, then the number becomes more realistic, and you could tweak the numbers later, and so I wouldn't be concerned too much about the end numbers at this point.

Tim Cummings, Administrative Services Director

Okay.

Chairman Donchess

Follow up?

Alderman Klee

Thank you. We talked about the \$25 million dollars plus the inflationary figure. So we keep falling back to the \$25 million dollars. If we could get a better feel as to what the real number is, is no longer \$25 million dollars. If we could see what the inflation so we could see really where the difference lied, I think that would help at the Board of Aldermen for all of those individuals there.

Dawn Enwright, CFO

Thank you, Mayor. Dawn Enwright, CFO. If I could suggest as I stated on the target spreadsheet on the bottom, I put \$25 million issued each year from 2025 forward with a 5% inflationary year over year, and then what we could just state is FY27 is 27.562500. I think that would clarify what the intent is of the Committee.

Alderwoman Kelly

It would be lovely when we talk about this at the Board if we could have that sort of percent change in terms of tax rate. Do you think that's something we could add? So like your percent change here is actually a percent change in the debt service but like even if you put the note that every \$3 million is a percent, 1% on the tax rate, that might be helpful so that we can - it can be very clear to people that it's not a 4% increase on your taxes.

Dawn Enwright, CFO

Certainly.

Alderwoman Kelly

Thank you.

Lisa Fauteux, Public Works Director

Lisa Fauteux, Director of Public Works. I was also just going to add that I think you have to include the debt that's being retired as well because that'll impact.

Alderwoman Kelly

That's helpful. Yes.

Chairman Donchess

Okay. All right. Does anybody have anything else? Oh, you're looking for a vote on this draft guidance.

Tim Cummings, Administrative Services Director

That would be helpful. Yes, Mr. Chairman.

Chairman Donchess

Is there a motion on the draft guidance which is on the screen right now?

Alderman Wilshire

I'll make a motion to adopt that draft guidance.

**MOTION BY ALDERMAN WILSHIRE TO ADOPT THE DRAFT GUIDANCE
MOTION CARRIED**

Chairman Donchess

I think now we have concluded our work for this evening.

PUBLIC COMMENT - None

ADJOURNMENT

**MOTION BY ALDERMAN WILSHIRE TO ADJOURN
MOTION CARRIED**

The meeting was declared adjourned at 7:05 p.m.

Tm Cummings, Administrative Services Director
Committee Clerk

**AD HOC CAPITAL EXPENDITURE &
DEBT SERVICE PLANNING
DISCUSSION & UPDATE ON
CAPITAL PROJECT PRIORITIES
08.10.2026**



**TIM CUMMINGS
ADMINISTRATIVE SERVICES
&
DAWN ENWRIGHT
FINANCIAL SERVICES

GENERAL OPENING COMMENTS**



DISCUSSION TONIGHT



**The Purpose of our discussion is to provide a review of
the draft capital project priorities with how debt would
be sold and see how it compares and aligns with
current sentiments**

DRAFT GUIDANCE

- File Bond Authorizations to run concurrently with adoption of the FY Budget
 - Previous guidance
 - Capital Improvement Spending Through Operating Budget \$1.4M (looking to increase as appropriate) – use cash under \$1.5M when possible
 - Limit new debt sale to approximately \$25M per year (using a \$25M average over 5 yr. period + inflationary factor)
 - Authorize additional spending with surplus (Supplemental Approp)
- Note
- Under plan debt will need to be exempt from Cap calculation

PLEASE SEE HANDOUTS

THANK YOU



City of Nashua NH

Planned Bonded Debt Service Projections

General Fund

DATE	CURRENT DEBT SERVICE	ADDITIONAL DEBT										note	TOTAL W ADDITIONAL DEBT SERVICE	PERCENTAGE CHANGE
		2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	*		
		\$29,723,428	\$33,125,000	\$40,625,000	\$43,875,000	\$49,375,000	\$41,500,000	\$36,936,387	\$38,783,206	\$40,722,367	\$42,758,485			
Jun-26	\$ 23,758,025											A	\$ 23,758,025	
Jun-27	\$ 22,304,661	2,675,109										D	\$ 24,979,770	4.89%
Jun-28	\$ 21,640,676	2,615,662	2,981,250									D	\$ 27,237,588	8.29%
Jun-29	\$ 21,078,846	2,556,215	2,915,000	3,656,250								I	\$ 30,206,311	9.83%
Jun-30	\$ 20,833,096	2,496,768	2,848,750	3,575,000	3,948,750							T	\$ 33,702,364	10.37%
Jun-31	\$ 20,452,154	2,437,321	2,782,500	3,493,750	3,861,000	4,443,750						I	\$ 37,470,475	10.06%
Jun-32	\$ 19,571,666	2,377,874	2,716,250	3,412,500	3,773,250	4,345,000	3,735,000					O	\$ 39,931,541	6.16%
Jun-33	\$ 18,637,729	2,318,427	2,650,000	3,331,250	3,685,500	4,246,250	3,652,000	3,324,275				N	\$ 41,845,432	4.57%
Jun-34	\$ 18,103,464	2,258,981	2,583,750	3,250,000	3,597,750	4,147,500	3,569,000	3,250,402	3,490,489			A	\$ 44,251,335	5.44%
Jun-35	\$ 16,659,892	2,199,534	2,517,500	3,168,750	3,510,000	4,048,750	3,486,000	3,176,529	3,412,922	3,665,013		L	\$ 45,844,890	3.48%
Jun-36	\$ 15,294,611	2,140,087	2,451,250	3,087,500	3,422,250	3,950,000	3,403,000	3,102,657	3,335,356	3,583,568	3,848,264		\$ 47,618,541	3.72%
Jun-37	\$ 14,201,188	2,080,640	2,385,000	3,006,250	3,334,500	3,851,250	3,320,000	3,028,784	3,257,789	3,502,123	3,762,747	D	\$ 49,770,947	4.32%
Jun-38	\$ 13,457,763	2,021,193	2,318,750	2,925,000	3,246,750	3,752,500	3,237,000	2,954,911	3,180,223	3,420,679	3,677,230	E	\$ 52,385,592	4.99%
Jun-39	\$ 13,294,568	1,961,746	2,252,500	2,843,750	3,159,000	3,653,750	3,154,000	2,881,038	3,102,656	3,339,234	3,591,713	B	\$ 55,698,321	5.95%
Jun-40	\$ 12,795,914	1,902,299	2,186,250	2,762,500	3,071,250	3,555,000	3,071,000	2,807,165	3,025,090	3,257,789	3,506,196	T	\$ 58,799,336	5.27%
Jun-41	\$ 12,500,255	1,842,853	2,120,000	2,681,250	2,983,500	3,456,250	2,988,000	2,733,293	2,947,524	3,176,345	3,420,679		\$ 62,233,279	5.52%
Jun-42	\$ 11,996,163	1,783,406	2,053,750	2,600,000	2,895,750	3,357,500	2,905,000	2,659,420	2,869,957	3,094,900	3,335,162	I	\$ 65,595,218	5.13%
Jun-43	\$ 11,832,796	1,723,959	1,987,500	2,518,750	2,808,000	3,258,750	2,822,000	2,585,547	2,792,391	3,013,455	3,249,645	S	\$ 69,441,134	5.54%
Jun-44	\$ 11,415,428	1,664,512	1,921,250	2,437,500	2,720,250	3,160,000	2,739,000	2,511,674	2,714,824	2,932,010	3,164,128	S	\$ 73,183,462	5.11%
Jun-45	\$ 10,823,062	1,605,065	1,855,000	2,356,250	2,632,500	3,061,250	2,656,000	2,437,802	2,637,258	2,850,566	3,078,611	U	\$ 76,908,727	4.84%
Jun-46	\$ 8,688,371	1,545,618	1,788,750	2,275,000	2,544,750	2,962,500	2,181,006	2,363,929	2,559,692	2,769,121	2,993,094	E	\$ 78,865,504	2.48%
* - \$25,000,000 issued each year from 2025 forward with 5% inflation year over year.														

