

BUDGET REVIEW COMMITTEE

AUGUST 24, 2026

A meeting of the Budget Review Committee was held Monday, August 24, 2026 at 7:35 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.

Alderman Richard A. Dowd, Chairman, presided.

Let's start the meeting by taking a roll call attendance.

Members of Committee present: Alderman-at-Large Michael B. O'Brien, Sr.
 Alderman-at-Large Alicia Gregg
 Alderman Derek Thibeault
 Alderman Paula Johnson
 Alderman Tim Sennott, Vice-Chair
 Alderman Richard A. Dowd, Chairman

Members not in Attendance: Alderwoman Shoshanna Kelly

Also in Attendance: Alderman James Ravan
 Alderman Patricia Klee
 Tim Cummings, Director of Administrative Services
 Lisa Carl, Accounting Manager

ROLL CALL

PUBLIC COMMENT

Bill Ferriero

My name is Bill Ferriero. My home is number 35 Indian Rock Road. I wanted to ask about or talk about R-26-055, removing \$76,000 from the budget for street lighting. That's kind of bizarre because I remember a couple three months ago when the budget was being developed I asked repeatedly about how the budget for street lighting was developed.

Chairman Dowd

Hang on. Go ahead.

Bill Ferriero

I asked repeatedly to the Aldermen and the Mayor about how the budget for street lighting was developed and I either got no response or the mayor told me, "Well, there's no way we can accurately estimate that. Because I believe that it was over planned. It was pretty obvious that it was over planned.

Now all of a sudden, there's \$76,000 available. So what does that mean? Does that mean that it was over planned? What's the plan? Are we still going to be able to light the streets with moving the \$76,000? Two months ago, the Mayor said no. Is the Mayor going to be shutting off streetlights to do this? What's the plan? What's the basis for the budget of the streetlight? Where does this \$76,000 come from? How is there suddenly \$76,000 available? Thank you.

Chairman Dowd

Okay. Anyone else for public comment?

COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS

R-26-053

Endorsers: Mayor Jim Donchess
Alderman-at-Large Michael B. O'Brien, Sr.

**AMENDING THE SPECIAL REVENUE FUND FOR ROAD AND HIGHWAY EXPENDITURES BY
INCREASING THE ANNUAL FUNDING AMOUNT FROM MOTOR VEHICLE PERMIT FEES FROM
\$1,000,000 TO \$2,000,000**

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGEON THE QUESTIONAlderman Gregg

Thank you, Mr. Chair. So my question - I think this was a hang up earlier because we did talk about the surplus was needed for to pay down our tax rate and stuff, which I don't think that this is not a good use of money, but my question is this is just what we could possibly - it was described as raising the cap. However, the way this reads says that it's actually increasing the annual funding amount not the possible funding amount. So but you're telling me that even if we pass it with this kind of wording that it would still be something the Budget Committee votes on. This isn't a necessarily hard line. This is what we're going to fund it to?

Tim Cummings, Administrative Services Director

Thank you. So one - I want to just clarify. I said earlier it would start in FY28. It actually would start in FY27. So I just wanted to make that note.

During the annual budget season, you would see in the budget \$2 million based off of what this ordinance says. I believe you could not go over that but certainly you could go under it and then as the money comes in throughout that fiscal year, you would transfer the money into this revenue account, which you know a finance team does now currently. That's all. No, thank you.

Chairman Dowd

Okay. You all said, Alderman Gregg?

Alderman Gregg

Thank you.

Alderman Thibeault

Thanks. Yeah and the other piece of that, too, is that we don't take all our surplus to pay down the taxes. We always have - we always take about I don't know what is it \$6 million?

Dawn Enwright, CFO

6.

Alderman Thibeault

Yeah, so about \$6 million of the surplus. That's not the only surplus. So we can use it for other things that obviously need it and obviously, paving - what happened is 8 to 10 years ago - 10 years ago, there was no paving program and the streets were in bad, bad, bad shape if people remember that. When they put this paving program in place, it was a 10-year program and it worked well because we're getting the streets done, you know, certain streets done every year, and they grade them, and they decide which ones. But now we're getting to the end of that and things are increasing in price as well. Like what was ten years ago doesn't cost the same as what it does today. So I'm assuming that part of that is the cost is going up as well and we're getting to the end of that program. So this is one way to help pay for that as opposed to just every year going okay, let's make a supplemental appropriation towards parking. I mean to paving. This would actually be a better way to cover that while still having the surplus that we would use to pay down the taxes, I

believe. So yeah, so that was just as a comment more than it wasn't a question.

Chairman Dowd

Okay. I just want to read one line from the analysis on the legislation itself. "Special revenue funds require an annual appropriation and will be included in the annual municipal budget." So this is allowing us to go up to \$2 million and from that one source because there are other sources that go into that same special revenue fund to pay for road and building – the road and maintenance of infrastructure.

Alderman Klee

Thank you. I was going to point that out as well. I know we keep saying that we're thinking of this as a cap and so on, and that was mentioned, and I even mentioned it as such. In the sentence before that it does say in the analysis, "Effective FY27, the legislation would increase the annual amount of motor vehicle fees going into the fund from \$1 million to \$2 million." So I think that's what the confusion is. It sounds like we are putting 2 million in and that it's not a cap. So I didn't know if, and again I'm not on your Committee so I can't say anything or do anything in that respect, but should this not put the word "cap" in or can go up to. So I know this is just the analysis. This is not in the wording of it. Should it say that vehicle fees up to \$1 million - \$2 million will be going into that fund? I mean \$2 million. Sorry.

Chairman Dowd

Well this is the third iteration of the same legislation...

Alderman Klee

I agree.

Chairman Dowd

...and it hasn't been an issue in the first two times. So this is saying that we can't or the city government can't put more than \$1 million from the automobile registration fees into this special revenue account. So in essence, it is a cap because we can't go over the \$2 million.

Alderman Klee

Right.

Chairman Dowd

Yes.

Alderman Klee

And I don't disagree with you but it sounds like we are going to be putting \$2 million in to it. The way the way I read it, I'm reading it that we are going to put \$2 million. That's the only reason - that's why I'm only saying it but I agree with you that this has, in fact, been gone through two other iterations. It's been doing the same thing with the block grants and so on. I'm just and again, I speak not just for myself and the way my brain works but also what the public is hearing and seeing. So I just want to be clarifying. Thank you.

Tim Cummings, Administrative Services Director

So I think it's fair to say that if you wanted to insert that language in there, that would be acceptable.

Chairman Dowd

That would probably require another special hearing.

Tim Cummings, Administrative Services Director

You took the words out of my mouth. You probably would require us to do another public hearing and I can tell you not having that language, it's silent but that is by default what occurs. What we can't do is anything more than \$2 million. What you should anticipate seeing if this passes is in the budget book next year it will read \$2 million to start off with. Certainly if you wanted to do something less than that, you could make an adjustment down. What you wouldn't be able to do without a separate effort is to go higher than the \$2 million. So I'll leave my comments there.

Chairman Dowd

I think we're better off if we have questions that only Dawn Enwright can answer. That she's back midweek. We can get those answered. We can approve it tonight and get those questions answered before the full Board meeting when we have to vote on it.

Alderman Klee

Thank you. No and I'm aware that the boards have to, as far as the budget and so on is concerned, that they have to do the appropriations to put the money in as I spoke before to put the monies into this account. I do understand that and I'm not asking you to have to do to go through all this. This conversation alone stands for the when I was up in the State House, and Alderman O'Brien knows this, when we pass something, people go back to the conversation that was had, and Alderman Johnson knows too, goes back to the conversation had to find out what the intent is. This conversation as far as I'm concerned serves for the intent. I'm not asking for any changes so thank you.

Alderman Johnson

Thank you. A couple things here. It says the analysis - the last sentence says "Effective FY27 this legislation would increase the annual amount of the motor vehicle permits fees going into the fund from \$1 million to \$2 million." So that's the answer to the question. It's going to go from \$1 million to \$2 million. Not unless something is being done but right now, you've got a plan. It's going to go from \$1 million to \$2 million. Okay.

Now I have a question through the Chair to Director Cummings. I wrote this down and I didn't quite catch everything at the end. You said money in the line items would have knowing would be used that you weren't using a certain line items that was going to be used for something else. You said that at the end and I didn't catch the whole thing. So I mean, because I know during budget time, I had questioned that if we had that positions I think that you mentioned here, it could have been that weren't filled and I was saying if we're not filling the positions, then lets eliminate the positions. But I believe, correct me if I'm wrong, you said at the end of the public hearing that some of this money were in line items on positions that were not filled so you used the money. Am I correct?

Yes or no?

Tim Cummings, Administrative Services Director

So I want to be explicit in how I answer this. Yes, essentially what you said is correct but there's some nuance and detail that I want to make sure isn't lost. One, it's within the department's budget based off of what they project to hire. I think it's fair to say, you know, and it's been noted over the years, the police budget for a certain dollar amount. We correspondingly budget a certain benefits amount for that. That's just good practice. Sometimes, you know, and more likely than not, they don't reach that target. That leaves a remainder within the department's budget at the end of the year that gets "turned back". That accrues to surplus.

If you don't want to pick on police, we can have the exact same conversation with teachers and the School Department's budget. But it would be irresponsible to budget anything less for their benefits if it is the plan and the intention to try to hire. And so that's why we know we will accrue some dollar amount at the end of the year if we don't meet our staffing goals that we set for ourselves.

Alderman Johnson

May I respond to that?

Chairman Dowd

Yes, Alderman Johnson.

Alderman Johnson

Thank you. I sat in this horseshoe at budget time with the School Department and with all the departments here. One of my biggest pet peeves was we had line items for positions that we didn't even know if we were going to fill and chances are crossing guards was the biggest thing. Oh, the kids are going to - they haven't filled it in years. They can't get anybody to fill it. So we leave the money there that could have been used for other areas and then at the end of the year, they turn it back but that's not the way you're supposed to do in budgeting. Because I used to watch at the end of the year if they don't use it in the elementary schools or any of the schools in their department, they if they didn't use it, they turned it back.

Chairman Dowd

Little off topic though.

Alderman Johnson

I t isn't off topic because this is money that could have been used elsewhere that we were funding accounts that chances are we want that we didn't hire people. No? Okay, then I'm wrong.

Tim Cummings, Administrative Services Director

I want to be really clear on this.

Alderman Johnson

I'm not wrong.

Tim Cummings, Administrative Services Director

In the City of Nashua because of how we budget our benefits, the departments aren't allowed to use the benefits monies in their department budgets for other purposes.

Alderman Johnson

I'm not talking benefits. I'm talking about hires. I'm not talking about benefits.

Tim Cummings, Administrative Services Director

So I want to just be clear that you cannot - if you're in the Fire Department, if you're in Admin. Services, if you're in DPW, if you're in the Police Department, or if you're in the schools, you have a certain amount of money set aside for benefits in your departmental budget. You cannot use those monies for another purpose. Those monies get turned back to the city. Now then at the end of the year, certainly we have redirected some of those monies along with other revenue that you know came into the city in our surplus for existing expenditures or existing obligations that that we incurred, but it didn't happen throughout the year and I just want to make sure. That's a really critical detail that I want to make sure we're all aware of and still in agreement on that policy because if that changes, it will make it incredibly difficult to manage a \$60 million healthcare benefits budget where because we essentially redistributed out to the departments, understandably so, so it can be accounted for correctly. But then ultimately, the Benefits Department which is charged with actually paying the invoices out of a different fund needs to know that that money's there and it's this - what we're doing is how every other municipality runs and I want to make sure we continue going that way because it would be a detriment to this organization if you were to deviate from that best practice.

Chairman Dowd

So when those benefit monies are returned to the City Hall, they're not used for anything. They're not surplus because they aren't being spent on what benefits cost. So they basically just donna ever get spent, correct?

Tim Cummings, Administrative Services Director

Correct, unless approved by this body in some sort of legislative action.

Chairman Dowd

All right. The other thing is on the positions. All of the departments allocate monies for positions that they expect to hire or think that they believe they need and if they don't have that money, they can't do the hiring.

Tim Cummings, Administrative Services Director

Correct.

Chairman Dowd

So - and if they don't hire those people, then that's not because they weren't trying to hire the people.

Alderman Johnson

Thank you. Because I wasn't talking because I understand about benefits. Again, I'm talking about hiring of employees and if we put it in the budget, then we're going to hire. If we don't hire, the money eventually goes back because we didn't use it. So the money is in the budget. Okay. But I see this over, and over, and over again with the fact that oh we're going to need somebody, but then we don't hire them, but the money is used, we move it out of the account because of the fact that we didn't hire that person. It has nothing to do with benefits. I get it with benefits. Benefits are benefits. Okay. And but here I guess the question is, and we're going off topic, but I'm going to ask Mr. Cummings, please through the Chair, I'd like to get a complete report on the benefits. How much do we have left at the end of the year as far as because this year we were told the health care was going up so much and I'd like to know exactly at the end of the year what do we have left with the healthcare benefits?

Tim Cummings, Administrative Services Director

Thank you. I don't need to take the time to look that up. I know it off the top of my head. Over the last couple of years, we started with approximately a deficit of \$4 million. We've had to supplementally appropriate the last couple of years, depending on the year, between \$1 and \$3 million. Over the last couple of years, we have been bringing that down. I'm pleased to report this year, I believe, that we actually are in that \$1.5 million category. We started out three or four years ago at a \$4 million deficit. I believe this year we closed it out for between \$1 million to \$1.5 million in the red and I anticipate us needing to use some of that money in surplus, again, in the fall to true us up to bring us to zero so we're starting off the year in the positive.

What I'm pleased to say is every year we come before you, we've been asking for less and less money. If you recall the first time we came before you, it was for \$4 million supplemental appropriation, and every year it's gone down, and I'd like to believe, you know, next year, hopefully, or the year after, we will have true it up correctly but that's been a work in progress.

Alderman Sennott

Thank you, Mr. Chairman. Probably a couple of questions cascading into one another. This road and highway special revenue fund is this restricted in the terms of how we can fund it to those items detailed in the legislation? Meaning the motor vehicle permit fees and the block grants from the State Highway Fund? Are those the only two revenue sources that we can use to funnel money into this account?

Tim Cummings, Administrative Services Director

At this time, yes.

Alderman Sennott

Okay. Follow up?

Chairman Dowd

Follow up.

Alderman Sennott

All right. So just to dial it back because I feel like the conversation around the legislation itself has gotten a little convoluted. The only appropriation into this account other than block grants that this Board will be voting on would be as part of each fiscal year's budget. No surplus, no surplus end-of-year funds, anything like that. We're going to generate a fiscal year budget every year and as part of that, there'll be an appropriation into this account. Do I have that correct?

Tim Cummings, Administrative Services Director

That's essentially correct, yes.

Alderman Sennott

Follow up.

Chairman Dowd

Follow up.

Alderman Sennott

I know when we work in budget, we're usually working three quarters of the year with our actuals. Do we know say previous three years what the revenues from the motor vehicle registrations have been?

Tim Cummings, Administrative Services Director

I don't know that off the top of my head. You're talking about in total?

Alderman Sennott

Yes.

Tim Cummings, Administrative Services Director

I would have to get that.

Alderman Sennott

Or year over year.

Tim Cummings, Administrative Services Director

Yeah.

Alderman Sennott

3, 4, 5, 23, 24.

Tim Cummings, Administrative Services Director

I can get that for you. I don't know that off the top...

Alderman Sennott

Yeah, if we could ahead of the final vote on this. That would be appreciated.

Tim Cummings, Administrative Services Director

Yup. I can get that for you.

Alderman Sennott

Okay. So just to my final follow up if I could?

Chairman Dowd

Follow up.

Alderman Sennott

So I know there was a lot of concern with the language of the legislation. You know, basically saying we can appropriate up to \$2 million versus we're going to appropriate \$2 million. If those revenues don't hit \$2 million, we can't put \$2 million into this. Correct?

Tim Cummings, Administrative Services Director

Correct.

Alderman Sennott

All right. Thank you.

Alderman Thibeault

Thank you, Mr. Chair. Yeah, we were getting way off topic there, but we would be extremely irresponsible if we just said every job that we couldn't fill last year gets cut this year because we're always trying to hire. You never know what the hiring is going. It goes in waves sometimes. Police are always trying to hire certain things. I've been in companies that decide well, we're not going to cut - we're not going to have this job this year, and then that department cannot hire, and what if they get more work? And I've seen it happen where then people got to work overtime, they got to work extra, and that costs too. So it's totally irresponsible to not budget for what you think you need and sometimes we cut it. I mean we cut the teachers this year, so, and some of the education staff. So I just think that would be the wrong way to go because then they wouldn't be able to hire during the year. And if police, fire, teachers-what are we doing? Like DPW. It would just be stupid. So I'm really tired of hearing that. We can nickel and dime a job whether we think they need that manager position or they need this. I think we can do that, but just to say, oh, they budgeted for three policemen. The heck with them. Let's cut those policemen because they couldn't hire them this year. Maybe they can hire them this year. So I think that's totally irresponsible and stupid.

As far as this, I heard somebody say we're going to put \$2 million in there next year. We're not putting \$2 million in there next year. We're putting the number in the budget. We could be putting \$500,000 and then putting \$1,500,000 in there to get up to the two. It all depends on what it is now. Is that correct?

Tim Cummings, Administrative Services Director

If I could, Mr. Chairman. I think it would be fair to say that the budget book would read \$2 million and that is what we will present to you and then it has to be adopted and approved by you at that \$2 million figure.

Alderman Thibeault

We're not moving \$2 million in there because maybe there's \$500,000 in there already, right? Or is it zero right now? Is it zeroed out?

Tim Cummings, Administrative Services Director

No. This would be year over year. So in theory every year, you'd be approving an additional new \$2 million.

Alderman Thibeault

Okay. Oh, so every year it's \$2 million. It's not - so it's not a cap. It's not up to \$2 million.

Tim Cummings, Administrative Services Director

For the revenue every year annually...

Alderman Thibeault

Annually, it's a cap.

Tim Cummings, Administrative Services Director

It can't be more than \$2 million from this revenue source. So that is what that is.

Alderman Thibeault

So now we're putting \$2 million in there every year. It doesn't matter what the difference is. I said that, I think, in the public hearing and you said yeah, that's essentially correct. But it's not because it doesn't matter what's in there now. We're putting \$2 million more in there every year. Every year it's \$2 million in there. Up to \$2 million. So correct, it's a cap annually.

Tim Cummings, Administrative Services Director

Correct.

Alderman Thibeault

Which is not, again. Okay. Gotcha. I'm all set.

Chairman Dowd

And if it ended up being excess amount in that expendable trust fund, which doesn't seem like it's going to happen. You know, we can always update this legislation yet again so.

Alderman Thibeault

Gotcha. I understand now. Perfect.

Tim Cummings, Administrative Services Director

And I want to kind of talk about some of that detail actually because I think that's important in terms of how this plan was concocted, developed, thought through back when this was originally conceived. It was understood that we would authorize a certain dollar amount. I'm going to say \$35, \$37 million, and then we were going to sell that debt over the coming years, and then we would know that we would have a certain principal and interest that we were going to need to pay annually year over year, and the thought process as I understand it was we didn't want to necessarily say that this was going to go on the taxpayers, right, and the property tax. So they pointed to this as a way to say, hey, we're going to do this in a way that in theory is not on the property tax because we have these dedicated revenue sources.

Ultimately at the end of the day, I want to make sure everyone understands that this is obligated debt. We're going to have an obligation to pay it and so whether it comes from this special revenue fund or it comes from the general fund, it's an obligation that we're going to have to pay no matter what. What we're trying to do though is isolate it in a way to say, hey, we're trying to be responsible here. We're trying to make sure we're matching what we can afford by not using the local taxpayers' money from property tax but from the monies that we're getting from other sources of funds and we created this mechanism. I believe, at least as of right now and to your point, costs continue going up. We're paving what we can pave X amount of dollars which is a certain dollar amount every year. I believe we're coming in probably between needing \$3 and \$4 million every year to pay that debt service, existing, obligated, and then right now we're only bringing into the fund something like \$2.5 - \$3 million. So we're a little short and that's what's necessitating needing to do this.

Absent us doing this, we're just going to have to pay for it out of the debt service budget of the city and that's the other way that we could come at that but we want it to continue along the original thought process, which was a great one, to show that we were trying to live within our means of the available revenues that we had for this type of expenditure.

Alderman Thibeault

Perfect. Thank you.

Chairman Dowd

All set? Do we have something else to add?

Alderman Klee

Thank you, Mr. Chairman and thank you for that clarification because I do agree that when we put ourselves into that debt and going to the Ad Hoc Committees looking for alternative sources to pay down the debt and so on is helpful. Because as we saw, there is more need than there is money to cover it. So this kind of helps with that and I appreciate that.

While it is off track, I do want to say I completely understand what my colleague from Ward 5 was saying about if we're not hiring, let's get rid of them. But I can tell you that I spoke to police and so on many times and said you're never hiring these people. But the problem is, and this has got nothing to do with benefits it's got to do with payroll, they had to cover those hours and fire does the same thing. They have to cover those hours with overtime and so on. So that's why they kind of balance. We can't hire this so I have to have someone working more hours and it kind of balances out. I can say that as a person who worked for the Department of Veterans Affairs. I worked in the fiscal. I worked with doing the budget, and so on. We had all the departments that would come into us and we'd say, well you didn't hire these people last year, and every year the goal is to hire these people because they're overburdening their current staff, and the current staff is not going to stay there. So I completely understand the points that you're trying to make and I appreciate that but I think it's responsible budgeting if we maintain that budget knowing that we're going to have that cost. And that's got nothing to do with benefits because I don't believe to some extent overtime doesn't really cover. It doesn't increase by benefit - benefits do not get increased by overtime.

But when I talked to Chief Carrigan prior to the current Chief, he sat me down and we went through all of this stuff of why he wanted to use money. People would say, well, you always have these vacancies and he'd say yep. I put X amount of money into an overtime account but they were far exceeding it and would have to transfer. I remember sitting here and having to transfer money from one account to another and so on. So it's responsible budgeting, I think, to budget properly.

Chairman Dowd

All right. So the motion on the floor is to recommend final passage of R-26-053 to the full Board.

MOTION CARRIED (Alderman Johnson in opposition)

Tim Cummings, Administrative Services Director

Mr. Chairman before I step away from the mic this evening, I also wanted to just take a moment and make sure I recognize Lisa Carl, who's here from the city's finance team. She's the city's Accounting Manager. She's been with the city for ten or so years now and she's here as well to assist. I think this is maybe one of the first times she's come before you all and she's here to help answer and address any questions. So I think she's going to be up next for this other piece of legislation. I'll still be in the seats behind you here if a question arises that I can help out on, but I wanted to introduce her and set the table accordingly so you guys knew that you'd be getting someone from the finance team to help out this evening. Thank you.

R-26-055

Endorsers: Mayor Jim Donchess
Alderman Patricia Klee
Alderman Vengerflutta Smith
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large Amber Morgan
Alderman-at-Large Lori Wilshire

**RELATIVE TO THE TRANSFER OF \$9,100 FROM DEPARTMENT 123 "ASSESSING", ACCOUNT 53142
"CONSULTING SERVICES AND \$76,000 FROM DEPARTMENT 162 "STREET LIGHTING", ACCOUNT 54100**

**“ELECTRICITY” FOR A TOTAL OF \$85,100 INTO DEPARTMENT 159 “HYDRANTS – FIRE PROTECTION”,
ACCOUNT 54835 “HYDRANT FEES”**

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Chairman Dowd

I will say that one of the reasons this is happening is because the Pennichuck has increased our fees for the hydrants. So we needed to come up with the money to pay for it. As far as the lightings, that's - those are all automated lights and how much they use every year is variable, and this is coming from this past year, I believe. So any other discussion?

Alderman Johnson

Yeah, I had a lot of concerns with this \$9,100 from street lighting and \$76,000 from hydrant from electricity. This is just money that we're just moving around again. To me, it's like a shell game. You know, we have leftovers but we - do we over budget? Do we have leftovers? I mean I've seen this so many times in budgets. I'm not going to support this because I really want a full accounting on this and I'm going to ask for it before I vote on it. The full Board yes or no. I'm not going to support this here like I'm going to ask a full accounting on the last information we just had on the last legislation.

Chairman Dowd

All right. Any further discussion?

Alderman Thibeault

Yeah, thanks. I mean – and Director Cummings could probably answer this question but or comment on it. I mean cities do that all the time and companies do it too. If you don't use something in one budget and you need it somewhere else if hydrant fees go up and if we didn't move money from a place that had surplus, and hydrant fees go up and we don't have that money, how do we pay for it? You know what I'm saying? So we could take it from the general fund or somewhere else, but wouldn't it make sense to look at a department that maybe the lighting is variable. Maybe we didn't use as much lighting. Maybe we put in some LEDs in places and it reduced the cost a little bit. So you move that money over to the hydrant fee so we can pay the hydrant. I don't know why that's like controversial. It just makes sense to - it's good business to do that. Companies do it all the time. It's not a city specific thing, you know. If for instance, we could have used more lighting, and maybe hydrant fees went down, and then you move the money that way.

It's not a shell game in a way where it's shell game to me is shady. Like, you know, you move it - it's a con game. Shell game is a con game. So I don't see it that way. I see that's how budgets work. That's how you pay for things and I don't know if Director Cummings has any comment on that or just in general - general budgeting just in general because you've seen it now for what 5, 6, 7 years.

Tim Cummings, Administrative Services Director

Yeah, again, Tim Cummings, Director of Administrative Services, and that's absolutely correct. I mean this is - I would argue fiscally sound and conservative approach of using existing dollars. Not new dollars to pay for an obligation because, you know, we ran better than budget in in a certain area of the city's overall budget. I think the city's overall general operating budget is something like \$300 million. You know, we had a few thousand dollars in an existing line that it looks like we're going to be unspent, would accrue to surplus, and we have this obligation somewhere else over here, and so we're just trying to transfer to true it up so we can then pay it out of the correct account.

Alderman Thibeault

Follow up?

Tim Cummings, Administrative Services Director

Before I do, I do want to hand it over to Lisa Carl just in case there's anything she'd like to add.

Alderman Thibeault

Sure,

Lisa Carl, Accounting Manager

Lisa Carl, Accounting Manager. Yeah, we're basically moving money from one department that has excess in it to pay for the Pennichuck invoice.

Alderman Thibeault

So my question, and I hate to do this question but, so when we budget for the year and we look at streetlights, I work for EverSource. People's lights are variable whether their streetlights are regular, heating, energy, whatever. I don't know how many calls a day we get like how come my bills, you know, \$200 more than it was last month? And everybody has their own budget for what they can pay for electricity. We're the same way, right? So, you know, we put out a budget and it goes higher or it goes lower depending. Maybe we were extra energy efficient this year compared to last year because we're always trying to put in energy efficiency items in places, right. You know, we lost a school. We gained another school that's got solar. It doesn't, you know. So I think that's a hard one to pin down, right? We do our best at budgeting for that but things could rapidly change depending on like closing a huge school that was very probably energy inefficient. I'm assuming Elm Street was probably rough.

But then you look at hydrant fees. You know, when did we know these were going to go up? Did we know what they were going to go up to? Yes and no. Shaking your head. So how do we budget something we don't know? And with another variable with the street lighting and so hey, look at this. We didn't budget - we budgeted too low. We have some surplus. Now we have something where we could pay our hydrogen fees. Because if every - so people often say you got to budget to the exact dollar. That's nearly impossible for most things. Never mind something that's variable or something like hydrant fees that we didn't know about, right? So budgeting to that dollar amount is hard. So you're going to either have a surplus probably or you're going to have something under. We're always hoping that it's surplus because we don't want to be under. If we're under every category, we're in a deficit for the city. That's bad. So we have to play the game a little bit to make sure we have surpluses in place to be able to pay things like a hydrant fee that now went up. We don't want to not pay our hydrant fees.

So I guess that's not really a question but I mean, I don't know if you could talk about the variableness of like street lights and hydrant fees?

Tim Cummings, Administrative Services Director

So I'll just chime in and say...

Alderman Thibeault

Why aren't you to the dollar? Why don't we budget to the dollar?

Tim Cummings, Administrative Services Director

I think you said it best. I mean it's the utilization and the variability of the volume and it is really hard to predict. It's not like a salary that we can set, and we know, and it becomes an expected thing. It's very, you know, it definitely - we do, do trend analysis. We do try to look to see how we're doing over the years and we want to get it right as best we can but we know that to some degree there's an obligation - you know, there's going to be an obligation that we're not aware of, or it comes to comes to us late after the budget was set, whatever the case may be, and we very much have a philosophy here that we want to run a surplus. We do not want to be so fiscally prudent that we run a deficit. That is a much worse position to be in. That is something I would never recommend to this body. So I would rather us be, you know, and I've been accused of this. I am very conservative when it comes to my budgeting and I will take pride in that because at the end of the day, I always want to be in the position of turning back money via a surplus than having to come in here and explain why I didn't plan accordingly and have, you know, not enough funds set aside which becomes even harder problem to solve. This is a good problem to solve and I don't want to lose sight of that.

Alderman Thibeault

Because yeah, you would be criticized if you didn't budget enough.

Tim Cummings, Administrative Services Director

Correct.

Alderman Thibeault

Okay. Thank you.

Chairman Dowd

Just a couple things. One - if you overspend your budget, it's against the law. School Department did that one year and believe me, it caused a number of issues.

The other point is we're doing a lot of development in the City of Nashua. We're adding more and more hydrants. I don't know exactly what the cost increase costs for the hydrants, but this is from the Pennichuck. And oh by the way, we have to pay them, and oh by the way, we're the single shareholder of the Pennichuck. So not paying them would come back and hit us on the second side. So anything related to this particular question?

Alderman Johnson

Thank you. On what line item was this from the \$85,100? Was it a specific line item or was it for multiples?

Lisa Carl, Account Manager

It was from – it's for hydrants and we're taking it from.

Alderman Johnson

I mean, excuse me, I mean the \$9,100.

Lisa Carl Account Manager

Oh, the \$9,100?

Alderman Johnson

Excuse me. Yup.

Lisa Carl, Account Manager

Yeah, that's coming from Assessing, Consulting Services.

Alderman Johnson

Consulting services. Consulting services. And okay. Street lighting - that's just a line item. Okay.

Lisa Carl. Account Manager

Yup.

Alderman Johnson

Okay because I just want to compare it to '26/'27 budget with the consulting services. It seems like all we do is hire consultants and we had money left over this time. We're not hiring.

Lisa Carl. Account Manager

Consulting Assessing.

Alderman Johnson

From - it's going to be total consulting services \$9,100 and street lighting. Okay. Thank you.

Chairman Dowd

Any other questions? Seeing none.

MOTION CARRIED (Alderman Johnson in opposition)

R-26-056

Endorsers: Alderman-at-Large Lori Wilshire
Alderman Patricia Klee
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Richard A. Dowd

**RELATIVE TO THE TRANSFER OF \$10,500 FROM DEPARTMENT 157 "CITYWIDE COMMUNICATIONS",
ACCOUNT 70150 "CONTINGENCY NEGOTIATIONS" TO DEPARTMENT 157 "CITYWIDE
COMMUNICATIONS", ACCOUNTING CLASSIFICATION 51 "SALARIES AND WAGES"**

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Chairman Dowd

This is the normal action we take all the time. We put our monies for potential salaries into contingency and then transfer it when the negotiation is final. Any questions? Seeing none.

MOTION CARRIED

NEW BUSINESS – ORDINANCES - None

TABLED IN COMMITTEE - None

GENERAL DISCUSSION - None

PUBLIC COMMENT - None

REMARKS BY THE ALDERMEN - None

ADJOURNMENT

**MOTION BY ALDERMAN SENNOTT TO ADJOURN
MOTION CARRIED**

The meeting was declared closed at 8:17 p.m.

Alderman-at-Large Michael B. O'Brien, Sr.
Committee Clerk