

MINUTES

City of Concord Finance Committee Meeting
May 22, 2023 @ 5:30 PM
City Council Chambers

Present: Mayor James Bouley, City Councilors Brent Todd, Jennifer Kretovic, Erle Pierce, Stacey Brown, Byron Champlin, Fred Keach, Nathan Fennessy, Keith Nyhan, Gail Matson, Paula McLaughlin, Karen McNamara, Candace White Bouchard, and Zandra Rice Hawkins.

Excused: Amanda Grady Sexton.

The Mayor opened the meeting at 5:30 PM, noted that tonight's FY 2024 proposed budget review would cover General Government, Police, Fire, and General Services; and explained the public hearing process.

Manager Aspell began with review of the General Government section of the budget, which includes the City Manager's Office, Legal, Assessing, Human Resources, Finance, Information Technology, City Council, City Clerk, and General Overhead.

GENERAL GOVERNMENT:

City Manager's Office: No revenues were budgeted in FY 2023 or FY 2024; however, there is \$200,000 in the FY 2023 revised budget, which is from three opioid settlement checks received and then transferred to the Opioid Reserve. Budget to budget, expenses are down \$265,000, due to moving the Economic Development Marketer and the Director of Redevelopment and Downtown Services positions from the City Manager budget to the Community Development budget.

Legal Department: Budget to budget, revenue is down by \$4,700 or 5.9%, which reflects a zero-dollar budget for Fines and Court Ordered Payments; and the "Other Gov Agencies" line, which calls for a 1.8% increase to other communities (Bow, Dunbarton, and Loudon) for which we provide prosecutorial services. Expenses, budget to budget, are up \$76,000 or 5.3%, mainly due to wage and benefit increases.

Mayor Bouley asked about the Department's request for a part-time Assistant City Prosecutor position, which was not proposed for funding. City Solicitor Jim Kennedy explained to committee members that the request was made due to the heavy caseload that the Prosecutor's Office is carrying. City Solicitor Kennedy noted that Concord has four prosecutors, while Manchester has 7, and Nashua has 6; although Concord's caseload is higher than those cities.

City Prosecutor Tracy Connolly shared a sample docket of an average week for her staff. She indicated that prosecutors used to be in court three days a week. They are now in court four full days a week. This is due to the court system trying catch up from the backlog of cases that resulted from COVID-19.

The Mayor asked for an update on the Felonies First Program. City Prosecutor Connolly explained that Felonies First cases used to start with the City Prosecutor's Office and the Circuit Court, but then the Court thought it would be more efficient to have those cases start in Superior Court and, for a while, that's how Felonies First cases were handled. The Court has since come to the conclusion that it is not more efficient to have those cases start at the Superior Court so Felonies First cases will

revert back to starting with the City Prosecutor's Office and the Circuit Court. What this means for the City Prosecutor's Office is that it will increase their caseload even more.

Councilor Fennessy asked what percentage of cases are prosecuted for the Towns of Loudon, Bow and Dunbarton. City Prosecutor Connolly indicated that 90% of her office's caseload is for Concord; with the remaining 10% being for the contracted towns.

Councilor Fennessy asked how the City is compensated from the towns for the prosecutorial services we provide. City Solicitor Kennedy indicated that we have agreements with the towns and that the City currently receives approximately \$80,000 combined, per year, for providing these services. He noted that the rate goes up about 2% each year and that he anticipates it increasing even more than that next year.

Councilor Keach asked if we could stop providing prosecutorial services to the three towns. City Manager Aspell responded that it would be a loss of revenue for the City and because the towns have such a low number of cases, it makes sense for the City to continue doing it.

The Mayor asked about Right-to-Know requests. City Solicitor Kennedy responded that the requests are becoming more complex and require a lot of time, effort, and analysis; especially requests pertaining to personnel/employment information. He figures his office receives, on average, several Right-to-Know requests per week.

Councilor Fennessy asked if people are using the State Ombudsman's office, which is a newly created office where people can appeal if they feel they haven't been provided information requested in a Right-to-Know request. City Solicitor Kennedy responded that the Ombudsman's Office is starting to take off and is currently dealing with a handful of appeals.

Assessing: Budget to budget, revenue is up \$48,000 or 6.9%. The main reason for the increase is due to the Briar Hydro PILOT increase of \$37,000, which is net of the amount transferred to the Merrimack Valley School District. The remaining increase is due to the annual changes for other PILOTs. Expenses, budget to budget, are up \$34,000 or 4.4%, due to regular wage and benefit increases and a reinstatement of \$1,400 for training.

Councilor Brown asked why funding has increased for Professional Development and Professional Services in the Assessing Department. City Manager Aspell indicated that he has tried to increase Professional Development funding for every Department. He noted that there has been a lot of turnover in the Assessing Department, which necessitates additional training. Professional Services funding includes hiring consultants for tax appeals; the web database; and the Assessing software.

Mayor Bouley asked for clarification on the Assessing Department's FY 2024 goal to, "Coordinate and cooperate with the NH Department of Revenue with scheduling and completing the required assessment review scheduled for calendar year 2023." The Mayor asked if this is required. Manager Aspell indicated that if we don't do it now, we will likely be ordered by the State to do it. Councilor Fennessy asked how long it would take to accomplish this goal. Manager Aspell responded that it would take approximately two years.

Councilor Brown asked about the goal to, “Conduct an ongoing review of exempt properties (2-4 per year) to determine if they meet the qualifications of the charitable, educational, or religious exemptions under RSA 72:23.” She expressed her opinion that only doing 2-4 per year seems very low. Manager Aspell indicated that it entails very intense work and the Department chooses 2-4 per year to review. However, the Department isn’t prohibited to just four and can/will review more if time allows.

Councilor Todd asked for an update on the Digital Tax Map Program. Director of Real Estate Assessments Jon Rice and Appraiser Sue Golden explained that this is the last year of this 7-8 year program. It has been completed and just needs to be updated online.

Human Resources: Budget to budget, revenue is flat. Expenses, budget to budget, are up \$201,000 or 29.9%. In addition to the annual wage and benefit increases, this budget also includes \$80,000 in funding for a Class and Compensation Study; \$24,000 for the Referral Bonus Program; and \$78,000 for the Paid Family Medical Leave Program. This budget also continues to include funding for the Circa Diversity postings for open City jobs.

Councilor Brown asked about the Circa Diversity funding. Mayor Bouley noted that it is \$5,220 in Professional Services. Deputy City Manager – Finance Brian LeBrun noted that the Professional Services line includes the funding for the Class and Compensation Study, as well as the Referral Bonus Program.

Finance: Budget to budget, revenue is up \$2.8 million or 4.7%. Property tax revenue is the main driver, which is up due to an increase in property tax revenue of \$2 million. In addition, motor vehicle registrations are up \$100,000; investment income is up \$510,000; use of Fund Balance is down \$375,000; and Rooms and Meals Tax revenue is up \$578,000. Expenses, budget to budget, are up \$144,000 or 5.8% due to wage and benefit increases; funding for the full OPEB Actuarial Valuation Report (\$9,900 every other year); a 5% increase on the Munis ERP Service Contract (\$6,500); \$19,000 for a citywide print services contract (small amounts reduced from another City account); and \$3,200 for the first year of the ERP Vendor Self Service Module Service Contract.

Councilor Champlin asked if City Administration has a sense of what the impact could be on the City if the Federal Government shuts down on June 1st. Deputy City Manager LeBrun indicated that it could raise our interest rates and result in additional expenses for our bonds. He noted that, although most federal revenue streams come to us directly from the State, some grants could be withheld. Councilor Champlin asked if the Loudon Road Bridge Project could be impacted. Deputy City Manager LeBrun noted that this year’s funding for the project is only for design and that whatever happens with the feds is most likely to be temporary; therefore, he doesn’t foresee any impact to the Loudon Road Bridge Project at this time.

Councilor Brown asked why full-time wages in the Finance Department are up \$119,000. Deputy City Manager LeBrun indicated that the increase is due to regular wage and benefit increases. No new staff has been added.

Councilor Bouchard stated that she learned at a recent MMANH meeting that the Feds will be recalling ARPA funds that haven't been spent, and asked if the City has spent all of its ARPA funding. Deputy City Manager LeBrun indicated that we've spent most of the \$4.5 million received, except for what is budgeted as revenue for FY 2024.

Information Technology: No revenue is budgeted for FY 2024. Expenses, budget to budget, are up \$15,000 or 1.1%. Wages and benefits are down slightly due to attrition and changing the Systems Analyst II position to a System Administrator II position. This budget also includes funding in the amount of \$19,000 for Password Manager, Patch Management, and Centralized Login software/services. Professional Development is down slightly (\$3,200) due to a reduction in tuition expense.

Councilor Todd asked what plans the IT Department has in place to increase security and prevent hacking. IT Director Jonathan Smullen indicated that the Department's main goal is to create as many security layers as possible. He noted that his Department is always working to improve network security. Councilor Todd asked if City employees are educated, or perhaps even tested to see if they open up fake e-mails. IT Director Smullen indicated that the Department doesn't have the funds to implement a test program; however, employees are communicated with and educated on a regular basis.

Councilor Nyhan asked IT Director Smullen how confident he is, on a scale of 1-10, that our systems are secure. IT Director Smullen responded that he feels confident that we are above average.

Councilor Brown asked if the City website is translatable for those who speak different languages. Public Information Officer Stefanie Breton responded that there is a translation link at the bottom of the home page under the City seal. She suggested that another option would be for people to use Google Translate. Ms. Breton noted that the City is due for a website upgrade in the near future and will work with CivicPlus to see if the link can be placed in a more prominent location on the website.

Councilor Fennessy asked if the City website is ADA compliant. Manager Aspell indicated that the website is ADA compliant and that there is language at the bottom of the home page which includes a link to an accessibility page.

City Council: Expenses, budget to budget, are up \$2,800 or 6.9%, due to funding for City Council Orientation, a Priority Setting meeting, and a small increase in Advertising.

City Clerk: Budget to budget, revenue is up \$2,900 or 3%, mainly due to an increase in licensing and sundry services. Expenses, budget to budget, are up \$69,000 or 12%. This is due to regular wage and benefit costs, staffing changes, and a temporary wage increase due to primaries. There is also \$2,000 added to compensate for Election Officials' time for training. Rent is down \$4,600 since the Department no longer budgets for rent for Ward 3 polling, and postage is down \$4,700 due to reduced mailings for polling locations this year.

Councilor Brown asked why, in the Service Indicators, the average number of ballots cast decreased so much from 2021. Manager Aspell indicated that it depends on how many elections there are and what type. A presidential election always brings in more voters. The number fluctuates from year to year.

Councilor Brown referred to Manager Aspell's comment during his presentation that the Ward 3 polling location would be relocating and asked where it would be relocated to. Manager Aspell indicated that the City Clerk is looking to move it to Beaver Meadow Elementary School. Councilor Kretovic commented that voting outside under a tent, in November, wasn't a very good experience; therefore, it is being relocated.

General Overhead: Budget to budget, revenue is up \$92,000 or 1.6%. This is due to an increased transfer-in of \$84,000 from the Opioid Reserve for a new Police Social Worker (MSW) position; an increased transfer-in of \$29,000 from the Conservation Trust; a decreased transfer-in of \$138,000 from Impact Fees; a decreased transfer-in of \$45,000 from Grants and Donations (ARPA); and a decreased transfer-in from Enterprise and Special Revenue Funds.

Expenses, budget to budget, are up \$407,000 or 2.9%. This is due to a \$118,000 transfer-out to trust for the paving reserve; a \$41,000 transfer-out for capital projects; a \$120,000 increase in debt service costs; a \$32,000 increase in retiree health costs; an \$80,000 increase in comp adjustment; a \$12,500 decrease to the Crisis Center of Central of NH; and a \$10,000 decrease to The Friendly Kitchen.

Councilor Brown asked why the funding for the Community Action Program, Concord Area Transit, and the Concord Coalition to End Homelessness was less than what they requested. Manager Aspell indicated that they were level funded. In follow-up, Councilor Brown noted that CAT had requested an additional \$20,000 for an expansion route and wanted to know why that wasn't funded. Manager Aspell indicated that the proposed expansion route would go to Franklin and Laconia, and he asked CAT if either of those municipalities were contributing funds towards the route. He was told that those towns are not contributing; therefore, he decided not to increase funding for that service, as he expects very few people from Concord to take the bus to Franklin or Laconia. He indicated that CAT has found funding for the expansion route elsewhere.

The Mayor opened up a public hearing on the General Government portion of the budget.

Jessica Martin, Executive Director of Intown Concord shared Intown Concord's 2022-2023 highlights and thanked the City Councilors for their continued support. She noted that she is concerned with public safety at the events her organization holds, as there have been some close calls with attendees almost being hit by vehicles. She feels there is a need for enhanced safety measures and proposed a barrier system that she saw a demonstration on last year. Along with Jessica was Allison MacGregor, a Concord resident who was present at a parade in Milwaukee where she witnessed a vehicle hit a number of spectators. She said it was a very traumatic experience and she does not want to see something like that happen here. She indicated that after that unfortunate event, Milwaukee purchased this barrier system. Jessica Martin strongly encouraged the City Council to consider it. The barrier system costs \$240,000. It is lightweight

and easy to move, and could be used for numerous community events. Jessica noted that there are Homeland Security grants that could be applied for to fully or partially pay for the barrier system.

Concord resident Roy Schweiker shared a number of concerns. He would like to see the Wi-Fi at the Concord Public Library and at the Citywide Community Center improved, so that it is accessible 24/7; he would like to see the amount received in Court Ordered Payments go up; and he feels that the Assessing Department is not living up to its core responsibilities included in their budget narrative. He feels appraisals are not done fairly.

With there being no further public testimony, the Mayor closed the public hearing and the City Manager moved on to review of the Public Safety budget.

PUBLIC SAFETY:

Police Department: Budget to budget, revenue is flat.

Expenses, budget to budget, are up \$503,000 or 3.3%, due to \$447,000 in wage and benefit increases, including the new Police Social Worker (MSW) position; \$19,000 for Leads Online and State Accreditation; \$10,800 for Power Engage; \$13,000 for uniforms; \$7,500 for additional ammunition for training new recruits; \$15,000 for electricity; and \$10,000 for liability insurance.

Manager Aspell noted that this budget puts additional emphasis on public safety and support for resources; especially working with the City's most vulnerable population; and continued support for non-lethal options when dealing with offenders.

There was a lengthy discussion about the proposed MSW Social Worker position. Committee members wanted to know what the plans are for the position; how it will make the system better; and how it will help lighten the load of the officers in the field. Police Chief Brad Osgood indicated that it is a new model, and that the City of Dover is the first municipality in the state to add the position. He said Dover has had a lot of success with it. He indicated that when officers are dealing with families/individuals needing services, the MSW will get involved and help the families/individuals navigate the system to receive the assistance they may need. Chief Osgood stated that they are seeing gaps because the officers are not able to follow-up with many of these individuals. Chief Osgood said the MSW will be more proactive than reactive and it will help the Department develop relationships with individuals.

Councilor Todd asked if the MSW will free up the officers. Chief Osgood indicated that, in a number of cases, it will, once relationships are developed.

Mayor Bouley asked if the MSW will be going out into the field. Chief Osgood indicated that, at this juncture, it would not. However, he foresees that as a possibility in a future phase of the program. Chief Osgood indicated that the MSW will be networking and meeting with people face to face. The MSW will be the contact person for all City agencies who are dealing with people who need help; thus, it will also serve as an internal resource.

Mayor Bouley expressed some reluctance in funding the MSW position if it is not going to relieve some of the pressure on our officers. The Mayor feels that if the MSW is just going to be sitting behind a desk, it doesn't help the officers.

Councilor Fennessy asked what they are doing in Dover. Chief Osgood indicated that the MSW in Dover follows up with individuals, meeting with them in the office or sometimes in a public location.

Mayor Bouley asked Chief Osgood to provide the Finance Committee with the job description of the MSW Social Worker in Dover.

Councilor Nyhan asked what the difference was between the Concord Outreach Social Worker position with funding requested of \$41,000, and the Police MSW Social Worker with funding requested in the amount of \$84,000. Manager Aspell explained that the Concord Outreach Social Worker does not require a Master's degree, whereas the Police Social Worker does, and it was requested for only four months of the fiscal year.

Fire Department: Revenue, budget to budget, is up \$272,000 or 8.4%, mainly due to an increase of \$252,000 in ambulance charges, and \$18,000 in Alarm Box revenue. Expenses, budget to budget, are up \$174,000 or 1%. This increase is smaller than expected due to the Collective Bargaining Agreement expiring on June 30, 2023, and, without a successor agreement in place, the wage portion is not included as part of the Fire Department budget. Additionally, retirement expenses are down by \$221,000 due to a reduction in NH Retirement System rates.

Also included in the FY 2024 Fire Department budget are:

- \$11,000 for the replacement of Washers and Dryers for the Fire Stations;
- \$12,000 for replacement of a Fire Burn Conex Box;
- \$26,000 to backfill training coverage;
- \$22,000 for Paramedic education training;
- \$8,000 for replacement of stairs at Fire Headquarters; and
- \$15,000 in overtime for SCBA technical services.

Discussion ensued about Professional Development at the Fire Department. Manager Aspell indicated that funding for Professional Development affects all Fire Department staff. Councilor Champlin asked about the unfunded PCR in the amount of \$99,000 for Professional Development, noting that it was a priority of the Fire Department and wondering how it differed from regular Professional Development funding. Fire Chief John Chisholm indicated that the \$99,000 would be used to pay for overtime for staff members to attend off-duty training. Chief Chisholm noted that the Fire Department doesn't currently pay employees for off duty training and it has become a recruitment and retention issue.

Councilor Champlin asked for the details on PCR #60 for a Peak Load Dispatcher and PCR #64 for a Fire Inspector, both of which were not recommended for funding.

Chief Chisholm explained that Concord Fire Department dispatches for 24 communities and staff are overloaded. The call volume has increased substantially over the past few years, and during the week, business calls have also increased. Adding a Peak Load Dispatcher (1 FTE) would alleviate some of the stress and load on the current dispatchers.

As for the Fire Inspector position, Chief Chisholm indicated that the Concord Fire Department currently has two Fire Inspectors who are working 8-14 hours of overtime a week trying keep up with the workload. Other communities around us have 5 to 6 Fire Inspectors.

Councilor Bouchard asked if the Peak Load Dispatcher would be totally paid for by Concord. Chief Chisholm indicated that in the first year, Concord would pay the full amount, but that the City does get 66% reimbursed through the Mutual Aid Compact each consecutive year.

Councilor Todd expressed appreciation and recognition to all the volunteers and the hard work that was done to complete the Hazard Mitigation Plan.

The Mayor opened up a public hearing on the Public Safety budget.

Concord resident Fisto Ndayishimiye spoke in support of adding an MSW Social Worker at the Police Department.

With no further public testimony, the Mayor closed the public hearing and the City Manager moved on to review of the General Services Department budget.

GENERAL SERVICES: Revenue, budget to budget, is up \$52,000 or 5.4% due to transfers-in from other funds.

Expenses, budget to budget, are up \$690,000 or 6.5%.

This budget increase supports increased costs or additional funds for:

- Wage and Benefit increases (\$351,000);
- Fleet CDL Driver Training (\$20,000);
- Repairs and Maintenance (\$22,000);
- Fleet Auto Parts (\$20,000);
- Fleet Outside Services (\$20,000);
- Vehicle Fuel (\$18,000);
- Winter Treatment Supplies (\$107,000);
- Electricity (\$43,000);
- Transfer to Solid Waste (\$100,000); and
- Smaller increases to various expense lines.

Also included under General Services are two supplemental reports – one on Downtown Services and one on Snow and Ice Control. For Downtown Services, expenses, budget to budget, are up \$18,000, due to wage and benefit increases; and for Snow and Ice Control, expenses are up \$159,000, due to wage and benefit increases, professional services, and winter treatment supplies.

Again, for FY 2024, we are expecting significant price increases for salt supplies. As we complete the 2022/2023 winter season, the updated winter maintenance supply budget for salt is expected to be overspent by more than \$120,000, despite a relatively light winter.

Councilor Kretovic asked if the FY 2024 General Services budget reflects an average winter. Manager Aspell indicated that it does.

Councilor Fennessy asked if there are any alternatives, given the high cost of salt. Manager Aspell responded that there are no alternatives. The price of both treated and untreated salt has risen substantially.

Councilor Rice Hawkins asked about the transfers-in from the Arena, Airport and Golf, and why the transfer-in from Golf is less than the amounts from the Arena and Airport. Manager Aspell responded that the General Services Department has a much higher presence at the Arena and Airport, both of which are part of the General Services Department. The golf course is not part of the General Services Department and doesn't rely much on General Services staff.

Mayor Bouley asked what happens if a staff member from the Golf Course goes to General Services to help plow; specifically, does the General Services Department transfer money to the Golf Course to pay for that. Deputy City Manager LeBrun indicated that when this happens, it is charged to Winter Maintenance. The General Services Department and the Golf Course, as well as the Parks and Cemeteries, help each other out as needed.

Councilor Champlin asked about PCR #192, which requests funds for Emerging Department Leadership, and wasn't recommended for funding. General Services Director Chip Chesley indicated that this program would provide cross-departmental training for emerging Department leadership, as many of the Division Heads are aging and will be retiring in the not too distant future.

Councilor Brown noted the General Services Department FY 2024 goals to, "Increase public awareness and engagement through outreach...". She asked what kind of outreach the Department will do to inform immigrants of projects in their neighborhoods, who may not have access to the internet or the Department newsletters. Director Chesley indicated that we will go out to the immigrants' world to get the message to them.

Mayor Bouley commented that he feels the SeeClickFix program has been very successful and is pleased with how quickly the General Services Department responds to the requests. However, he's noticed that some City Councilors have been using the program without going through, or at least informing, the City Manager. The Mayor asked that, if a City Councilor is going to use the SeeClickFix program to help a constituent, that the Councilor, as a courtesy, please inform the City Manager.

The Mayor opened up a public hearing on the General Services Department.

Concord resident Roy Schweiker requested that the Department go back to using the vacuums to pick up leaves, as opposed to the leaf loaders we are currently using.

With no further public testimony, the Mayor closed the public hearing.

With there being no further discussion, Mayor Bouley noted that the next Finance Committee meeting would be held on Thursday, May 25th, at 5:30 PM, at which time Community Development, Leisure Services, Human Services, and the Capital Improvement Program budgets will be discussed.

Councilor Kretovic informed everyone about the Red, White and Blue Tournament that will be happening at Beaver Meadow Golf Course this weekend. She noted that it is open to all golfers.

A motion was made and seconded, and the meeting adjourned at 8:08 PM with a unanimous voice vote.

Respectfully submitted,

Sue Stevens, Executive Assistant