

BUDGET REVIEW COMMITTEE

MAY 14, 2026

A meeting of the Budget Review Committee was held Thursday, May 14, 2026, at 7:00 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.

Alderman Richard A. Dowd, Chairman, presided.

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

Members of Committee present: Alderman Derek Thibeault
 Alderman Paula Johnson
 Alderman Tim Sennott, Vice-Chair
 Alderman Richard A. Dowd, Chairman

Members not in Attendance: Alderman-at-Large Michael B. O'Brien
 Alderwoman-at-Large Shoshanna Kelly
 Alderman-at-Large Alicia Gregg

Also in Attendance: Dawn Enwright, CFO
 Diane Mulholland, Treasurer/Tax Collector

ROLL CALL

Chairman Dowd

Okay. I know that Michael O'Brien is recovering from some operations. Alderman-at-Large Alicia Gregg has been in Concord all day at the House and Alderwoman Kelly is tied up this evening.

PUBLIC COMMENT

Chairman Dowd

Okay. So first item on the agenda is Public Comment. You have 3 minutes. You can comment on anything on the agenda tonight which is Financial Services. So only Financial Services can be discussed.

Bill Ferriero

My name is Bill Ferriero. My home is #35 Indian Rock Road. So I understand this is not a question answer thing but I have some questions that I would ask. So I'm going to list them and maybe somebody from the City will choose to respond to them tonight, or maybe one of the Aldermen will choose to restate them, or maybe they were planning on asking the same questions.

My first question is on page 99. There's a revenue item called "Motor Vehicle Permit Fees". That item has been under planned for the last several years by many millions of dollars. I wanted to talk to why that is and it looks like the proposed budget for 2027 is similarly under planned. I wonder if you could talk to what your basis is, how you developed that budget for 2027, what kind of math was behind that.

My second question is also on page 99. There's a revenue item called "Interest Income". That's also been under planned for the last several years. I wonder if you could explain why that's been and also can you talk about what the source of that income that's being invested in? What is that? It's called "interest". What does that interest actually become? What is it? Is it actual bank interest? Is it dividends and capital gains on something? How are you acquiring that interest and can you talk about the basis for the 2027 plan that you came up with?

My 3rd question is on page 98 and 99. Why do you think the revenue Line Items are missing from the book this year? Throughout the whole book, none of the line items for the revenue items are in there. They were in there in previous years and they're certainly listed in the Actuals Reports.

My 4th question is on page 99. Why is the Property Tax Revenue not included in the budget? It's in the Actuals. It's in the Monthly Actual Reports but doesn't show up in the budget. You would think that that would be near the top of the list. It has a line item.

And my last question is on page 100. So the lines for all the lines 52 - Social Security, and Medicare, Pension, and Benefits. Can you explain about the basis? How are those items calculated? What's the math behind them? Is it a function of the wages for that Department? Is it a function of number of FTEs? Does every department calculate it identically or does each one do it differently? Is it done automatically or is it done manually? How do ..

Alderman Thibeault

30 seconds.

Bill Ferriero

...you develop those numbers? I mean the Mayor talks about the pension contributions and the benefit. He talks about that all the time. So it would be good to know how you calculate those numbers. Thank you.

Chairman Dowd

Anyone else for Public Comment at this point in the meeting on the items that are on the agenda - Financial Services?

Laurie Ortolano

Yes, I just have a couple questions.

Alderman Thibeault

Name?

Laurie Ortolano

I'm wondering if tonight's ..

Alderman Thibeault

Name, please and ..

Laurie Ortolano

Laurie.

Alderman Thibeault

.. city or town.

Laurie Ortolano

Laurie, Nashua.

Alderman Thibeault

Full name?

Laurie Ortolano

Ortolano. The overlay account. I tried for years to understand why the overlay account isn't part of the financial statement. I know that - I don't know if both you came from other towns because I'm not familiar with you but I know Dawn, I think you might have been Derry, or Concord, or a couple other places. How do they handle their overlay account for abatements, and contracted services because ours is tucked outside the budget but we have to use taxpayer money to fund it, and I really happen to believe it should be a part of the budget. It should be something we can see. At one point, John Griffin had agreed with me, so did Rosemary Evans and said it really should be there but the powers that be wouldn't allow it. I'd like to see that moved to where it has to go.

The interest income account that Bill brought up - I'm just curious is that - and it may not be - I don't know if that's interest that's accrued. Is it trust fund money as well or is trust fund money separate? I just don't know what that account

captures but I'm wondering where like trust fund interest is put. I know it's broken down for each fund and we have a lot of them. So there's a lot of different places for it and there's also been a real shift in interfund transfers in the amount that we're allocating for interfund transfers this year versus in prior years and it would be kind of nice to hear that explained and what that means.

And one other question just regarding Right-to-Knows, I'm not a big filer. I don't believe - and to the Finance Office, I have a friend who files into the Finance Office all the time. Not at my request, but she does it. That's her specialty but I have found - I mean there was a time when it was run by John Griffin that the Finance Office was pretty open for Right-to-Know requests and it is ..

Alderman Thibeault

One minute.

Laurie Ortolano

.. really very closed for Right-to-Know requests and the last time I tried to work through the Finance Office was getting the Trust Fund quarterly statements that were approved by the Board of Aldermen for distributing interest from moving them from like the general ledger into their own account. I came to City Hall twice. I was told I could inspect the books. I went into a hallway with a camera with Mr. Perrin. Both times the books did not have the records I was ..

Alderman Thibeault

30 seconds.

Laurie Ortolano

.. seeking and he could not find them. When the woman from the Finance Office - and I don't know who it was came down to bring extra books, I said to Gary ask her or at least say where/how do we get this data? She wouldn't even stay. She pivoted on her heels and ran back down the hallway. Gary took a note and said he would ask her. Never did. I never got my records from that request. I don't even know where to find those reports that were supposedly approved by the Board and the only way ..

Alderman Thibeault

Time.

Laurie Ortolano

.. to resolve that is in a court battle and I avoid it because I really feel I should have just gotten it. Thank you.

Chairman Dowd

Anyone else for Public Comment at this point? Seeing none.

Michael Gaudian

I have a question.

Chairman Dowd

We don't do questions and answers. You can only do comment.

Michael Gaudian

Well it'll be a question that you can choose to answer in your time. My name is Michael Gaudian. Resident of Nashua, New Hampshire. Just curious about the expectation. Technical questions asked. Thoughtful questions asked specific to the proposal. Is there an expectation that they'll be discussed and answered here or are they just things that can be blown over and moved on without being addressed as you vote on these agenda items because I'm just curious being ignorant to the process. So I'll walk away to that. Thank you for your time.

COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS - None

NEW BUSINESS – ORDINANCES - None

TABLED IN COMMITTEE

MOTION BY ALDERMAN THIBEAULT TO REMOVE FROM THE TABLE R-26-028

MOTION CARRIED

R-26-028

Endorsers: Mayor Jim Donchess
Alderwoman Vengerflutta Smith
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large Alicia Gregg
Alderman Thomas Lopez
Alderman-at-Large Lori Wilshire

**RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2027 PROPOSED BUDGET FOR THE CITY OF NASHUA
GENERAL, ENTERPRISE, SPECIAL REVENUE AND GRANT FUNDS**

DEPARTMENTAL REVIEWS OF THE PROPOSED FY27 BUDGET FOR THE CITY OF NASHUA

<u>Dept. #</u>		<u>Revenues</u>	<u>Appropriations</u>
	<u>FINANCIAL SERVICES</u>		
118	Other General Government		
126	Financial Services Division	98	99
156	Hydrant Fees – Fire Protection (no memo submitted)		121
162	Street Lighting (no memo submitted)		120
193	Debt Services		219
194	Contingency		220
198	Interfund Transfers		221
	Capital Improvements		222
	Capital Equipment Reserve Funds		238

Alderman Thibeault

Director Cummings has joined us as well online.

Chairman Dowd

Okay. So this evening we're going to be discussing the Financial Services area of our budget and here to give us an overview and take us through the process is CFO Dawn Enwright.

Dawn Enwright, CFO

Yes. Hello and thank you, Mr. Chair. Would you like me to start with just the Financial Services or the General Government?

Chairman Dowd

We have General Government, so ..

Other General Government

Dawn Enwright, CFO

Certainly. So the General Government revenue has decreased by 22%. This is due to the franchise fees decreasing and the expenses increasing to operate the cable TV. So next year all of the franchise fees will be going directly to the PEG Operations and none will be shared with the General Fund. So there's a \$250,000 decrease in the revenues for the Other Government and that is the only change in the revenue side of the General Government.

Chairman Dowd

And that's because it's based on the monies that Comcast collects from the subscribers and that number has gone down pretty significantly.

Dawn Enwright, CFO

Correct. They're collecting a lot less and so they're sharing less with us and the expenses for the PEG Operation warrants all of the revenues that we are receiving.

In terms of the Appropriations, there are no changes in the Appropriations. I'd be happy to take any questions on General Government.

Chairman Dowd

Any questions on General Government?

Alderman Thibeault

Thank you. I just want to answer the question that the last gentleman asked. Public Comment is strictly for its Public Comment. So people can say whatever they want relying depending on whether it's at the beginning or the end, whether it's something in the going over in the meeting, or whether it's just whatever they want to do at the end. I mean people can ask questions and maybe that question gets answered within the chamber just going over it. Some Aldermen could ask it for the person.

Generally if I was looking for a question answered from like say Finance, I would call the Finance Office. That's what I would do but I mean it might come up during here. Like I said, some Aldermen might ask the question but generally, Public Comment is just to just say whatever you want about the things we're going over whether it's positive, negative, or whatever. Usually it's negative but that's fine. So yeah, that's just a comment I wanted to express.

Alderman Johnson

All right. Regarding the Cable Finance TV Franchise Fees have we asked - is it because the viewership has gone down now?

Dawn Enwright, CFO

Yes.

Alderman Johnson

And that's - do we know how many we've lost in the area?

Dawn Enwright, CFO

No, we do not know how many we've lost. We just know that there's been a consistent decline in the revenues that we receive in relation to the cable subscriptions.

Alderman Johnson

Must be because Fidium's come in and people got tired of Comcast. I'm one of them. Okay, thank you very much.

Chairman Dowd

Any other questions? Okay, moving on.

Next will be Financial Services Division, Revenues on page 98, Appropriations on page 99.

Financial Services Division

Dawn Enwright, CFO

Thank you, Mr. Chair. Dawn Enwright, CFO. Over the past year, we have worked on modernizing services, improving the customer experience and strengthening financial reporting and planning. Our work has focused on improving transparency, strengthening internal operations, and building the capacity needed to support internal and external customers effectively.

Motor Vehicle Revenue Line Item: The revenues have been increased by \$1 million in the Motor Vehicle Revenue Line item. This line historically has been slightly under budgeted so that we can assure that we will collect enough revenue to be able to cover our budget and if there is excess in this line item, we utilize those funds to be able to pay down the tax rate at the end of the year. The last thing you would want is to come up short in your largest revenue line item in the budget.

Interest Income Revenue Line Item: This item is underfunded. I wouldn't say underfunded but under budgeted in terms of actuals and this is because this number is very difficult to calculate the way the market has been. We have been speculating. Last year, it was speculated that we were going to get three interest rate cuts. So if we had increased the revenue and those cuts had happened, we would have been in big trouble having shortfall in that line item. So coming up to this year with the same type of instability that we're seeing because of the overseas activity, it is expected that interest rates will take another decline and we just want to make sure that we do not over budget in that revenue line item.

I'll take any questions. I know there were some more questions around the revenue, so I'd be happy to take any additional questions around the revenue if anyone has any.

Chairman Dowd

Alderman Sennott.

Alderman Sennott

Thank you, Mr. Chairman. The question had come up during Public Comment why tax collection? The taxes that we collect are not included as a revenue line item. Could you speak to that?

Dawn Enwright, CFO

Dawn Enwright, CFO.

Chairman Dowd

Go ahead.

Dawn Enwright, CFO

Thank you. Yes, you do not want to put that in the budget because that is actually calculated by the Department of Revenue as to what is being collected and that is consistent across New Hampshire. It's part of the tax rate setting form. I have shared it with the Board in the past and I'd be happy to share it with the Board again so that you can understand how that calculation works. But that's why you do not see it in the budget. It is actually the result of the budget.

Chairman Dowd

Alderman Sennott, follow up?

Alderman Sennott

Yes. Thank you. Thank you for that explanation. I am familiar with the calculation formula. I would encourage you to share that with the Board. We do have some new membership here and so I think it would be helpful to our new members who may not be familiar to bring that up.

I'll go ahead and ask a related question just because we are here at Financial Services and everything. I understand this would be sort of ballpark - best guess estimate but looking at the budget that we have citywide if this were to pass as it's presented today, what do you expect or estimate that we could anticipate for a tax increase?

Dawn Enwright, CFO

Donna Enwright, CFO. Thank you. At this given point, we're looking at the increase on the budget. I apologize, I don't have my calculation in front of me. I don't want to speak incorrectly. Actually, I don't want to speak incorrectly to that. I do have it in my system and in a little bit I will be having Diane Mulholland speak. Do you mind if I come back with the answer to that question?

Alderman Sennott

Yeah, sure. If we could get that some time during this ..

Dawn Enwright, CFO

Thank you.

Alderman Sennott

.. meeting, that would be great.

Dawn Enwright, CFO

Oh, I do have it. I just will call it up ..

Alderman Sennott

Terrific. Thank ..

Dawn Enwright, CFO

.. when you have a minute.

Alderman Sennott

No, I appreciate that.

Dawn Enwright, CFO

Yup, good.

Chairman Dowd

Alderman Thibeault.

Alderman Thibeault

Thank you. CFO Enwright - we don't not have the other pieces of that yet so how would you make a guess on what the tax rate would be? We don't have the County portion of that or education portion of that so how would you be able to calculate that? Is it really just a guess and do we really want to make a guess and get people all riled up until we know whether we have changes here or whether the county stuff comes in and the calculation gets done. I mean is that responsible to put a number out there?

Dawn Enwright, CFO

Thank you for the question.

Chairman Dowd

Yes, go ahead.

Dawn Enwright, CFO

Thank you, Chair. Dawn Enwright, CFO. I would not be giving a projection of what the tax rate would be. I could give you what the projection is of the total increase year over year for budgeted amounts. I couldn't give the actual projected increase in tax, but I will look those figures up, and I will inform you what I have. Thank you.

Chairman Dowd

Any other questions in this area? Okay, moving on.

Dawn Enwright, CFO

Thank you. So Appropriations increased by 12%. If you remove the Salaries and Benefits, the overall increase for Financial Services is only 3.5%. The main portion of that increase in Appropriations is for Auditing Services and part of that area of the budget for Auditing Services is actually offset by a decrease in the Consulting Services. Financial Services has one vacancy - the Comptroller position is vacant and we have 1 additional position in this budget. It is for a Financial Analyst. The Financial Analyst position has been occupied by a Contracted Service at this given time so that's why there is a decrease in the Contracted Services line and we have the additional position.

So Financial Reporting has had a year of transition. We had four retirements of seasoned staff this year. We replaced them all, including a Senior Accountant position that became vacant, and we filled a Staff Accounting position, which was a budgetary position that had been vacant for some time. Building a strong support staff increases the capacity to serve internal and external customers more effectively.

In terms of budgeting, I hear you. I hear everybody, and I understand, and I look forward to working with the Budget Committee to provide you with all of the information that you need to be able to make good, sound decisions for the City. I would like to thank everybody for your patience and continued support as we navigate these transitions. Specifically, I would like to thank Lisa Carl our Accounting Manager for her dedication and hard work for holding the Finance team together during this transition.

At this time I would like to introduce Diane Mulholland, the Treasurer/Tax Collector, and she will speak to the areas of the Finance Department that she oversees.

Diane Mulholland, Treasurer/Tax Collector

Good evening. I'm Diane Mulholland. I'm the Tax Collector/Treasurer for the City of Nashua. I'm going to go over the following highlights to summarize operational updates and fiscal initiatives for the Tax, Motor Vehicle, and Treasury Department.

The Tax Department. Currently, we're working on succession planning. We have a couple employees that are intending to retire even though they haven't made a formal announcement yet. So in anticipation of that, we are cross-training staff. We're providing education and professional development to give them opportunities to expand their skills and prepare for future leadership roles within the Department.

We're expanding our online services and efficiency. The City has transitioned to Citizen Self-Serve. This will allow residents to pay their tax invoices online. We're currently preparing the 2026 first issue tax bills. They will be available and uploaded to the platform so someone can go in and just download their tax bill if they like. This will allow for people that are selling their homes or whatever that need access to their bills to just download it themselves without calling us and trying to get us to email them a tax bill or whatever. So it should reduce calls into the office. A future functionality of this will be that we'll be able to email tax bills to residents. This will reduce printing and postage costs in future budgets. It's not reflected in this budget but in future budgets, this should reduce our printing and postage costs. It also will improve accessibility and convenience. The City is also working on uploading 10 years of historical tax bills to the website so that people have access to their older records.

As far as tax deeding activity, first of all, I'd like to commend the tax staff on their professionalism, especially when it comes to tax deeding. This is never an easy task. Since April of 2023, the City has tax deeded 47 properties. Twenty-seven properties have been repurchased by the original owners and 9 properties were auctioned resulting in all tax liabilities being satisfied. The City currently still owns 8 pieces of land, 1 multi-family home, and 1 commercial building that was tax deeded to the City. These repurchase and auction proceeds do not appear against the original tax bills because once a property is tax deeded to the City, the receivable is removed and the property becomes an asset of the City. So when the property is sold, therefore, the proceeds just go to the General Fund. The General Fund revenue is eligible to be appropriated in the following budget year to be added to a trust fund to be used for future tax deeding

expenses.

Upcoming activity with tax deeding. The 2023 tax deed date is set for May 26th. The City currently has 32 properties scheduled for tax deeding. Hopefully within the next 12 days that will get reduced. In the near future, we will be holding a discussion regarding these properties along with a list of deed waivers.

Motor Vehicle Department. We've improved the customer service experience there. Residents can call ahead and schedule - or not call ahead. They go online and schedule appointments. Therefore when they get here, they're taken right away. They don't have to wait in line. On average, we're getting about 600 appointments a month. So people are using that system. We've also added a queue management system which people come in, they type in their name, their phone number, it goes up to a screen in front of them. When they're being called by a Clerk, it moves over and it tells them which counter to go to. So this is streamlining the process of getting people to the right place. It also sends a text message to their phones so they can step outside, their phone vibrates, they know to come in, and it's their time. This improvement has streamlined workflow and reduced congestion in the rotunda.

The Treasury Department. We are working on – we're beginning to explore. We haven't done this yet, but we're beginning to explore streamlining the Accounts Receivable to the main Accounts Receivable module. The departments are using their own systems and creating invoices within the Departments. We want it to be all in the central Accounts Receivable module. That way we can create aging reports to show what's outstanding. It will also allow the departments to do follow-up phone calls, and call our customers, and vendors to determine - to get prompt payment and strengthen the overall cash flow management. That's pretty much it for me.

Chairman Dowd

Questions?

Diane Mulholland, Treasurer/Tax Collector

Thank you.

Dawn Enwright, CFO

Thank you.

Chairman Dowd

Alderman Sennott.

Alderman Sennott

Thank you, Mr. Chairman.

Chairman Dowd

Oh, excuse me.

Dawn Enwright, CFO

I would like to speak to another area of the Financial Department before we go into questions. Is that okay?

Chairman Dowd

Sure.

Dawn Enwright, CFO

Okay.

Accounts Payable. So we also have the accounts payable area which has implemented a new software assistant to enhance fraud prevention controls throughout the system, which is strengthening the verification procedures, reducing risk of duplicate payment, and unauthorized payments. This aligns with recommended financial management standards and supports best practices in safeguarding public funds, assists with timely and accurate vendor payments. We have a very

tight ship down there that it works very smoothly and I'm very proud of the staff that works in that Department.

So Financial Services in closing - looking ahead. We're committed to continuous improvement, transparency, responsible fiscal management, and progress this year has set us up well to support the City's services and maintain financial health for our community. Thank you very much and I would be happy to take questions.

Chairman Dowd

Alderman Sennott.

Alderman Sennott

Thank you, Mr. Chairman. Through you to Ms. Mulholland, I actually had a question on one of the last points you had brought up regarding the AR group.

Diane Mulholland, Treasurer/Tax Collector

Yup.

Alderman Sennott

And streamlining what I assume are outgoing invoices.

Diane Mulholland, Treasurer/Tax Collector

Correct.

Alderman Sennott

I just wanted to make sure I heard you correctly. So there are different divisions within City Hall that are issuing invoices that aren't like say, on the same system or ERP that another group would be on?

Diane Mulholland, Treasurer/Tax Collector

Correct. So say like, the school could be issuing some kind of invoice but they're not using our accounting software to do it. So we want everybody to start using the same software so we can create one report of all the accounts receivable that's outstanding.

Alderman Sennott

Yeah.

Dawn Enwright, CFO

If I may add to that? It's also going to add to the efficiency. Right now, it's a very manual process to add it to our accounts receivable on our financial system whereas if we get everything into one system, it's going to communicate directly to our financial system.

Chairman Dowd

Follow up?

Alderman Sennott

Yes, thank you. So what groups within the City are on the same ERP and which ones aren't? Like do you know what the split is or?

Diane Mulholland, Treasurer/Tax Collector

So currently, miscellaneous billing that's done through the tax office is on our system. But say the Police Department is sending out the special duty invoices, that is not on our system. So we want to have that done. Same thing with Fire. If they're doing alarm calls, that's not on our system. So I know the school does some kind of billing - I'm not sure for what

but that is also not on our ..

Dawn Enwright, CFO

And there are processes ..

Diane Mulholland, Treasurer/Tax Collector

.. Yeah.

Dawn Enwright, CFO

.. in place that make sure that we get all the information, but we're always looking for efficiencies.

Chairman Dowd

Follow up?

Alderman Sennott

Yes, thank you. Yeah and I don't doubt that there are processes in place otherwise - oh boy. But just thinking ahead, that feels like a big implementation because I mean I've done ERP implementations - things to that nature before and, you know, getting divisions that weren't on it beforehand. It could be a multi-year process and that's with a small organization, smaller than the City of Nashua at any rate. How far ahead do you think we could be looking before all these groups are under this because just speaking from where I spent the last 9 hours today before coming here, I feel like this is a real serious need. So how long do you think it'll be before we're all under one umbrella?

Dawn Enwright, CFO

We have been actually talking about this for a while now. So we are in the process of starting it now and we're starting with one department at a time and we're going to make sure that we get them all on one system.

Alderman Sennott

So no target date right now for completion?

Diane Mulholland, Treasurer/Tax Collector

Not for completion.

Dawn Enwright, CFO

No but like I said, we have been exploring it already and our Finance Department is lined up to get all the coding done. There isn't an external system needed to be able to do this, we already have the system.

Alderman Sennott

Sure.

Dawn Enwright, CFO

So it's not a full implementation. It's just segments.

Alderman Sennott

Okay.

Diane Mulholland, Treasurer/Tax Collector

And we may start with 1 or 2 departments at a time to see how it goes and then we may do like a major training where we teach several departments at once on how to do it, so.

Alderman Sennott

Alright. Thank you.

Chairman Dowd

All set?

Alderman Sennott

Yup.

Chairman Dowd

Alderman Johnson?

Alderman Johnson

Thank you. It seems like de-ja-vu that we spoke about this with Mr. Cummings starting with the IT Department and trying to get efficiency and get them together under one umbrella with the School District and City Hall. Then I brought up also maybe we should be doing it with other departments like with Purchasing and Maintenance. Then I think Mr. Chair, you said - well with the School their budget and our budget but you know what, it would still from the right hand to the left hand. It's all the same pot of gold except you're dividing it up into departments here. But that's called "efficiency" versus inefficiency which we have more now and I will commend you for trying to get all this under one umbrella because it's gonna make your life easier to be able to see invoicing and money.

I'd like to go back, if I may, Mr. Chair?

Chairman Dowd

Yes.

Alderman Johnson

Go through a few things here. I'm looking at the inter-government revenue. The Room and Meals Tax and that seems to be steady continuously. It doesn't seem to change?

Chairman Dowd

Dawn?

Dawn Enwright, CFO

If I may? Dawn Enwright, CFO. That is a rate that we get from the State and it changes slightly from year to year but not significantly.

Alderman Johnson

Don't we contribute enough Room and Meals Tax to them? You know, the restaurants that we have and now we got casinos that charges meal tax. We should be getting a better rate here, you know, really.

Okay and there's a few other things. Go back if I may, Mr. Chair?

Chairman Dowd

Go ahead.

Alderman Johnson

You're talking about, you know, we're going to be eventually sending our motor vehicle bills via emails and all this for efficiency on that.

Diane Mulholland, Treasurer/Tax Collector

It'd be the tax bills.

Alderman Johnson

Tax bills, excuse me. If someone still wants to get it by paper, that's no problem?

Diane Mulholland, Treasurer/Tax Collector

Yeah, that's no problem.

Alderman Johnson

Okay. May I continue?

Chairman Dowd

Yes, go ahead.

Alderman Johnson

On the motor vehicle, have we been seeing a lot of increases over the years - over the last year, this year on new vehicles, leased vehicles, more vehicles being purchased, whatever?

Chairman Dowd

Ms. Enwright.

Dawn Enwright, CFO

Thank you, Mr. Chair. Thank you for the question. Yes, motor vehicle does always tend to increase. You have to be careful though because when the economy gets tight, people stop buying new vehicles and motor vehicle revenue is based off of the MSRP of a vehicle. So as the vehicle gets older, then the City collects less in revenue on that vehicle. So you have to be careful. If the economy starts to get tight, households will get rid of that extra vehicle as well then we'll have less revenue there. So yes, we do recognize that it does increase and that's why we did increase it by a \$1 million dollars this year but because of the strategy that has been used with the motor vehicle revenues and utilizing the excess to be able to pay down the tax rate, if it's there, that's how we'd like to continue budgeting in that line item.

Chairman Dowd

Just to interject that vehicles are becoming a lot more expensive so that adds to what they have to pay us, correct?

Dawn Enwright, CFO

Yes.

Chairman Dowd

Go ahead, follow up?

Alderman Johnson

You don't have to worry about me. Every 2 to 3 years, I flip my vehicles on my lease so you're always getting the top dollar out of me, you know.

Dawn Enwright, CFO

We thank you.

Alderman Johnson

Yeah, no - everybody thanks me for that, you know. Okay. I think that's it for right now.

Chairman Dowd

All set? Alderman Thibeault.

Alderman Thibeault

Thank you, Mr. Chair. So on the paper and the paperless billing for the tax bills, so are you going to do both?

Diane Mulholland, Treasurer/Tax Collector

So people will have to make a choice.

Alderman Thibeault

Okay.

Diane Mulholland, Treasurer/Tax Collector

So..

Alderman Thibeault

So it's one or the other.

Diane Mulholland, Treasurer/Tax Collector

It's one of the other. So again, that's going to be a future project of ours. It's not going to happen this year but they'll be able to make a choice of which way they want to go. So it will reduce the number of bills but it won't make them disappear completely.

Alderman Thibeault

Okay. I find the ones that want to keep their bill are probably the ones that don't want the high taxes either so and they don't always understand that because I work in a place where we try to get paperless bills and it's about 50% if that's not even. A follow-up?

Chairman Dowd

Follow up.

Alderman Thibeault

So you're talking about doing that with the tax bills. Why not with other bills?

Diane Mulholland, Treasurer/Tax Collector

So we already do it with motor vehicle.

Alderman Thibeault

Oh, you do?

Diane Mulholland, Treasurer/Tax Collector

Yeah.

Alderman Thibeault

Okay.

Diane Mulholland, Treasurer/Tax Collector

Motor vehicle – you can you can request ..

Alderman Thibeault

I better get on that.

Diane Mulholland, Treasurer/Tax Collector

.. your renewal notice by email.

Dawn Enwright, CFO

Yeah, you better.

Alderman Thibeault

I was gonna say, I still get mine in the mail. I better switch that over. Okay, I appreciate that. Thank you.

Dawn Enwright, CFO

In order to switch it over when your vehicle comes up for renewal, go online and you'll be able to click a box that says you want to do it without the paper.

Alderman Thibeault

I tend to be old school. I still get my electricity bill and I know my employer doesn't probably like that but like to see it in front of me.

Dawn Enwright, CFO

If I may, Chair?

Chairman Dowd

Yes.

Dawn Enwright, CFO

I would just like to add with the paperless tax billing, that is regulated by State Statute. So it is not something that we can just do. We would have to come in front of the Board and get approval to do something like that and then the customer or the property owner would have to elect it. We can't just automatically switch them. They would have to elect to have it electronic or the paper copy is a requirement of the law. Okay.

Chairman Dowd

So two things I have. 1) just for clarification for everybody listening in the audience - all invoices that come into any part of the City always get paid here in City Hall out of the...

Diane Mulholland, Treasurer/Tax Collector

Yup.

Chairman Dowd

We submit the checks from City Hall.

Dawn Enwright, CFO

Yes.

Chairman Dowd

Even the School Department.

Dawn Enwright, CFO

Yes.

Diane Mulholland, Treasurer/Tax Collector

Yup.

Chairman Dowd

Okay. I want to make sure everybody understands that.

The other thing is if we're going to pay property taxes via credit cards are they going to get that 2. whatever percent that we do when you register a car additional to the tax?

Diane Mulholland, Treasurer/Tax Collector

If they're paying by credit card, there is the same percentage fee that - is it the same or is it different?

Dawn Enwright, CFO

It's the same.

Diane Mulholland, Treasurer/Tax Collector

It's the same percentage fee on the credit card.

Chairman Dowd

Right.

Diane Mulholland, Treasurer/Tax Collector

You can put your bank information in and it's a cheaper fee.

Chairman Dowd

Right, okay. Just want to clarify that for the viewing audience. Any other questions at this point? No. Alright.

Hydrant Fees – Fire Protection

Chairman Dowd

The hydrant fees we don't discuss but hydrant fees only went up slightly due to the cost of water increase. Other than that, it's no change.

Street Lighting

Chairman Dowd

Street lighting again that went up slightly and I believe just because of the new electric rates. But other than that, nothing's changed.

So those two submitted letters.

Debt Services

Chairman Dowd

Debt Service, Department 193, Page 219.

Dawn Enwright, CFO

Dawn Enwright, CFO. Debt Service has increased by 4% over last year and this appropriated amount does include the October of 2025 sale and Diane Mulholland is going to speak to the Debt Service in more depth.

Diane Mulholland, Treasurer/Tax Collector

Diane Mulholland, Treasurer/Tax Collector. So in this current year, the City refunded their 2013 to 2015 bonds generating savings over the remainder life of the debt. New bonds will be issued this fall to support current capital projects with conjunction with the Ad Hoc Committee ensuring responsible debt management, continued investment in infrastructure, and community needs. Bonds are only sold for the amount needed for the project.

Dawn Enwright, CFO

Be happy to take any questions about Debt Service.

Chairman Dowd

Questions on Debt Service?

Alderman Johnson

And how much did we get back on the bonds this time? We're saving? What are we saving on when we sold the Debt Service?

Chairman Dowd

Ms. Enwright?

Dawn Enwright, CFO

Thank you, Chair. We are saving about \$125,000 a year.

Alderman Johnson

For how many years?

Dawn Enwright, CFO

For 10 years.

Chairman Dowd

All set? Follow up?

Alderman Johnson

And what's the new interest - excuse me - what's the new interest rate on the new bonds? Did we calculate/figure that out?

Dawn Enwright, CFO

I apologize. I don't remember that off the top of my head. I have a lot of interest rates that bounce around so I don't remember off the top of my head but happy to get that for you.

Chairman Dowd

By the way when we put a new bond on, we usually use in the legislation a slightly higher than we anticipate just to make sure that it's covered. So the bond says - if the resolution says 4%, we might get it for less. Alderman Johnson.

Alderman Johnson

Okay, because I remember something you were quoting - maybe about 4% on the bond it might be. It was lower than what we had. I could be wrong ..

Dawn Enwright, CFO

Yeah.

Alderman Johnson

But that 4% somewhere is sticking in my brain.

Chairman Dowd

Okay.

Alderman Johnson

And how long are we going when we refinance those bonds? For how many years was that 30 years again?

Dawn Enwright, CFO

10 years.

Alderman Johnson

10 years, 10 years. Okay.

Chairman Dowd

All set?

Alderman Johnson

I think so for right now.

Chairman Dowd

Alderman Thibeault.

Alderman Thibeault

Thank you, Mr. Chair. So can you tell me please Miss Enwright or CFO Enwright what a healthy debt service is as far as the range of money in debt like - what is a healthy debt service for a city?

Dawn Enwright, CFO

Dawn Enwright, CFO. You definitely want to make sure that your Debt Service is pretty consistent. You don't want to have major fluctuations in your Debt Service year over year and as long as you're staying within the same level, the rating agencies are going to look upon you as financially responsible with your debt and managing your debt well. We have maintained the appropriate level that they've been looking for and that's why we continue with our AAA rating with them. So they're always commenting on how well we do with managing this debt and that's why we're always going forward in refunding to be able to find savings but still maintaining that debt service so that we can be consistent for our ratings.

Chairman Dowd

Follow up?

Alderman Thibeault

So would you say that we have a healthy debt service right now?

Dawn Enwright, CFO

Yes, we do.

Alderman Thibeault

Alright, thank you.

Chairman Dowd

At one point we did receive some analysis from our Debt Service company. I think it's when we get our rating and it was outstanding review of Nashua's debt service and bond rating.

Also, the State has a limit that you can only get two - our local legislation is less than that and we're nowhere near reaching that.

Dawn Enwright, CFO

Correct.

Chairman Dowd

Alderman Johnson.

Alderman Johnson

What is.. thank you. Through the Chair, what is our limit on bonding?

Dawn Enwright, CFO

Dawn Enwright, CFO. I would be happy to get that information for you. We have it and whenever we do a bond issue, we have it in our reportings when we do the bond issue. So I'll be happy to get that information.

Alderman Johnson

Thank you.

Chairman Dowd

So we'll take an action item and get that to everybody on the Board.

Alderman Johnson

Okay, thank you. May I just one point?

Chairman Dowd

Follow up?

Alderman Johnson

Yeah. I understand we can have a healthy bond rating but you know what, we're committing ourselves when we do these bonds for 30 years out usually. It's not me. It's probably not even going to be my son's generation to finish up. It's going to be my grandson or my great-grandchildren's generation that's going to be paying back for what we spend on. So that's why I'm so curious about what our bond limit is and how far we plan to stretch it on how far we're going to spend up to that limit, because that's a big commitment that we're giving to future generations. Thank you.

Chairman Dowd

Just out of curiosity - I'm pretty sure I know the answer - but if we didn't do any bonding, how would that be viewed by the bonding companies especially if we weren't taking care of our infrastructure?

Dawn Enwright, CFO

Dawn Enwright, CFO. Thank you, Chair. If we stopped bonding all together, the rating agencies would start questioning how we are maintaining our infrastructure. A city our size needs to be maintaining the infrastructure. So then they would start questioning that and also they would wonder why we aren't managing our managing our debt. Why we're just cutting it off. There would be a lot of questions involved and it would result in a decrease in our rating, definitely.

Chairman Dowd

Alderman Thibeault.

Alderman Thibeault

Thank you, Mr. Chair. So you just literally - so we're not as a city - and I'm pretty sure all of us Aldermen would not ever suggest to go out anywhere to a max bond bonding Debt Service, whatever. No way would we ever accept that - any of us - and you literally just said that we're trying to keep it at a level every year. So we're not looking to go up and down, up and down. We're looking to stay at around that \$22 million Debt Service. So I mean if we just keep that for the rest of the City's life for eons, and eons, and eons, it's always going to be there and we're always going to be able to keep infrastructure being kept up and things we need - fire trucks, buildings - whatever we need.

So I think we're - like I said, we're in a healthy position to bond. It's like when you buy a car. Obviously, it's going to take you 5 years, 10 years, whatever you put in there. Just lost my train of thought. Yeah, I don't know. I went blank. I'll remember and I'll come back to it.

Chairman Dowd

You can come back to it. Any other questions? All right.

Alderman Thibeault

Ooh, I got it. Sorry.

Chairman Dowd

You remembered.

Alderman Thibeault

Yeah. What percent of the tax rate is our bonding? How does that hit our tax rate each year? Is it 5% of the 8% tax rate is bonding or is it 1% or?

Dawn Enwright, CFO

I have not calculated it.

Alderman Thibeault

I'm just curious what the impact of our every year bonding or having that Debt Service of \$22 million every year.

Dawn Enwright, CFO

I want to say ..

Alderman Thibeault

How does that impact that?

Dawn Enwright, CFO

.. I want to say it's about 8%. Let me ..

Alderman Thibeault

It's about 8%?

Dawn Enwright, CFO

Yeah.

Alderman Thibeault

So that's the whole tax rate. The tax rate increases 8% is that?

Dawn Enwright, CFO

Oh no, no, no. The increase?

Alderman Thibeault

Yeah, what percent of the increase? Like so - say we increase every year 6% of taxes go up for the person/for the taxpayer. How much of that 6% increase would have the bonding in it?

Dawn Enwright, CFO

Well, we can - the increase on the budget this year was \$900,000 and \$2.5 million is 1% increase. So you're looking at less than less than 1%.

Alderman Thibeault

Okay, that's exactly what I wanted to hear.

Chairman Dowd

Okay. Any other questions?

Contingency Department

Chairman Dowd

Okay, moving on to Contingency Department. Department 194, Page 220. Ms. Enwright.

Dawn Enwright, CFO

Dawn Enwright, CFO. Contingency this year, the decision has been made to zero fund that line item in an effort to help decrease on the effects on the tax rate.

Chairman Dowd

I was just going to say that this past year, we had spent 140k ..

Dawn Enwright, CFO

Yup.

Chairman Dowd

.. in contingency. So I'm not sure what that was for but we won't have any contingency. Alderman Sennott.

Alderman Sennott

Thank you, Mr. Chairman. You said we're zeroing this out to have an impact on the tax rate. I could have a bit of a foggy memory here so correct me if I'm wrong but if I remember correctly, 1% on the tax rate, I think, was roughly calculated at \$2.5 million ..

Dawn Enwright, CFO

Yes.

Alderman Sennott

.. is that correct?

Dawn Enwright, CFO

Yes.

Alderman Sennott

Alright, thank you.

Chairman Dowd

Any other questions on Contingency? Alright.

Interfund Transfers

Chairman Dowd

Alright, moving on to Interfund Transfers Department 198, Page 221.

Dawn Enwright, CFO

Interfund Transfers Appropriations decreased by 21%. Recognizing the stress on the budget is the result of this decrease. As you can see, Hydropower was zero funded in the interfund transfers. There was a decrease of \$2 million to the CERF funding and so that was the philosophy behind the decrease in the interfund transfers and I'd be happy to take any questions.

Chairman Dowd

Can you just explain, especially for our new Aldermen, what Interfund Transfers are?

Dawn Enwright, CFO

Certainly. Dawn Enwright, CFO. Interfund Transfers are utilized to fund some of the expendable trust funds that have been set up by the Aldermen to fund certain areas. City retirement is one of them, Holman Stadium improvements, and each year in the budget, the budget is a means to be able to have the opportunity to fund those particular areas for additional funding.

Earlier, Diane Mulholland had spoken of the Deeded Property Expendable Trust Fund. That one there - last year we took in over \$800,000 in revenue for the sale of tax deeded properties. So the legislation was written that we could have asked for \$800,000 but understanding the constraints on the budget, where actually we had asked for \$200,000 and then in agreement with the Mayor, decreased it to \$75,000 realizing that in one year that would be sufficient for what the general expenses have been on tax deeded properties.

Chairman Dowd

So we have numerous expendable trust funds, and that money is kept separate, and when we bring it into this year's budget, it's in this area.

Dawn Enwright, CFO

Yup.

Chairman Dowd

Any questions? Okay.

Capital Improvements

Chairman Dowd

Capital Improvements, Page 222.

Dawn Enwright, CFO

Dawn Enwright, CFO. The Capital Improvements increased by 1% recognizing the deferred maintenance needs throughout the City. We are working to incorporate by small increments year over year to help satisfy some of the needs throughout the City with deferred maintenance. It has been recognized that deferred maintenance needs to be funded and that's one thing that we do not want to be bonding for is deferred maintenance. So this is a mechanism that we utilize in the budget to be able to fund for the small deferred maintenance projects throughout the City. I'd be happy to take any questions.

Chairman Dowd

Questions? No? All right, very good.

Capital Equipment reserve Funds (CERF)

Chairman Dowd

We'll go to CERF, Page 238.

Dawn Enwright, CFO

Dawn Enwright, CFO. Capital Equipment Reserve Fund. The appropriations decreased by 21% due to the funding shortfall in the Interfund Transfers. The actual spending out of the CERF account is decreased by 21%. We also do take into consideration grant and bond funding to meet the needs of the City for Capital Reserves. Diane Mulholland will give an overview of the Capital Reserve account.

Diane Mulholland, Treasurer/Tax Collector

Diane Mulholland, I'm the Tax Collector/Treasurer for the City. The City maintains a CERF schedule based on the useful life of vehicles and equipment. We met with the Department heads to review the replacement schedule. We evaluated whether the schedule replacement was still necessary, determined if certain replacements could be deferred, and if grants were available. Replacement cost projections are calculated using original purchase price, the useful life, and then an 8% annual escalator, and then we compare it to current market costs. Due to the limited CERF funding, purchases over \$90,000 are evaluated for bond financing based on costs and useful life.

Chairman Dowd

Okay.

Dawn Enwright, CFO

Happy to take any questions.

Diane Mulholland, Treasurer/Tax Collector

Questions?

Chairman Dowd

Questions on CERF. One question. So the monies that we've allocated for CERF will purchase the vehicles that you've identified in the budget are going to be purchased this year?

Dawn Enwright, CFO

Yes.

Chairman Dowd

Okay.

Dawn Enwright, CFO

Dawn Enwright, CFO. Yes. It has been prior practice if it's in this budget, they get purchased with the funds in CERF. We changed the philosophy slightly with the departments and anything that was in '26 must be purchased in '26. If it does not get purchased in '26, then we reallocate it here. So when we evaluated with each of the departments, we made sure that they were going to have a purchase order cut on whatever they are going to be able to purchase this year in '26 from the '26 budget and if they were not going to be able to cut a purchase order, it is in this budget again this year. So there is a chance that you would see it in this budget as well as in '26 budget.

Chairman Dowd

Questions? Alderman Sennott.

Alderman Sennott

Remind me how some of the useful lives are determined?

Diane Mulholland, Treasurer/Tax Collector

So usually it's based on - what is it, it's a ..?

Dawn Enwright, CFO

The mechanics in the departments that maintain the vehicles, they will give us the useful life. They range from 5 to 40 years some of our fire engines and things like that, but it is pretty - we keep them consistent and we work closely with the departments and the mechanics that are involved with these vehicles in determining them.

Chairman Dowd

Okay. Before you follow up - like Police cruises are done by mileage. Go ahead.

Alderman Sennott

Yeah and I'm not so concerned about heavy use vehicles like, you know, whether it's our police cruisers, fire trucks, especially DPW equipment. It just takes a beating. But some of these for City Hall departments, which just seem like they're primarily business transit related, some of these are just kind of throwing me for a loop where like a dump truck has an expected life of 10 years but a sedan for a largely administrative use has a useful life of seven years. Something doesn't seem to add up there just knowing what little I do about motor vehicles. Jeez, if I get a new car every seven years, woo.

Chairman Dowd

Any other questions? Alderman Johnson.

Alderman Johnson

Thank you. You've got 3 columns here - cash, bond, and grant. Under the cash are we paying cash for those vehicles?

Diane Mulholland, Treasurer/Tax Collector

Out of the CERF account.

Alderman Johnson

Out of the CERF account. Okay and then some of them because they're bigger purchases, we're bonding them?

Diane Mulholland, Treasurer/Tax Collector

Correct.

Alderman Johnson

And when we bond them are we figuring that the life of them is going to be longer usually?

Diane Mulholland, Treasurer/Tax Collector

So we're bonding for 7 – 5 years or 7 years on these?

Dawn Enwright, CFO

Uhm, 7.

Diane Mulholland, Treasurer/Tax Collector

Seven years on these so they should have at least a useful life past that 7 years mark as far as the determination to bond.

Chairman Dowd

Follow up?

Alderman Johnson

Yes, thank you. Yeah, it's almost like buying a new car and you got to stretch it out 7 to 8 years now on the payments.

Diane Mulholland, Treasurer/Tax Collector

Right.

Alderman Johnson

That's basically it. Okay.

I know this is kind of – this might be a loaded question but on the Mayor's vehicle do we lease that or did we buy it? Because I know he gets a vehicle every so often. Does anybody know?

Diane Mulholland, Treasurer/Tax Collector

We don't lease any vehicles, so.

Alderman Johnson

We don't lease any vehicles?

Diane Mulholland, Treasurer/Tax Collector

No. So they're purchased.

Alderman Johnson

Can I follow up?

Chairman Dowd

Follow up.

Alderman Johnson

Why don't we do any leasing?

Dawn Enwright, CFO

That would be a policy question. It's not a function of the Finance Department managing the CERF to determine whether

we are going to lease a vehicle. It would be a policy change.

Alderman Johnson

Okay. Thank you.

Chairman Dowd

It's a good thing I don't see any fire trucks on '27 because they go from \$800,000 to \$1.4 million ..

Dawn Enwright, CFO

Yes.

Chairman Dowd

.. and we've been fortunate to do some cost savings on buying them in the last couple of years. So that's been a good thing.

Also the other thing I wanted to mention is like on fire trucks particularly, we always have a backup so that when our main vehicle is in for maintenance, the backup fills its place but when we buy a new vehicle, the backup system gets sold usually to another community, and that money goes into - it's been going into the General Fund. I think it ought to go into the CERF account but not for this discussion tonight. Alright, any other questions? No. Alright, well that wraps us up this evening.

MOTION BY ALDERMAN THIBEAULT TO TABLE R-26-028
MOTION CARRIED

Chairman Dowd

Thank you very much for coming in this evening and sharing of this.

Dawn Enwright, CFO

Thank you.

Diane Mulholland, Treasurer/Tax Collector

Thank you.

PUBLIC COMMENT

Bill Ferriero

My name is Bill Ferriero. My home is #35 Indian Rock Road. I'm sorry but I disagree with something you said about the motor vehicle registration revenue. First, you called it "slight" under planning. It's not slight. It's many millions of dollars over several years that could have a significant impact on the property tax rate, and then you slowly kind of talked about – well, we use it to develop surplus. We purposely under plan it for surplus. So it's one of the other. Just if that's what it is, if you're purposely under plan it by many millions of dollars to develop a surplus, just say that okay.

Then we talk about the contingency and how you reduce the contingency to zero because you want it to have some beneficial impact on the property tax rate. It's 250k. That's like gum money compared to the millions of dollars that we don't accurately report for the motor vehicle registration. That's all. Thank you.

Chairman Dowd

Anyone else for Public Comment?

Laurie Ortolano

Yes. Laurie Ortolano. Just briefly, it's something I've observed and you may not give an answer and maybe I'll wait till the hearing. But I notice when I do Right-to-Know's for invoices or payments, an invoice is sent in in payments, we pay a

lot of our bills past 30 days with certain vendors like attorneys. They may have bills built up for 3 or 4 months and they get paid. They're told to submit them monthly but they're not paid monthly and I'm really curious why we run them off. I mean most people sign 30 day terms but it doesn't appear to me when it comes to payment that we pay a lot in 30 days, and that's just something I've noticed, and it makes it difficult if I want to track what's been paid out. It can be months. It can be 3 months, 4 months, 5 months before payment is made. There's got to be some reason why that's done and I just have never understood it. Thanks.

Chairman Dowd

Anyone else for Public Comment? Seeing none, General Discussion.

GENERAL DISCUSSION

Alderman Thibeault

Thank you. I just want to say on the on the motor vehicle registrations, this is the first time I think you increased it in a couple years, and I think we questioned that a little bit, and so I think I think it's the right thing to do it a little bit because I mean right now gas prices are out of control. People don't want to buy new cars. So I think it's always fine to be careful there because if we go the other way – 1) you can't budget to the dollar because it is a fluctuating number. I know it's been pretty consistent year to year but it's still nothing that you're going to get 100% exactly on the dollar. So I agree not to go. If you go the other way, then we're coming back to the supplemental appropriation. Then we got people up here in the chamber yelling at us for making us supplemental appropriation that we shouldn't be making. So I think it's safer. In a city, it's always safer to be conservative than to cut a budget down so much that you have to come back to the Board throughout the year asking for supplemental. We have to do it sometimes now and people think we're too flexible with our budget and yet people are still coming to us asking us to do supplemental appropriations. So I think it's fair to be conservative to a certain extent because it would be way worse if it goes the other way. It's going to hurt the City much more so.

Alderman Sennott

Thank you, Mr. Chairman. CFO Enwright I hate to put you back on the hot seat. You were going to look up an answer for me regarding tax rate increase that we wouldn't really predict in anything. I was wondering if you had pulled that number?

Chairman Dowd

Ms. Enwright?

Dawn Enwright, CFO

Thank you, Mr. Chair. Yes, thank you. I do have that number. So in our analysis, our goal was to stay around 6 - just over 6% increase for the budget year over year which we anticipate would bring us slightly under 8%, but I don't know the exact amount of increase in our tax rate.

Alderman Sennott

Of course. Thank you.

Alderman Thibeault

Yeah, I just want to follow up on that answer. That's not considering anything we put towards it. Like so every year if we end up with surplus and we'll be putting, hopefully, some of that surplus towards that to drive that down.

Dawn Enwright, CFO

Okay.

Alderman Thibeault

So the thing I'm worried about is when you say a number like just under 8%, we have people in here that are going to run out and start saying it's 8% no matter what. It's going to be in all the papers. Ink Link is gonna to pick it up. Telegraph's going to pick it up - Union leader. I just want to make sure that just what you said now is not necessarily what it's going to

be because hopefully we'll be able to put something towards that. Maybe we cut things, right, because we got many more sessions where we could make amendments to take some stuff out of here and we're going to get the tax rate from the County too. So I just want to be very clear about that because that's what people are going to hear. They're going to hear 8%, and they're going to go out there, and they're going to put that everywhere, and I think putting out a number now before we've actually gone through this and gone through the hearing I think is irresponsible of us. I don't think it's what we should be doing.

Chairman Dowd

Anyone else? Alderman Sennott.

Alderman Sennott

Thank you, Mr. Chairman. I just wanted to point out - I know we're pretty deep into this now but I look at this budget a lot of different ways from a lot of different angles. I guess I like playing with numbers - call me exciting. I went through all the Divisions and Departments today, and I had an opportunity to analyze the change, and I think we have 2 more review sessions coming up with 2 more departmental groups before we go into the public hearing and the wrap-ups, and just some food for thought. I understand the constraints that a lot of our departments are under and so I understand there's going to be deviances from time to time.

But back in December, the Mayor had put out a request for a directive of keeping the budget increases at or below 3% without taking into account fringe benefits. And looking at about 51 different departments today, 16 pulled it off and then just to give a little bit of a tolerance because I used to work in manufacturing - you always give a little bit of a tolerance, departments that were within a percent of that - so anywhere between 3.01% and 4% of an increase, there were 5. Some of these increases when you look at them and adjust for the fringe benefits are still pretty significant jumps. I mean, you know, some at 13%, some at 12%, some at 20 and beyond. So like Alderman Thibeault just said, we do have wrap-up sessions coming up, which is where we will make changes to this. I feel like this is our opportunity to really roll up our sleeves and see what we need to do to make this work because right now I feel like this, this complete package is a tough sell. Thank you.

Chairman Dowd

Alderman Johnson.

Alderman Johnson

Thank you. I concur with my colleague to my left here. This is really a tough sell whether this is the correct number or not, whether you add in the fringe benefits or you don't. The Mayor gave a directive 3% or less and nobody basically stayed within it a lot of departments and the reasons were - I mean we go to the School Department and start with them. But this is really going to be a tough budget. I hope people are gonna come in and roll up their sleeves and start really looking at this budget. People who aren't on the Budget Committee. I mean it's a lot of work. It really is a lot of work - a budget - but I think together hopefully we can come up with a budget that we could present and pass but as it stands right now, I can't support this.

Chairman Dowd

Alderman Thibeault.

Alderman Thibeault

Yeah I mean I asked Superintendent Andrade when he was here if he could go from 6% to 5.5 because that's what the Mayor had cut after the budget had come back. He cut a half a percent off and he said there would be like 500 to 600,000 and he was wary that he would struggle to do it. I'm sure they can do it and I've talked to the Mayor and the Mayor's like he can do it. When I asked him if he could go to 3% he said that would be nuclear and so if we want to get the School budget to 3% - and I'm looking forward to the cuts that you 2 are going to make or try to amend anyway - amendments that you guys are going to put through to get the School budget down to 3%. I hope we're ready to cut a couple of schools because that's going to take at least 2 schools and a heck of a lot of teachers. So I get that we want to be there. I would love to be at 3% but we're going to have to do some major - we can't just cut out - let's cut out the art program that will do it.

That's the other thing too. If we give that directive to the School, maybe they decide not to cut schools, maybe they decide to cut teachers, maybe they decide to cut programs that our kids - and I know we both have kids still in school -

maybe they cut a sports program, or an art program, or something that's needed by the kids because that's where they'll start cutting. They're not going to cut the normal stuff that everybody needs, you know, the regular math and reading. They're not going to cut that. They're going to cut the important things. Again, maybe they cut 2 schools. Maybe they cut a school that's dear to me. Maybe they cut a school that's dear to other people in the room, but we're going to have a fallout for that as well. I just mean I'm looking at this budget too, and I'm looking at the line items, and I'm trying to think of things that we can cut, and maybe there is some things we can cut but I'm glad that you knocked down the 250. I mean we make it sound like it's nothing, but sometimes we're talking about supplies that are 5,000. Why is it 5,000 instead of 2,000? But I think the 250 at least is – I think that's a good number. Yes, it doesn't bring down the tax rate by 1% but I think anytime we can bring anything down it's good.

But we also have to make sure that we're still setting up our City. Look around the towns and cities in this State. They're all above 8% increase and I'm not saying that's right or we should be there. I still hope we can get under that and at least try to keep it as level as we can with the last couple of years. This is not just us. It's not like Nashua's way over spending and everybody else is wrong or under spending. It's the same everywhere. It's not just us. We're not the outlier here. I think Manchester is going to have an even much higher increase than that for tax rates. Again, I'm just comparing us to the rest of the State but, again, if I see amendments that make sense, I'll be behind them. But I think to get the school down to 3% from 5.5, that's going to be some major problems.

Chairman Dowd

Ms. Enwright it looks like this is going to go on so you can go. We don't need you two to stay.

Dawn Enwright, CFO

Thank you.

Chairman Dowd

Ms. Johnson.

Alderman Johnson

Thank you. Being that I came from the Board, my last year on the Board - and I keep going back to that study because if you look at the trend from 20 years ago, the student population has been declining. They know the student population has been declining. So even if you take and you round off your Special Ed and your ELL, that's 4,000 kids, now you've got 5,000 kids. That's your 9,000. That's it - that's it. During Covid, we lost a lot of students and we built the beautiful McCarthy Middle School. Did you look and see how many kids were in one 6th grade class at the McCarthy - 167 kids. That school was supposed to be the school that held most of the students but Pennichuck is the school that has most of the students, then comes McCarthy, and then comes Fairgrounds Middle School.

So how many classrooms are utilized? Is every classroom utilized in that school? I don't know. I'm going to find out. I'm going to start asking more questions but when Mr. Smith came in and talked about you would really need to close down - he said I believe, it was 4 schools. I said, 'even if you just close down one school, it's going to save money, and the population is declining'. So it costs money to maintain the school and we know which school it is - that's Mount Pleasant. Work hasn't been done in that school in years and to bring that school up to code - the last time I think it was 2019 maybe 2020, it was like \$23 million. Now you know it's going to surpass \$23 million.

So where do you put your money? You put your money where you need to put it and if the money needs to go more to the kids and you can't afford to keep schools open because your population is dwindling, then you have to make - it's unfortunate - you have to make those hard decisions. If you can't afford your house anymore and you have to put it on the market to get a smaller property so you can afford to live rather than being on the streets, what are you going to do? You're going to sell that house and go someplace where it's small and you can afford to live, And this has been going on for a while. It's not like overnight that they just found out about this. I left the board in 2023 I believe it was. They've known about it, nothing has been done, and people can come after me and be upset with me but we had the reports and then we did a study for \$400,000. Where are the school's going to be like in the next 10 years? Why aren't we concentrating where our schools are right now and fix and correct the problems now before you move on and spend \$400,000. What could you do with \$400,000 for these kids? I'm sure you could have done more than to put it into a study to maybe close down 4 schools, and build 2 bigger schools, and that's how I look at it, and I've sat on these Boards, and I've taken the brunt of a lot of criticism when I was on the Board of Ed but I stood by my ground, and people appreciate it. Some of the votes that I made that I didn't take - I didn't vote to take away programs as other colleagues did because I felt the education is important, and if it's important and we can't spread ourselves too thin, then you have to

make that decision. So the money stays where it needs to be rather than having excess schools open and you don't have the money to maintain all these schools. Thank you.

Chairman Dowd

Alright. Alderman Thibeault.

Alderman Thibeault

I mean that's a terrible analogy of the house because you're not laying - there's nobody in there that you're laying off unless you have maids and servants, right? So I get the house analogy but it impacts other things than then just yourself selling a house, right? It's impacting people inside.

The other thing is if we say get rid of schools, that doesn't happen in this budget. It's going to take a year before you can close a school. So it's not going to happen in this budget right now. So it's not going to - the money's not going to come off of this current budget for one thing.

Another is we don't have control on what they cut. We can say get rid of \$4 million out of your budget and they can do whatever they want with it. You can't tell them, I can't tell them. We can give what we think they should do with it but they're going to go and they're going to take their Board, and they're going to vote on their own things, and I tell you they're not just going to close the school and they're not just going to cut teachers. They're going to cut programs. You said it yourself, people on the Board that you were with chose to try to cut programs. You were on the other side of that. Well you're not on that Board anymore so obviously, some of those people might cut programs because they might not have anything else to cut. When you have such - when you're tasked to get rid of \$4 million or whatever, you try to get rid of the stuff that's easy. You know low hanging fruit to get rid of. A lot of that sometimes is jobs and you know they're already cutting 54 jobs with what we got now. They still have to cut another \$500 - \$600,000 if we approve the budget as is. They still got another \$500,000 to cut out of that. So I don't know where they're going to go. He didn't tell us and maybe he needs to come back in front of us and tell us what's he going to do with that \$500 - \$600,000 that he has to cut if we were to approve as is.

But I think - and I'm sure Alderman Dowd would say the same thing - closing a school takes time. So that money is not - so it's probably something they need to think about now for next year the 2027 budget that's probably 2028 budget, whatever. That's probably when they should think about it but we need to figure out a way to get this budget down now. And like I said, I've looked at this every year and I've tried to support amendments. I've supported some amendments in the past. I put an amendment out there to try to save money balancing mental health officers with some contingency money for legal services last year but generally, it's not a lot of money that we've been able to squeeze out of this.

Alderman Sullivan is a good example of someone that really wants to cut the budget and he hasn't really been able to cut anything out of it. So I'm all ears to listen when we go to our sessions where we throw out amendments but I think it's going to be tough and I hope we get surplus so we can bring it down.

Chairman Dowd

Alderman Sennott, do you ..?

Alderman Sennott

Thank you, Mr. Chairman. Just because the whole discussion of schools spiraled out in my comments pointing out that net percentage change across 52 different departments in the City. I'd like to clarify for the listening public that at no point did I insinuate that I was going to make cuts to the education budget. I know that they're the biggest portion of our City budget as a whole, but I have historically not supported cuts to the School budget and I made no telegraphed indications that I was going to do so this year. Thank you.

Chairman Dowd

Okay. If there's nothing else, I got a couple things. 1) by the way, yes, the Mayor put out that 3% but the budget we have in front of us is the Mayor's. So he's talked to all the different Divisions and Departments and this is what he's given us. So that's what we're working on and when we're done with it, it will be our budget and we'll move forward.

The other thing is that it appears that we're going to have to have the public hearing on the budget in the conference room at Nashua High North. South doesn't have the capabilities to telecast and that room has direct capability of telecasting. At the current time, that's the tentative plan. If anything changes, I'll let you know but right now, it appears

that is what the plan is. There's an overflow room since I'm sure Alderman Johnson and I both know they can't handle the same amount as the auditorium and the overflow like the Board of Ed has, they have an overflow room with a televised screen so. If there's nothing else, Alderman Sennott do you have a motion?

REMARKS BY THE ALDERMEN

ADJOURNMENT

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

The meeting was declared closed at 8:23 p.m.

Alderman Derek Thibeault
Committee Clerk Pro Tem