

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Thursday, May 12, 2026

5:30 PM

**Council Chambers,
City Hall**

Members Present:

Thomas F. Powers, Chair
Bettina A. Chadbourne, Vice Chair
Bryan J. Lake
Kris E. Roberts
Michele A. Chalice

Jay V. Kahn, Mayor

Members Not Present:

All Present

Staff Present:

Elizabeth A. Ferland, City Manager
Rebecca Landry, Deputy City Manager
Andy Bohannon, Deputy City Manager
Terri Hood, City Clerk
Bill Dow, Deputy City Clerk
Heather Fitz-Simon, Administrative Assistant
to the City Clerk
Kari Chamberlain, Finance Director
Darcy Newport, Human Resources Director
Ryan Cooley, Airport Director
Paul Andrus, Community Development
Director
Carrah Fisk-Hennessey, Parks and Recreation
Director
Marti Fiske, Library Director
Natalie Darcy, Human Services Manager

Chair Powers called the meeting to order at 5:30 PM.

1. Overview (pages 6–7)

City Manager Elizabeth Ferland addressed the Committee first. She indicated the FY27 General Fund Operating Budget totals \$57 million, which is within the City’s fiscal policy limits. The proposed budget is approximately \$684,000 below the allowable limit, including compliance with the CPI-based cap on property tax growth with permitted exclusions and established debt service amounts. She noted the City’s portion of the tax rate is projected to increase by \$0.91, or 6.7% to \$14.52 per thousand.

The Water and Sewer funds operate as separate Enterprise funds; each projecting a 5% rate increase to support the proposed budgets. She indicated over the upcoming years, staff would be taking a closer look at the revenue trends in Water and Sewer, which are trending down.

The budget is increasing approximately \$2.06 million, which is a 4.8% and approximately \$1.37 million of that is attributable to wages and benefits driven primarily by contractual obligations

across the City's collective bargaining agreements. The City is in union negotiations at the present time with those bargaining units.

The balance of the budget reflects increases in key operating costs, including utilities, insurance, maintenance, professional services, software, and other expenses associated with the City's transition to the cloud-based system. The budget utilizes about \$3.8 million in unassigned fund balance to offset capital costs to stabilize the tax rate. The City Manager noted this is a strategic short-term approach that aligns with the capital improvement program, which helps manage inflationary pressures. The City Manager noted this is not a stable revenue and the City can't rely on it for the future.

She added that in order to bring the budget into fiscal compliance, it was necessary to make adjustments to the capital plan, which is outlined on page 49. In the FY 27 budget, the City has included more than 9.3 million in grant funding which the City Manager felt was quite impressive.

Public safety remains the City's largest area; the FY27 budget reflects continued efforts to align staffing with service demand. The City added four firefighter positions in FY24 and another four in FY25 to support the operation of a third ambulance. These additions were necessary to maintain service levels as the call volumes continued to increase.

The City Manager referred to FY24 and noted the Fire Department wages have increased approximately \$1.4 million and added the City is in need of another staffing adjustment which will be coming forward and has not been included in this budget. At the present time, the Fire Department is operating at 12 members per shift, which is what is required to operate three ambulances. However, if someone is out sick or takes a vacation, that shift is being covered by overtime, which is not sustainable. The City Manager stated the City is also talking to Cheshire County about backup services for the ambulance, which is also not something that is in this proposed budget. Cheshire County EMS has provided backup services for the last couple of years at no charge. There will be a charge moving forward. However, the City also provides services to Cheshire EMS, and are in conversations with them about what that might mean in terms of the value of services the City provides versus the value of services they provide.

While this budget is balanced and it is policy compliant, there are several trends that warrant attention. The City remains highly dependent upon property taxes. This is compounded by New Hampshire school funding structure, where the State has a constitutional obligation to provide an adequate education but instead relies heavily on property taxes. The City Manager noted this was beyond the control of the City Council, and is not something the City is reviewing but felt was something the City should be mindful of as it continues to be a concern into the future.

Personnel and benefit costs continue to grow and represent the largest and least flexible portion of the budget. This is because the City is a service organization; the budget is based on the services we provide. Revenue growth outside of the property tax remains modest.

At the same time, debt service continues to trend upward as capital investments are implemented. While these remain within policy limits, this is something that needs to be monitored as we continue to move forward.

The City Manager stated the public hearing on the budget is scheduled for June 4, 2026 and the vote on the budget will be June 18, 2026.

2. General Fund Revenues and Expenditures (pages 6–33)

No questions.

3. Debt Service (pages 33–35)

No questions.

4. Mayor & City Council (pages 36–41)

The City Manager stated in FY25 there was a change to add \$3,500 of training which did not get carried forward to FY26. This will be an administrative change with staff recommending \$3,500 in the Mayor and City Council training line.

City Clerk Terri Hood addressed the Committee next. Ms. Hood stated the Clerk's Office controls some of the operational items for the Council. There are a few supplemental line items in the Mayor and Council budget. They include an additional \$1,000 for legal advertising. Ms. Hood noted this is due to an increase in the number of Land Development Code Amendments as well as a general increase in the cost of print advertising.

In addition, there is also a request for Council official expense account to increase by \$1,700. This covers the increased cost of food as well the purchase of one online subscription for the Keene Sentinel for Councilors to have access to the Sentinel. Finally, a \$200 increase in Other Services is for online code hosting (Municipal Code).

Ms. Hood went on to say last year there was a request for \$3,500 in the PC Replacement Fund. This request is shown again this year. Heather Fitz-Simon explained that the Chromebooks used by Councilors at Council and Standing Committee meetings are getting to the end of their life. The City currently has 20 Chromebooks, four of which are no longer available to be used. They will be replaced this year with this budget at a cost of \$3,500. Ms. Hood added this has been added to the PC Replacement Schedule for future budget years.

Councilor Lake asked how the Keene Sentinel subscription would work, do Councilors have to request access? Ms. Hood stated staff received a request for access to the Keene Sentinel. Staff reached out to the Sentinel who advised that the City could purchase an account and have it be a shared account. The City would open an account on the behalf of the Councilors and will provide them with credentials to log into the account.

5. Information Technology (pages 93–97)

IT Director Andrew Mueller addressed the Committee next. Mr. Mueller started with the operating account and explained that this account includes Professional Services, Technical Services, Cybersecurity Services, and Software. All software and services used to support the organization comes out of this account with the exception of anything in the cloud. He noted this account is less than it was last year. He indicated the reason for this is in the 500 Account some of the pieces of software moved from on-premise into the cloud application and are being paid out of the Cloud App account (not a savings just moving money into a different account). He added the department also pays for multi-year contracts to lock in the rate for a few years. He added they have also been able to consolidate technology, especially in cybersecurity.

Another item that helped his account was large equipment replacements for which support and warranties were purchased, but the department does not carry extended support for these pieces of equipment anymore.

Councilor Chalice asked how the City comes to the determination that shifting from our hardware, storing information locally versus the cloud and how that decision is made when the City enters into that contract. Mr. Mueller stated one is by choice and the other is by necessity. When the City does have that choice, it is not much longer before a decision would need to be made to move to the cloud. Sometimes the choice is being forced because of the way technology is going.

Councilor Chalice asked whether citizens can be confident that their data is safe. Mr. Mueller stated he can't speak for what citizens are doing but as a government entity, vendors have to follow certain rules to work with a government entity. He added you can't be guaranteed that anything is 100% safe, but the City does its due diligence.

Mr. Mueller stated the police software is moving from on-premise to the cloud, which would be a large migration. Community Development has also purchased new software, after the first year IT takes over support, which will be another cost increase.

Mr. Mueller stated he and two others in his department were invited to attend a company that had experienced a very large breach. That company are in month nine of the breach and estimate it will be a year before they will be fully operational. One of the causes for this catastrophic breach was the PCs they were using; they were older and due to budget constraints they were not running the newest operating system. Mr. Mueller stated he appreciates the support his department receives from the City to keep up with the updates and good hardware.

6. PC Replacement Fund (pages 188–193)

Mr. Mueller explained that the PC Replacement Fund is used to pay for laptops, desktops iPads, etc. This year only 66 devices are being replaced. Mr. Mueller noted the hardware market is volatile at the present time due to the AI market purchasing all the hardware.

7. Outside Agencies (Including Community-Funded) (pages 42–47)

Finance Director Kari Chamberlain stated staff is looking into how the numbers will be presented in the budget book next year. The numbers in the book will actually be the Committee recommendations to the City Manager and will not be what was requested by the outside agencies. Descriptions will also be updated.

Human Services Manager Natalie Darcy stated the Human Services Department has been asked to take the lead on Outside Agency funding. A committee is formed to review applications. This year, the committee was made up of representatives from Human Services, the Keene Police Department, and two City Councilors. Human Services received 13 requests for outside agency funding. Recommendations for funding are based in part on each agency's response under the following established criteria:

1. The impact on the City if the agency were not in operation.
2. The agency provides a service with a direct financial impact on expenditures of City departments.
3. The number and percentage of Keene residents served by the agency.
4. Other local service agencies providing similar services.
5. Financial impact in terms of prevention and intervention services that potentially save future City spending.
6. Demonstrated efforts to cooperate and avoid duplication with other agencies.

The committee met in March to discuss agency requests. Then, recommendations were forwarded to the City Manager for budget review.

The Chair noted that Councilors were provided these submittals for their review.

Community Volunteer Transportation

Not Addressed

Keene Senior Citizens Center

Mr. Cameron Tease, President of the Keene Senior Center Board, addressed the Committee. Mr. Tease began by thanking the City for all their years of support to the Center. He indicated they will be celebrating their 70th anniversary next year. The primary objective of the Keene Senior Center is to help older adults address social isolation, which can damage people both physically and psychologically. In Keene, 31% of 65-plus households make an income of less than \$49,000, and 20% make under \$20,000.

Mr. Tease stated the Senior Center is committed to accessibility and affordability. He indicated they have increased their membership fee to \$120 from \$75 for an individual. Keene Rotary Club is giving scholarships to people who meet certain criteria. Member fees are 14% of their budget. The raise the remaining through other methods.

The City's support is critical. They have been running a deficit and have been for several years. They are working on updating their strategic plan and are working towards a sustainable financial picture. Part of that is starting to use investment income from restricted funds. The majority of these funds are from the sale of the building on 70 Court Street.

Many positive things are happening at the Center; they are increasing membership and parking is much better at the new facility. Mr. Tease commended their new Executive Director of two years, Kim Rumrill who was unable to be present tonight. The positive aspects are the many collaborations such as with the City Parks & Recreation Department, YMCA, HCS, Friendly Meals, Clarence DeMar Marathon, The Veterans Group, and Elm City Rotary.

Keene Community Kitchen

Not Addressed

Elderly Meals on Wheels

Ms. Katie Hart addressed the Committee on behalf of Home Healthcare, Hospice, and Community Services and Meals on Wheels. She stated she was before the Committee to advocate for Meals on Wheels and for the 210 Keene residents who depend on it every single day. Their ask is just \$19,575, which is \$0.57 per meal to help deliver the 34,000 meals and daily safety checks to some of the City's most vulnerable older adults and people with disabilities.

82% of their clients live alone. 38% have indicated that their delivery driver is the only person they see all week. 65% have stated that Meals on Wheels is their primary source of nutrition, and 51% do not have enough money for food, which is a figure that has grown nearly 9% in just one year. Without this program, they would skip meals and face preventable health crises or require emergency interventions from first responders.

Ms. Hart stated that for every dollar the City puts into Meals on Wheels, they estimate considerable annual savings to the City such as fewer emergency calls, ER visits prevented, and nursing home entries delayed. 98% of participants rate this program positively and 83% say that the program is vital to their ability to stay home. Ms. Hart stated they are very grateful for the City's support.

Southwestern Community Services

Mr. Keith Tebo stated Southwestern Community Services is the City's community action agency that serves both Cheshire and Sullivan counties in Southwestern New Hampshire. He indicated Keene is one of their biggest partners.

Last year, Southwestern Community Services was able to help Keene households 2,400 times with almost 4,500 units of service, which represents about \$3.6 million worth of direct assistance to Keene households. He stated what he is doing tonight is something he will be repeating with every city and town in two counties. He is requesting every community within the two counties

to provide 1.5% percent up to \$15,000, which is their request to the City of Keene. In all, \$150,000 in funding is collected in this manner. These funds are used to provide assistance for things that don't fit their programs. He felt Southwestern Community Services provides an effective safety net for the City together with other such programs that exist in the City.

Hundred Nights Shelter

The City Manager stated Hundred Nights and the SCS shelter is included as part of the Human Services budget and was moved a few years ago from the Outside Agency budget.

Harbor Care (was HIV Aides)

Not Addressed

Monadnock Regional Child Advocacy

Not Addressed

Transporting

Ms. Katie Hart addressed this item on behalf of the City Express Bus, which she indicated is the only public fixed route transportation system. She indicated the City Express is not just a bus; it is how a senior with no car gets to a doctor's appointment. It is how a person with a disability gets to work. It is how a low-income family gets to the grocery store. Two buses run Monday through Friday, 24 stops across the City of Keene connecting residents to healthcare, food, jobs, social services, and community life. There are no other comparable or affordable transportation options available to them.

In just the first six months of this fiscal year, HCS Transportation services provided nearly 4,000 trips to medical facilities alone. When people can't get to care, they end up in emergency rooms.

She noted funding from the City of Keene isn't just supporting a local service, it is unlocking federal dollars but providing a local match. She thanked the City for their support.

CASA

Not Addressed

KH Kids Collaborative

Speaker did not provide her name – She stated Kids Collaborative vision is to help kids that don't have the financial means to become successful adults by giving them free access to out of school and summer learning opportunities so they can gain the skills they need to develop in the classroom and into their adult life. 80% of the households served are single mothers and the median average income is \$25,000.

She indicated statistics show that 65% of children that are born or living in poverty, stay there through adulthood. Kids Collaborative is an asset-based community development model and is leveraging high-quality programs that exist in the community and are reinvesting this money into the community and supporting those organizations. Last year, there were 660 kids that were eligible for the program. Kids Collaborative provided 1,300 rides. These kids participated in 60,000 hours of activities and 691 weeks of summer camp.

MCVP Monadnock Center for Violence Prevention

Mr. Hendrick Kirschner, Interim Executive Director, stated there's is the only organization in this region providing direct crisis intervention services and prevention education for individuals experiencing domestic violence, stalking, sexual assault, and human trafficking.

They offer peer support, medical and legal advocacy, safety planning, as well as connection to other resources throughout the City. He indicated that the City funding is about 1% of their budget, but it is a very important resource for them.

MFS Street Outreach

The City Manager explained a few years ago the City participated with MFS for a Street Outreach position as they had lost some state funding and the City stepped in to provide some assistance in the amount of \$35,000 for two years. This year, there is a request for \$25,000 for two new programs.

Mindy Asbury, Chief Medical Officer and Interim Chief Executive Officer at Monadnock Family Services, addressed the Committee. She noted the City has outlined that they are looking for programs that are not duplicitous to other programs that are preventative in nature and that the population the program serves are Keene clients; it has to be a unique service, and it must be cost effective. Ms. Asbury stated they have checked all of those boxes. She agreed they did have a homeless outreach program they were operating last year. The City has indicated they are now doing that initiative, and this position was no longer needed unless MFS wished to take on the position of street therapy. Ms. Ashbury stated times are challenging trying to fill any position at MFS, let alone a therapy position, and they have not been successful in finding anyone to fill this.

Hence, they decided to apply for funding to support programs that are cost-effective, preventative, not duplicitous, and serves Keene clients.

Ms. Asbury went on to say that 51% of the clients they serve are from Keene. This year they reduced their ask from \$35,000 to \$25,000. She added they provide Keene residents with \$33,100 service activities per month, which is 37,000 services per year. At the \$9,800 which has been slated for MFS it will be less than \$0.25 per service and their services range between \$125 to \$430 per service.

Last year, their write offs for Keene residents (amount of money that was billed that they were unable to collect) was \$144,000 per year from the City of Keene alone. At \$9,800 it will be less than \$0.07 per dollar that they spend on uncompensated care for Keene residents.

The cost to serve Keene, not just those unbilled, was more than \$2,000,000 that MFS provided to the City of Keene without getting any kind of reimbursement. Ms. Asbury compared that amount to other towns: In Jaffrey MFS serves 83 clients, and Jaffrey provides \$7,000 in reimbursement which equates to \$84 per person. Swanzey reimburses at a cost of \$51.00 per person. Peterborough reimburses at a cost of \$84 per person. If the City of Keene was going to keep pace with its neighbors, the City of Keene should be reimbursing at a cost of \$62,999 not 9,800.

She stated the programs they are offering this year are cost effective programs, the healthy cooking and safe cooking class for every \$1.00 that is spent, research shows that it yields an average of \$3.67 to \$8.35 in savings and future healthcare costs incurred by the City.

Assertive Community Treatment reduces hospitalizations by 7 to 10 days per patient per year. It reduces emergency department visits, it reduces homelessness, it reduces days spent unemployed and it reduces justice involvement.

She stated she is confused why MFS was slated to receive only \$,9800 when they provide the City of Keene over \$2,000,000 worth of services that are unpaid. With that, she introduced Chris Taggart to address one of particular programs they offer. She stated they are always open to changing any of the programs they offer based on suggestions from the City.

The Chair reminded those present that the Committee makes no decisions tonight.

The City Manager clarified the application that was submitted was for the cooking and healthy eating program and the ACT program, this was what the decision was based on, not the other services MFS provides. On page 87, there is \$25,000 allocated for MFS for mental health services which money was not used by MFS last year. It is in the budget again this year, so there are two lines for this organization in the budget.

Mr. Chris Taggart, Community Program Manager for MFS, addressed the Committee next. Mr. Taggart stated to fund a healthy cooking and nutrition education course facilitated by MFS staff is a proactive investment and is community health and targets both physical wellness and economic stability. The program would serve middle school students, high school students, adults and older adults, who are living at or near the poverty line. These skills will improve their food security and reduce chronic diseases such as diabetes, hypertension and heart disease and certain cancers. Additionally, this project would empower individuals with budgeting skills, which is something that is incredibly important with today's prices. Newly learned cooking skills will save clients, much needed money, both in the short and long term. Nutrient poor diets often linked to limited resources and psychological stress and unhealthy food environments.

Susan Pitts, Case Manager for MFS, was the next speaker. Ms. Pitts stated she had the good fortune to work with the healthy cooking program prior to the pandemic, which had to be stopped because of obvious reasons. She stated this program brings back a lot of good

connections for our kids and she has worked with all the ages; emerging adults, teenagers, middle schoolers and the youngsters.

Ms. Pitts read out a statement from one of their clients:

Hi, my name is Andre and I am a teen and client of MFS. I think that the culinary group would be very beneficial for the MFS community. The benefits of this group could improve skills to meet future goals and it can help find a reason to live out for your future, which is a big part of mental health. Many people need culinary skills so they can support their families at home. Finding new recipes can be useful when you are focusing on your wellness. Things like nutrition and diet are essential when focusing on mental health. When teens are at home, they might be wondering what to eat but not know how to make it. When teens don't have other resources like electronics to access recipes, it is important to learn these skills. I personally am always wondering what I should eat. Occasionally, I don't eat at all or eat the same foods.

Exploring new meals can be important to our wellness and you might actually find new foods that you can enjoy. Cooking is a skill for everyone, and people should be able to explore interest through this establishment that they can trust. Some people might say that learning how to cook is not important but it's very necessary for your future.

A cooking group can inspire kids who have the confidence they need to join culinary competitions. Many people also have hidden skills that they may not know. It is important to find those skills, so you know you are important too. A cooking group would mean a lot to me by letting me know that my future is going to come and I need to be prepared for it.

It also means having a chance to really explore my passion. Wellness, Nutrition is a big part of psychology, which I am very interested in and if I want to be a psychologist in the future, which I do, I will need to know which foods impact cognitive skills. This group needs to happen.

Arts Alive

Jay House, Executive Director of Arts Alive, addressed the Committee next. Ms. House stated Arts Alive has requested \$10,000 in general operating support and were allocated at \$1,000.

She stated they are grateful for the support they received last year which helped with the transition of the loss of federal funding and also helped with the transition with their outgoing. Executive Director Jessica Gelter, who departed in July and took with her the 11 years of institutional knowledge. She noted Keene has a lot of love for the arts and there is incredible richness of arts in the community.

Ms. House stated she plans on reaching out to other organizations to see if Arts Alive could work in collaboration with them. She asked the City to consider any amount of increase to what has been allocated to them. She added they are working on other fundraising efforts as well.

Their staff consist of 1.125 full time equivalents. Ms. House works part-time (15 hours per week). Her colleague, Hallie Driscoll, is a Keene resident, a single mom who is an asset to the community. Ms. Driscoll is in the arts administration program and will be at UMass in the Fall. Ms. House suggested perhaps an artist riding along in the Meals on Wheels bus and work with elders as an example of Arts Alive working with other organizations in the community.

Councilor Chalice asked for a percentage calculation of the \$1,000 as it relates to Arts Alive's budget. Ms. House stated their current projected budget is about \$144,000 – the \$1,000 would to 1% they are asking for 10%.

The Finance Director noted there is a discrepancy with page number because blank pages were received from the copies sent from the Printer.

Independence Eve

Not Addressed

4 on the 4th Road Race

Not Addressed

Clarence Demar Marathon/Half Marathon

Mr. Alan Stroshine, Race Director for Clarence Demar Marathon, addressed the Committee and stated he is also a proud member of the Rotary Club who is the biggest funded of this race. Mr. Stroshine stated he has been before this Committee on behalf of this event since 2012. He indicated they have started their protocol meeting today with a dozen people around the table working on the many layers. He stated this even brings in a log of people to the community. They are only a third into their registrations, but already have 35 states represented as well as Canada and the UK.

As for what the money raised - 100% funds goes towards the Rotary Club's services and program budget. Mr. Stroshine noted he would be at Symonds Elementary School tomorrow morning at 8:30 AM fitting every second grader in that school with a brand new pair of New Balance sneakers, encouraging them to become active, move every day and live a healthy lifestyle. Since, the Rotary Club started their sneaker program, they have delivered almost 8,000 pairs of brand new shoes to 27 different schools across Keene and Cheshire County. This is one of the events the Rotary Club supports and Keene's generosity is greatly appreciated.

Ms. Chalice asked whether these shoes could be sourced locally. Mr. Stroshine stated one of their club members is Ted McGreer who has connections to a few shoe manufacturers.

Fire Prevention Parade

Not Addressed

Keene Music Festival

Not Addressed

Kiwanis Keene Tree Lighting Event

Ms. Janet Jeanette representing the Kiwanis Club of Keene addressed the Committee on behalf of the tree lighting celebration on Central Square. She began by thanking the Mayor and City Council for supporting this community event, along with the tremendous help given by the Fire Department, Police Department and Public Works staff. She stated this is a family event that focuses on children. The community's generosity makes it possible for the Kiwanis Club to decorate the bandstand and light up the tree. The tree lighting celebration is a truly magical evening for children and the young at heart and a great way to kick off the holiday season.

Keene Ice & Snow Festival

Not Addressed

Keene Pumpkin Festival

Mr. Michael Remy addressed the Committee and stated this would be the sixth year since the "reboot" of the Pumpkin Festival. Last year this festival saw over \$40,000 raised by 12 non-profits through food sales at the event and an estimated \$200,000 boost to the Keene businesses in downtown. Hotel sales also indicate an increase in sales during mid-October. The Festival will be partnering with the Keene Downtown Group to coordinate other smaller events throughout the year.

He read the following statement from the Pumpkin Festival:

Thank you for all the City's support in the past, the Keene Police, Fire, and especially Public Works for going above and beyond to help our event be a success each year and we hope to continue giving back to our community for years to come.

The Taste of Keene

Mr. Remy stated he is not before the Committee regarding the upcoming event on June 6, 2026, which he indicated is organized by Keene Young Professionals Network (KYPN). The event will be same as it has been since its inception adjusting for construction. Mr. Remy stated he is here to discuss June 2027. KYPN is actually breaking the event off and is going to operate under ToK Inc. as a separate 501C3.

Keene Pride Festival

The City Manager stated that Adam Toepfer, who would have addressed this event, had an emergency at his business and could not be present today. He will be continuing with this festival.

250th Celebration

Councilor Molly Ellis stated this celebration is going to be a great event and is being organized with the assistance of the Downtown Group and Historical Society. She felt Keene needs to be well represented for this auspicious holiday.

Dig Into Keene

The City Manager reminded the Committee that the Downtown Group came forward looking to organize small festivals during the construction period and came up with the name Dig Into Keene. At that time, the Council had approved funding at the maximum \$10,000 to offset City services.

8. Human Services (pages 81–83)

The Finance Director referred to the \$50,000 under the Human Service General Assistance on page 87 to fund the community warming shelter with the collaboration of the UCC Church.

9. Unclassified Items

None to discuss

10. Capital Appropriations (pages 48–52)

The City Manager stated she did need to make some adjustments to the first year of the Capital Plan in order to meet the fiscal policies. In the CIP Ambulance Replacement Capital Reserve was reduced from \$300,000 to \$150,000, she noted this will not change the replacement schedule. And, Apparatus Fire Replacement Capital Reserve changed from \$375,000 to \$200,000. The City Manager stated with this change she also changed the out years. This would also cause one fire truck to be moved out by a year.

The Road and Sidewalk Infrastructure Capital Reserve number was reduced to zero. There was \$300,000 in that line. Staff made the change later in the plan for the \$500,000 to Roadway Construction the Council discussed the night the CIP was adopted. In the end \$740,000 was cut but \$500,000 was added back to Roadway Preservation for net difference of the Capital Plan of \$245,000.

11. Risk Management (pages 88–89)

The Finance Director stated this refers to the liability insurance which had a significant increase.

12. City Clerk (pages 63–70)

City Clerk Terri Hood stated the department's main focus this year is running a successful election in the fall. She noted there are new regulations that staff would need to be trained on.

The Clerk's office is also going to be moving out of their space after the election season is over to allow for the stabilization of the back wall of City Hall. While that is happening there will be some other work internally which needs to be addressed. Staff is hoping this renovation will happen at the same time. The department is also anticipating some retirements coming up and are planning for succession in that arena.

In terms of the budget, there are some minor increases that have been requested in the operating budget. Advertising costs have gone up, therefore there is a request in the advertising budget by \$200.

There are also additional funds being requested in the training budget to allow the newest Deputy City Clerk to do some training and certification that is required of that position. Ms. Hood stated she would also like to resume her online subscription for the Keene Sentinel.

Ms. Hood stated one new item that was added to their department due to a new requirement to send out notification to any voter who has not voted in the last five years. Funds are being requested in the budget for this. This is a new statutory requirement which would need to be completed every year. The total amount of notices will likely decrease as time goes on, so the department is asking for the highest amount this year.

An increase in the food budget has also been requested for Election Day poll workers. Providing lunch and dinner is not sufficient. Staff feels providing people a full day of meals is necessary.

Finally, a small increase was requested in the supplies budget for Election Day (a little over \$100).

Deputy Clerk Bill Dow addressed the Committee next. Mr. Dow stated he has been focusing on the records facility; condition and maintenance issues. He indicated the facility is 25 years old. They have been able to complete a flooring project in the archive room, which came in \$500 under budget. Staff has also been doing an assessment of the permanent collection and space needs. They have been determined they are about 72% full in the facility of which 60% are City records.

40% of the collection is permanent. 10,000 boxes can be held in the facility. 40% of permanent records and 20% is earmarked as term indefinite. Staff has been able to purge about 410 boxes this year. This leads into the next supplemental budget increase request, which is the shredding budget. The archive budget is also looking at an increase in supplies.

Regarding records preservation, staff has traditionally tried to repair the volumes of records that are in the Clerk's vault that are historic to the Council actions as well as other town records. Staff moved away from this to focus the budget for other things. It has come to the point where these books need some repairing. For the upcoming 250 celebration selectmen minutes from 1776 are in need of some work.

Councilor Chadbourne asked where the Clerk's office is going to be moving temporarily and what the plan was for the public to be able to still easily access the Clerk's office. Ms. Hood

stated this decision is still up in the air, staff would like to stay close to City Hall. If the office can't be close by, staff will be leveraging the communications department to make sure that the customer base that relies on the office knows where to find staff.

If the office has to relocate away from downtown, they are likely going to be located in a City facility. There has been some conversations about an adjacent storefront but nothing definite has been decided. It was indicated the relocation would be three to four months and it has been requested the move happen after election season is over.

The Councilor asked for clarification of what falls under "uniforms." Mr. Dow stated this is a small \$250 uniform budget for the Records Clerk who wears branded shirts in order to represent the City well when going to other buildings for his work (such as the KSC library, etc.).

Councilor Chadbourne asked how the charge is determined for records retention for outside clients and whether these were individuals or companies. Mr. Dow stated it is based on the volume of how many records they are storing with us. There is a minimum threshold, if they don't reach that minimum, they get a flat fee monthly charge. If they go over that threshold, it is a per box charge. They also pay a per action fee. For instance, there is a fee for pulling records from a box, for pulling boxes to be checked out of facility, and for delivering boxes to and from the Records Center. State law limits the City to only store records of nonprofits and other governmental agencies. The City has a combination of nine such clients.

13. City Manager's Office (pages 53–58)

The City Manager stated her budget includes several sections; Her office, Emergency Management Director, and the Deputy City Managers. She indicated the first section of the budget is actually going down. There are only a few supplementals.

In the operating portion of the budget, there is a supplemental request of \$1,300 for meetings and dues, and this is because the New Hampshire Municipal Association membership has gone up by \$1,300 dollars.

There is a reduction in the class for emergency management by just over \$40,000. The reason for that is the individual performing this function is currently under contract. This contract is going to end in June 2026. The City Manager stated she will be bringing forth in the next few weeks a recommendation to appoint someone as a regular full-time employee for the position of Emergency Management Director (additional duties). She noted there are pretty good savings in this line item.

Deputy City Manager of Facilities, Andy Bohannon's is asking for a supplemental of \$2,000 to attend Leadership New Hampshire which Mr. Bohannon is applying to join. The City Manager stated she supports his efforts.

14. Airport (pages 143–149)

Airport Director Ryan Cooley stated the airport continues to be a very active general aviation Airport and an important asset to the City of Keene and the Monadnock Region. The Airport maintains around 50-based aircraft at the Airport and for this upcoming fiscal year the estimate of approximately 20,000 annual operations. He explained an operation is a takeoff, a landing, or an approach. This remains a strong level of activity for an Airport of our size. A good example of that activity is Monadnock Aviation, the FBO. In 2025, they reported, fueling over 400 jet aircraft and over 1,000 smaller piston aircraft. Those aircraft supported business, leisure, travel, military and law enforcement activity.

Monadnock Aviation also provides 24-hour fueling, ramp services, aircraft maintenance and flight training. Their flight school trains students from no experience through flight instructor, and they employ 15 aviation professionals. The Airport also supports activity beyond aviation staff. The restaurant remains very active. In 2025, the restaurant reported 57,298 guests and 23,003 meals.

Mr. Cooley noted the Airport has again worked to present a budget that minimizes reliance on local tax support while still maintaining a safe, functional and compliant facility. On the revenue side, the operating budget shows a total revenue of \$592,200 which is up 3% from last year. These revenues come from existing Airport resources, such as land rent, terminal rent, fuel, farm rent, aviation fueling fees, landing fees and gross revenue charges; much of the increase is driven by existing lease terms and contract escalators.

On the expenditure side, there is an overall increase, but the budget remains focused on core airport operations. Personnel, fleet charges, utilities, taxes, maintenance, regulatory compliance, and airfield safety.

The proposed supplemental items total \$51,408 for this fiscal year. The largest item is the required stormwater pollution prevention plan update, which is necessary for regulatory compliance at a cost of \$34,601. The remaining supplemental items are targeted operational needs including fuel farm maintenance, t-hangar door repairs, airport signage, airfield lighting, and navigational aids.

Councilor Chalice noted there is going to be an increase to fuel costs coming our way potentially into the future and asked whether the Director expects any decreases in activity at the airport due to these increased fuel costs. Mr. Cooley stated this would be a better question for the FBO who manage the fuel prices. He stated however, if there was a decline in Airport activity there a few ways this issue can be addressed; look at adjusting the fuel flowage fees. He stated experience shows that air travel does continue even during bad economic times. He added many of these businesses such as C&S have fuel set aside based on the fuel crisis of 2008.

Councilor Ruttle Miller asked what is included in the professional services line. Mr. Cooley stated this year it is for the stormwater pollution prevention plan update.

15. Community Development (pages 150–159)

Community Development Director Paul Andrus addressed the Committee next and stated that his team is now into the implementing phase. He stated he wanted to emphasize that while much of their work is regulatory in nature, their approach is centered on customer service, technical assistance and predictability in processes. They strive to help residents, businesses, and contractors successfully navigate processes while still upholding the City's responsibility to protect public health, safety, and welfare.

Mr. Andrus stated they are in the process of implementing the OpenGov software and have started getting positive feedback.

Mr. Andrus next addressed public outreach; department staff attended 164 public meetings during the year which averages roughly 19 meetings per month and there are 20 workdays in a month. This includes Planning Board, ZBA, City Council Committees, neighborhood meetings, Commissions, and Advisory Committees. He noted these numbers don't include the Saturday Earth Day events, which he felt were an important issue to raise.

Looking ahead, there is a brand new Master Plan and department staff are already well aware of their role in helping to implement this Master Plan by developing new resources or combining resources to help address and achieve the goals that are outlined in the plan.

He indicated their request is the Planning Tech position that they have had for the past two years. Through all of the discussions that staff has undertaken in the community around climate change and sustainability and how to get resources behind it, particularly an organization to help steward some of the initiatives, staff came up with a compromised solution. The proposal is to take the Planning Tech part-time position of 30 hours a week and convert it to a full-time position and to change the title to Assistant Planner. It would still be an entry-level position. This individual would be still responsible for current planning work and working with committees but also to work on the initiatives as outlined in the Master Plan. He stated they would be looking for matching funds essentially for a community organization to make this position a reality. He stated the suggestion came from the community first in the sum of around \$35,000 a year. Impact to City budget for this position would be a move from Grade 12 to Grade 14 with a funding request of \$17,000. Staff would work with partners who have already expressed an interest in partnering with the with the City on this position to secure the additional funds.

The City Manager noted the budget book outlines the change for the Planner Tech to the full-time position, which includes the regrade for \$17,000. The budget also indicates the donation that is being put forth to fund the difference in the Planner Tech becoming full-time and this donation right now is being pledged for three years. The net difference has proven its worth in other ways.

The City Manager went on to say the rest of the wage numbers, which is primarily being impacted by a couple of things; The Fire Marshal change. The Fire Marshal is moving from a contract position to someone on the salary scale. There was a position in the Community Development Department held by John Rogers that is being removed and hence the amount is

being netted. She added the Fire Marshal was partially charged to Community Development during this period of time. A portion of his wages will be assigned to Community Development because he will continue his oversight of inspectors in that department and the rest would be allocated to the Fire Department. In the Fire Department, this is being done by offsetting a vacant deputy position. The City Manager stated in addition she is also planning to bring forward Rick Wood as the Emergency Management Director, effective July 1, 2026. The City Manager stated all these things have been taken into consideration and it is a substantial savings. There is some additional expense in the Fire Department but overall it remains a savings.

Councilor Chalice asked for clarification on Rick Wood's current position. The City Manager stated he is currently the Building Official and the Fire Marshal, he already has those responsibilities. The only additional responsibility he assumes (pending Council approval) would be that of Emergency Management Director. Those duties had been performed in the past by Kurt Blomquist, who was the Public Works Director and the Emergency Management Director. In the budget, there is \$4,000 stipend for the Emergency Manager Director, which would be included in Rick Wood's salary. The City Manager stated Rick Wood has done a great job for the City and he has been able to handle issues the City was dealing with problem properties. She added the Fire Marshal and the Community Development Director work very well together.

Councilor Chalice stated she would like to thank the Planning Department and the Climate Committee for the substantial work that the committee has done and be able to look at bringing those actions into reality within the structure of the City.

Ms. Maureen Nebenzahl, Vice-Chair of the Energy and Climate Committee, stated she is happy for this acknowledgement. She stated they have an ambitious Master and Sustainability Plan. In order to achieve the goals outlined in that plan, they need to have this Assistant Planner and strongly recommend the creation of this position.

Councilor Chadbourne noted the City takes in nearly \$500,000 in licenses and permits and asked how that fee structure is determined. She asked if we are able to increase those fees or is that legislated by the State. Mr. Andrus stated his experience has been that it is reviewed from time to time and adjustments are made accordingly. He added the Planning Department recently updated its fees, which had been out of date for a long time. The City Manager added the State does dictate in some categories exactly how much you can charge. In many of these cases, it is about recouping your expenses. Keene also looks at other communities to see if our fees are fair and in line and look internally to see how much it costs the City to actually perform the function. State law does not allow a municipality to profit from the services that it provides.

Mr. Andrus added the City does not want to be in a position where it creates additional financial burden on projects that we want to see happen. The Councilor asked how often the City reviews the fee structure. Mr. Andrus stated he did not think there was a specific time frame this is completed. The update for Planning was based on a permit that came in for a project staff had not seen in a few years, and realized with all the time and effort that went into it, the fee structure needed to be adjusted.

The City Manager felt this should be done annually when the budget is put together. The Chair noted this is part of the fiscal goals that they be updated when time permits.

Mr. Peter Hansel of 61 Bradford Road stated he was before the Committee to address the sustainability portion of this new position. Mr. Bradford stated he has been watching Keene on its journey towards sustainability since 2000. He noted if we look at the goals that the City has set for itself to be 100% renewable energy by 2050, it is halfway towards that mark. He commends the City Council and the Planning Department for what they have accomplished so far. The Energy and Climate Committee have devoted more than 100 hours a year of their own time to try and see this goal achieved. They can't do this on their own and need help. Having a person devoted to helping achieve the sustainability goals would help achieve those energy goals. He noted Keene was the smallest City in the country to sign up for this and one of the first in New Hampshire to do that. Keene has taken the lead for many years to achieve our energy objectives.

Chuck Redford of 9 Colby Street addressed the Committee next. Mr. Redfern noted this project has been going on for about three years. He stated in Portland, Maine, they realized the investment was so rigorous they hired two more individuals. He stated the sustainability coordinator has assured him this position will give back to the taxpayers many times over. He felt the sustainability employee should at least occasionally attend some of the committee meetings of the ECC but understanding that the management of the position falls under the purview of the Community Development Department and not under the purview of the ECC.

The City Manager clarified this is already a 30-hour a week position to which 7.5 hours will be added to make it a full-time position. She felt this was a good first step in the City's efforts.

Councilor Chadbourne thanked Mr. Redfern for all the work he does for the good of the community and for helping in the direction the City wants to move. She felt he was a committed and dedicated member of the community.

16. Library (pages 107–111)

Mr. William Stroup, Chair of the Library Board of Trustees, and Library Director Marti Fiske were the next two speakers. Mr. Stroup began by noting that the library will be honored with the Cheshire County Conservation District 2026 Community Partner of the Year Award, which will be presented at their annual meeting in October 2026. This body will be asked to accept a grant at this coming Thursday's meeting from the New Hampshire Humanities Community Project Grants for two programs which will be done in partnership with multiple communities.

Thinking about last year's budget into this year, Mr. Stroup stated that the transformation of the Makerspace staffing to the year-round, part-time role as part of the operating budget instead of college interns has allowed Makerspace usage to increase by 62% over the last year.

He indicated they are also finding ways for volunteers to continue to serve and to reach members of the community of all ages and abilities, especially expanding a home delivery volunteer program that has already started to work with two of our senior communities in the City and is

continuing to work to expand that for more individuals. As was discussed during the CIP, he referred to the collaboration between the Trustees, Friends of the Library, and the City towards some of the lighting plans they have going forward.

Ms. Fiske addressed the Committee next. She stated the revenues and expenditures she will be talking about tonight are all based on costs from last fiscal year and year-to-date costs of the current fiscal year. The library does not propose any changes in personnel for the next year. The only increases in expenses are those cost associated with existing personnel. All other expenditures for the FY27 budget are actually a net decrease.

For revenue, there is one piece that is not reflected in the budget proposal before the Committee. At the last month's meeting, the Trustees voted to approve a \$5 a year increase for the non- resident access fee, which would go into effect as of July 1, 2026.

Rental incomes are expected to increase by about \$300.00. Rental revenues for that line are only for private uses of the meeting rooms in the main library; Miller Vincent Room and Huntress Auditorium. All other meetings rooms and event halls have funds captured in what is referred to as the Heberton fund. This fund is used for maintenance and improvements of that newer section of the building.

The library has also seen increased use as a regional conference center and some of those conferences have included breakouts. Hence, the Miller Vincent Room and the Huntress Auditorium are expected to see increased use as those breakouts for regional conferences.

For expenses, the library is asking for an increase of \$200 for meetings and dues, which reflects increases in membership costs for interlibrary loan services. For library software, it is a decrease of \$7,308 because there is some software that was removed with the closure of the Book Bobber Baker and Taylor the library had; proprietorial software is no longer available. All other subscription costs were updated with increases for FY26 with an expected increase of 5% for FY27 – this is industry standard.

Ms. Fiske stated the reason they are able to keep their costs down is because of the tremendous community support. The Friends of the Library and the Trustees provide 100% of library programs. In FY25, 3.1% of the overall library operating budget for the Friends of the Library was over \$60,000 in support of programs, equipment, maintenance of bad equipment, Makerspace staff, and popular museum passes.

Library Trustees provided over \$21,000 for staff education, equipment, and special projects. In addition, the library has volunteers who are working over 30 hours a week, mostly giving assistance for directions and overseeing the atrium spaces, which saved the library \$17,000 in estimated annual labor costs. The library also has partnerships with a variety of community organizations and individuals who provide programs to the library at no cost.

Councilor Chalice commended the collaboration the library has fostered which has a positive impact on the community.

Councilor Chadbourne noted overdue fees have reduced by 50% and wasn't sure how to interpret that. Ms. Fiske stated she sees this as a positive thing and noted Keene is one of the few libraries that still collect overdue fees. She felt it disproportionately affects low-income people who have a difficult time getting to the library. However, this issue has decreased due to people having access online.

Councilor Ruttle Miller referred to the following language: *Last year, the library returned \$3,040,000 in direct services to residents, achieving a 114% return on investment.* The Councilor felt this was an important aspect to share.

17. Parks and Recreation (pages 112–122)

Parks and Recreation Director Carrah Fisk-Hennessey was the next to address the Committee. Ms. Fisk-Hennessey stated Keene Parks and Recreation is an essential part of community engagement in terms of accessible intergenerational programs and events. Community services, which include cemeteries, juvenile court diversion, wellness education, and community spaces with our parks, trails, fields, playgrounds, and pools.

Ms. Fisk-Hennessey stated the department is asking for a very small increase in the operating budget; 0.34% increase of the total budget - \$8105.00 related to the Parks line and it goes towards maintenance and grounds.

The department is asking for a \$5,500 increase in maintenance and grounds because the New Hampshire DES has doubled the dam permit fees. The Rec Center is responsible for two dams and those two dams used to be \$3,000, and now they are \$6,000. The department is also asking for an increase of \$1,440 for water fees. It is for Russell Park turf establishment.

In terms of supplies, for the past few years the department has been running over budget hence the department is asking for a 3% increase of \$1,165 to fund that line at \$40,050.

Ms. Fisk-Hennessey stated staff also discussed this item with the City Manager's office, which is not in this budget book; Sumner Knight Chapel has been out of service for over a year as the boiler needs to be replaced. This has become more of an urgent matter as the building itself will slip into a further state of deterioration if it is not addressed soon. The department is asking for an additional \$15,000. The boiler replacement cost has been quoted at \$19,400.

Staff will be meeting with the Cemetery Trustees next week to request more funding from them as well.

Ms. Fisk-Hennessey further stated the department would be realizing some additional revenue through an increase opportunity and programming. The department recently learned that the school districts after school program is sunseting, hence the Rec Center would be opening up additional opportunities for after school programs. They have also added an additional summer camp opportunities which will help bring in some additional revenue.

18. Facilities (pages 123–132)

Deputy City Manager Andy Bohannon stated this year's request reflects growing pressures on day-to-day operations across municipal buildings. While capital planning remains important, Mr. Bohannon stated tonight he wanted to focus on the immediate operational needs required to sustain essential services and maintain safe, functional facilities for staff and the public.

Over the past year, his team has continued to work within tight resources. Material goods contracted services has risen between 5% and 25% putting considerable strain on the ability to maintain service levels with an improved operating budget. He referred to a recent call to fix an elevator at City Hall which costs are always high.

These pressures affect every building they manage. HVAC systems, janitorial supplies, water and sewer usage, ground maintenance, and equipment repair all continue to experience cost escalation. In some cases, such as aging buildings, systems at the Central Fire Station, geothermal system at Public Works and Police Department (over 25 years). These issues are not optional, but essential to keeping facilities functional, safe, and reliable.

To address these realities, Facilities is requesting \$39,000 in supplemental operating for FY27. This request is for targeted needs based on sustaining core operations, additional equipment repair, funding for HVAC systems, and uniforms for the new Facilities Manager Shane Baker.

Regarding the Transportation Center, staff has worked with one of the tenants who put in some new equipment for their services which increased their water and sewer usage. They have voluntarily adjusted their payment to the City, which was helpful.

Regarding Heberton Hall floor maintenance to the lobby, main floor, and stage were all completed.

The oak tree in front of the library is estimated to be about 160 years old. Staff wants to take good care of that to make sure it lives for a long time.

The Recreation Center has ground maintenance needs.

Both Fire Stations have rising janitorial costs for the amount of use.

The Airport janitorial supplies are increased costs due to more usage at the airport related to the restaurant.

Significant funding is coming from Public Works and Police due to the repair to the geothermal system.

The Mayor clarified the \$15,000 was not included in the budget for Sumner Knight Chapel repairs. Staff answered in the negative. He asked about utilizing Cemetery Funds. The City Manager stated what she heard Ms. Fisk-Hennessey say was that she will be asking for a

contribution from the Cemetery Trustees. The Mayor added that he is excited to see the City moving forward with its sustainability goals.

19. Adjournment

There being no further business, Chair Powers adjourned the meeting at 8:30 PM.

Respectfully submitted by,
Krishni Pahl, Minute Taker

Reviewed and edited by,
Kathleen Richards, Deputy City Clerk