

**City of Keene**  
**New Hampshire**

**FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE**  
**MEETING MINUTES**

**Thursday, May 14, 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  
Amanda Palmeira, City Attorney  
Brandon Latham, Deputy City Attorney  
Don Lussier, Public Works Director  
Jason Martin, Fire Chief  
Megan Fortson, Planner  
Martine Fiske, Library Director  
Darcy Newport, HR Director  
Kari Chamberlain, Finance Director/Treasurer  
Chelsea North, Parking Operations Manager  
Dan Langille, City Assessor  
Steve Stewart, Police Chief

Chair Powers called the meeting to order at 5:31 PM.

**1. Councilor Jones - Draft Resolution for Consideration Addressing the Burden on Local Property Taxpayers**

*[The Committee heard this agenda item last.]*

Councilor Jones was unable to attend but Mayor Kahn noted that members of the public attended to provide testimony.

Chair Powers opened the floor to public comments.

Kenneth Stewart (of 11 Algonquin Drive) was really pleased to see that Councilor Jones proposed this Resolution because it is badly needed and would be a good first step. However, Mr. Stewart was concerned that without some specifics added to it, the City would just get into the back and forth where those in the state who want to take this approach will simply rebut this because there are no specific numbers in the resolution. They would say the problem is crazy local spending on school boards and County delegations and city councils and select boards. He suggested that this be augmented in some way—either an amendment to this resolution or follow up communications—that really get into some specifics about how much downshifting has

occurred. He said it is not only the increment from the prior budget session to the latest one that the state did. This is something that has unfolded over 10 years or so, going back to approximately 2010, when the state decided to walk away from its share of the retirement plan “that they talked us all into doing and said it was going to be just great and they were going to pony up some share of it, and then they've walked away from that.”

Mr. Stewart was really struck by the importance of getting these numbers out in front of people because he found an opinion piece that Jack Wozmack wrote in 2025 when he was the County Treasurer; he made the assertion that over the 10-year period, the state has walked away from or downshifted something on the order of \$3 billion plus dollars, which works out to \$300 million per year. Mr. Stewart did not know what the impact is in Keene, but thought the City should look back over that number of years and figure that out, stating that it would be really helpful for the public to know the effect on the County, the School, and the and the municipal budget. He suggested including a letter with the tax bill, explaining how much money has been downshifted over the past decade and what it has cost the City. Without those specifics, he thinks it is just an ethereal conversation. He suggested that being fact-free is not a good place to be. He hoped the City would build on this with some public relations (i.e., pieces in The Sentinel or on the radio, whatever it takes) because this is a huge amount of money if Mr. Wozmak’s numbers are near correct. Mr. Wozmak even asserted that by adding back all the downshifting plus careful budgeting at the local level, the property taxes in New Hampshire would actually have gone down, which was stunning for Mr. Stewart to hear. So, he thought it was worth the City digging into the hard numbers, stopping the conversations, and moving toward a more equitable way of funding how we do business here in New Hampshire.

The City Manager talked about a recent town hall at the Keene Public Library on this topic, which Senator Donovan Fenton moderated with a panel of the City Manager, County Administrator, and School Superintendent. The City Manager provided numbers related to the big things such as retirement shared revenue, and meals and rooms revenue because those were the bigger numbers back to at least 2008. The County and School also have numbers that they could share. The City Manager mentioned that she really wants to focus on the School funding issue right now, which she knows is beyond the City, and said it is not about budgeting but about uniting and putting pressure on the State of New Hampshire to adequately fund education. At this time, looking at tax rates across the State of New Hampshire, the biggest impacts are being felt in the School portion of the rate because of the funding formula used and how they are doing it. So, the City Manager thought there would be an opportunity to put in a policy proposal to address this, and she mentioned this to the New Hampshire Municipal Association (NHMA). The policy proposal was not approved but NHMA is interested in doing something on this, so the City Manager said to stay tuned.

Mayor Kahn noted that Councilor Jones was concerned about the resolution being communicated by June 4, 2026 because it relates to the final session of the Legislature before bills go to the Governor. So, the Mayor thought there was sufficient time to delay two weeks until the Committee’s next meeting to navigate this, although he thought Councilor Jones would love an affirmative vote in his absence. Still, it sounded like a request for additional specifications, such as the retirement contribution relative to the City being likely the biggest hit the City had absorbed over the 10-year period. The Mayor thought Mr. Stewart made a good point about that

specificity. Mayor Kahn thought the City Manager already explained how it affected \$0.90 on the dollar of the tax rate, so the Mayor was not surprised to hear that there could be an impact to the City or County of \$3 million per year. He thought there was time to tune this up for the next meeting.

City Councilor Randy Filiault said Mr. Stewart made a very valid point about downshifting and agreed that it would be imperative to be a bit more specific. Several years ago, when Councilor Filiault was looking at the Rooms and Meals Tax, the state was supposed to give the City \$0.40 on a dollar, and they were giving the City \$0.21. When the City inquired, the reply was that “We don't have that criteria. We can't get that to you.” He said the City Manager and Finance Department did their due diligence, did the homework, and found out between 2013 and 2023 the state shorted Keene \$1 million per year just in Rooms and Meals Tax alone. Councilor Filiault said that means business dividends, profits, and tax. He appreciated what the City Manager said about the school but noted Councilor Roberts has been on the School Board a long time and Councilor Filiault has been serving the last four years. He said the School Board is meeting weekly because of the bills passed in Concord and downshifting; there is a Policy Committee that meets monthly to determine what is downshifted that month. Councilor Filiault said the City Manager is absolutely correct and the bottom line is that even though they are separate budgets, the taxpayers pay out of the same wallet. He said we are all in this together; there is no more finger pointing. Downshifting is affecting all of us significantly, it cannot be glossed over, and the state needs to be held accountable.

Councilor Roberts agreed with Mr. Stewart but played devil's advocate, stating that a lot of people in Keene do not care about this because they do not think it affects them. Renters, for example, think it does not affect them, and Councilor Roberts suggested the City needs to go out and demonstrate that rents are so high in Keene because of the property taxes. This does not just affect homeowners and businessowners. He added that because of downshifting, the City has to ask people in Keene to pay more, and he asked what opportunities the City is losing to make itself better or to provide better services that people would like because property taxes are so high. Councilor Roberts spoke about getting people on board who do not realize all the benefits and services they are losing because of the height of the tax. If only communicating to homeowners, there would not be a lot of people on board.

Councilor Lake talked about the medium for communicating this, noting the goal of June 4, 2026. He was worried that by putting this on “More Time,” this communication suggesting a possible resolution would not get the desired result in time. There was not an actual resolution before the Committee yet. So, he was worried that “More Time” would be a delay. He thought there could be consensus to move forward something theoretically to the Committee like a resolution draft the next time for review. Alternatively, he wondered if a resolution would be the right way to go or if there were other ways, such as having the Council/Mayor write a letter that other organizations (e.g., the County, other towns) could sign onto and have more weight behind it rather than a sole resolution adopted by Keene. Councilor Chadbourne called it a good idea. Chair Powers thought there would be a lot of work before the next meeting, and a better idea could arise. He thought everyone was hitting on the point of getting the idea out in many different ways. He added about reminding people that while they may rent and not pay taxes,

they do vote, and this is an election year. Chair Powers agreed about a lot of local publicity on the effects of this over time.

Chair Powers thought the City Manager had instructions to work with Councilor Jones and others on “More Time” to bring something like a draft resolution or something else forward to the next FOP meeting.

Mayor Kahn suggested that committees often ask the City Manager to draft resolutions beyond just “More Time” as a way to advance the process a bit. Councilor Lake thought that was a definite path. Given his position that there were multiple possible routes to take, he hated to make a motion locking the Committee into a resolution at this time before hearing from Councilor Jones. He thought the City Manager could theoretically bring forward a draft resolution while this is on More Time without the Committee prompting her to do so with a motion. He was hesitant for a vote locking that in though. Chair Powers said the message was received about the timing.

The following motion by Councilor Lake was duly seconded by Councilor Chadbourne.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends placing “Councilor Jones - Draft Resolution for Consideration Addressing the Burden on Local Property Taxpayers” on More Time.

**2. NH Humanities Council Community Development Finance Authority (CDFA)  
Grant - Library Director**

Chair Powers welcomed Library Director Martine Fiske, who explained that the Library was awarded a grant for \$3,800. She asked the Committee to recommend that the City Manager be authorized to do all things necessary to accept and expend a grant of up to \$3,800 in support of two programs that facilitate community building. These are federal pass-through funds that come from the New Hampshire Community Development Finance Authority. The first of the programs that this would fund is called the Community Conversation. The New Hampshire Humanities would provide a facilitator and an artist who will act to capture the minutes of the meetings both textually and artistically. The goal is to encourage conversation about how the community has been changing, to address particular topics in each community, and find a way for the communities to come together and address those issues. The grant would provide \$800 for food, childcare, and any sort of supplies needed. They would pay separately for the facilitator and the artist. The follow up event would occur later in the fall, based on the topics that come out of that community conversation. The grant would give the City up to \$3,000 to put on that second event. The Library has community partners who have already agreed to work with them on building that second event and to organize and implement the first one as well: Hannah Grimes Center for Entrepreneurship; the City’s Human Rights Committee; the Monadnock Diversity, Equity, Inclusion, & Belonging Board; Keene Family YMCA; and the Monadnock Interfaith Project will assist in advertising, organizing, designing, and implementing these programs.

There were no public comments.

The following motion by Councilor Chalice was duly seconded by Councilor Lake.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept and expend a grant of up to \$3,800 in support of two programs that facilitate community building.

**3. Acceptance of 2026 AARP Community Challenge Capacity-Building Microgrant - City Planner**

Chair Powers welcomed City Planner Megan Fortson, seeking a recommendation that the City Manager be able to expend funds for a \$2,500 grant that the Community Development Department was recently given as part of the AARP Community Challenge. It is called a Capacity Building Micro Grant and would be used as a part of the Bicycle/Pedestrian Master Plan update to perform a series of three to five bike and walk audits around the City of Keene with a focus on the senior population. There are already volunteers throughout the community, and the Community Development Department would be working with American House, Covenant Living, and Keene Senior Center to get these bikes and walk audits completed. They are also working to schedule with members of the population who do not bike or walk but just have other general accessibility and mobility considerations that need to be taken into account. The course of the grant is going to run from about June to December 2026, when the final report will be completed, but the brunt of the work is going to be finished during the warmer months. All of the data collected will be used as part of the Bicycle/Pedestrian Master Plan update, which has a very tight budget at \$50,000 currently.

There were no public comments.

The following motion by Councilor Lake was duly seconded by Councilor Chadbourne.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept and expend the 2026 AARP Community Challenge Capacity-Building Microgrant in the amount of \$2,500.

**4. Technical Services Agreement - Southwest Region Planning Commission - Deputy City Manager**

Chair Powers welcomed Deputy City Manager Andy Bohannon to explain this technical service agreement with Southwest Regional Planning Commission (SWRPC) for the Ashuelot Green Space. He recalled the City receiving a donation of the land (about 2.5 acres) adjacent to the Monadnock Conservancy to be developed as a park. Then the City received a donation of \$35,000 for the conceptual design of a playground. In having conversations with SWRPC, they were able to look at possibly using Timber for Transit Program funds through SWRPC as an opportunity to have the technical side of the design completed up to \$105,000, which would be an approximately 80% match. So, the City was able to leverage the \$35,000 and then to get the design services. SWRPC hired VHB as the technical designer for their side of things and the City was in the process of review at this time. At the next FOP meeting or shortly after, there will be an award request for the conceptual design for the playground. Mr. Bohannon asked the

Committee to allow the City Manager to sign this agreement, stating that it is really being transparent with the Committee about all the steps that staff have completed, because staff probably could just sign the agreement, but wanted to make sure that the Committee was aware that there are about \$140,000 worth of services being performed not out of the City Budget. He said it was another way of always being a little creative.

There were no public comments.

The following motion by Councilor Chadbourne was duly seconded by Councilor Roberts.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to execute a Technical Assistance Agreement with Southwest Regional Planning Commission for the Ashuelot Greenspace Project.

**5. Recreational Trails Program Grant - Keene State College Pedestrian Bridge - Deputy City Manager**

Chair Powers welcomed Deputy City Manager Andy Bohannon to explain a project that seemed like it may never happen. He recalled the City applying for the Recreational Trails Program Grant for the pedestrian bridge on the Ashuelot Rail Trail, known as the Trestle Bridge, in 2025. Now, the State of New Hampshire Trails Bureau changed their process. Typically, you used to be able to submit the application, then they would award it, and then they would go through all the technical reviews and all the permits after they awarded it. Now, the process has changed so they go through all the background before awarding, so everything is in-line upon award. So, this has taken longer than anticipated. This recommended motion would allow the City Manager to sign the documents that would go back in front of the Governor and council to sign. The FOP Committee sort of did this in November 2025, but the grant documents have to be signed by the City Manager within 30 days of City Council approval or action, so this is coming back to the City Council. This would align with the City Council action next week and then the City Manager would execute the agreements to go back to the state to get on the Governor and council agenda. Because of the delay, the Governor has said they will extend the project time frame through the end of September 2027. So, once awarded the funding, Mr. Bohannon said the City would be working to get the project completed as soon as possible.

There were no public comments.

The following motion by Councilor Roberts was duly seconded by Councilor Chalice.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept and expend a Recreation Trails Program grant for \$80,000.00 for the trestle bridge on the Ashuelot Rail Trail.

**6. Acceptance of HealthTrust Wellness Grant - Human Resources Director**

Chair Powers welcomed Human Resources Director Darcy Newport, who requested that the City Manager be authorized to accept and expend a donation from Health Trust for the City's

Wellness programs. The City's insurance Bender Health Trust offers a Wellness Grant as a benefit to employers who train Wellness Coordinators. The City has five employees who are trained as Wellness coordinators and support the wellness, health, and wellness initiatives throughout the City. Health Trust is offering the City a grant of \$2,500 to use towards those efforts.

There were no public comments.

Chair Powers noted this is an annual event with Health Trust and because the City's Wellness Coordinators do a good job, they are happy to reward us. Ms. Newport said the City is very grateful.

The following motion by Councilor Chalice was duly seconded by Councilor Lake.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept and expend the 2026 wellness grant from HealthTrust in the amount of \$2,500 to be used for employee wellness activities.

7. **2025 Hazardous Materials Emergency Preparedness (HMEP) Grant Award - Fire Chief**

Chair Powers welcomed Fire Chief Jason Martin, who said the City was recently notified that it was awarded \$7,197 as part of the FY25 Hazardous Materials Emergency Preparedness Program. This funding will be used to buy a training prop, specifically a bulk liquid cargo tank emergency control and leak mitigation training simulator. Since already awarded the grant, the next step in this process would be to execute the grant agreement. Once completed and returned, the application will be moved to the Department of Safety's Business Office for Governor and Executive Council approval. There is a 20% match totaling \$1,439.40 that will be satisfied through in-kind activities, such as training and any sort of other associated administrative costs.

There were no public comments.

The following motion by Councilor Lake was duly seconded by Councilor Chadbourne.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept and expend the 2025 Hazardous Materials Emergency Preparedness Grant award.

8. **Relating to Delinquent Accounts - Ordinance O-2026-05**

Chair Powers recognized Public Works Director Don Lussier, who said Ordinance O-2026-05 is really about finance. He explained that the City ordinances right now allow the City to collect 1.5% interest on any delinquent bill, whether it is a tax bill, utility bill, or dog license that is 30 days past due. He said utility bills, in particular, are a little special. Under state law, there is a special provision that allows the City to use the lien procedure, like it would for a tax bill, to recoup the costs for utility bills. Mr. Lussier said this is great, but of course that is obviously not

the goal. The law says that if the City goes through that process, it has to use a lien and has to file a suit in order to get reimbursed for those bills. The law stipulates that the City is only allowed to charge 12% interest per year, about 1% a month, so there is a little bit of a discrepancy between what is in the City's Code and the state statute. He said staff were trying to make those two things identical through this Ordinance change.

Mr. Lussier explained the purpose of making this change now. In actuality, historically, the City has not applied interest to past due utility bills. Its efforts at collecting utilities have really relied pretty heavily on the threat of shutoff. If residents do not pay after a certain period of time, the City sends a letter and if they do not pay, the City sends somebody out and shuts off their service, which forces compliance. However, the City does not do shutoffs between November and April, obviously because this is during the winter months and there could be issues with shutting off water supply causing damage to internal plumbing if water service freezes and the City could be liable for damage to the system. In the last couple of years since Mr. Lussier started in this role, he started noticing that certain property owners have figured out the system. Starting in November, the City starts seeing the Accounts Receivable and the amount of past due bills start going up and up. Then people start paying them down again in April. He said the City is trying to create some incentive for people to stay current with their bills rather than use the City as essentially a 90-day free loan. Tonight, City staff hoped to make the City's Ordinance match the state law. Mr. Lussier further stated the goal is to put the public on notice that moving forward, the City will be applying interest to past due utility bills. When he looked at Accounts Receivables for March 2026 for Water and Sewer combined, there were more than \$1 million in past due bills, so he said it is becoming a problem. The City needs to collect those bills in order to keep operating and said it is not fair to the other customers to have these past due bills.

Councilor Lake asked about the math. He saw the City capped at 12% in the RSA annually. His question was about what was written: "1% per month nominal." He asked if the City was planning on just accruing interest on the initial amounts and not the total balances. Mr. Lussier said the interest rate would compound monthly in accordance with the Code but because the state law is written as "12% per annum," the City would have to match that, so it is not actually going to be 1% per month, it is more like 0.8875% per month, which totals 12% per year APR. Councilor Lake asked if the Ordinance should state "1% nominal" because of the compounding factor and the math. Mr. Lussier thought he included it in parentheses for clarity and deferred to the City Attorney. City Attorney Amanda Palmeira noted that the statute states 12% per year and the intent behind the Ordinance change is that if the City does need to use the statutory process for collecting on the lien, which is what the statute process is, that the number is already pretty much calculated for the City, so utility billing on a monthly basis will not be outlandishly different than what the lien process would reflect—trying to keep the calculations as close. Even though the statute goes per year, the City is going to do per month for collections.

Councilor Chalice asked if this is a new process and Mr. Lussier said it is a new practice. Councilor Chalice noted that in most cases when people are not paying their bills, charging them interest if they do not have the money can be an exercise in frustration. If using staff time to pursue this process, she asked that staff keep an eye on the amount of their time that it takes to go through and make sure that this is working to the City's benefit. Mr. Lussier said she raised a great point. He noted that this Ordinance would not change the other important tool in the City's

toolbox besides shutoffs, which are payment plans. The Ordinance states, “The Finance Department, at the discretion of the Finance Director, shall determine the necessity for special arrangements.” If there is a customer with a hardship that has trouble catching up with a bill, the City is very routinely, like every month, works with customers on payment plans so that they can catch up. The general practice is to try limiting those close to a six-month period of catching up to current. Once they are in that payment plan, they would be considered not to be in default; they would be current and they would not be charged interest.

Chair Powers opened the floor to public comments.

City Councilor Jacob Favolise (of Main Street) asked if this process applies the same to commercial customers as residential customers. Mr. Lussier said absolutely. Councilor Favolise knew the Public Works Director referenced about \$1 million of overdue balance. Beyond payment plans, he asked what currently the City can do to force payment and force compliance with the enforcement mechanisms there are. Mr. Lussier explained the enforcement mechanism, which is shutoffs. He noted that shutoff had now begun for the season. They happen once per month (the Wednesday after the 20th) and there are four people in the meter division who can accomplish 30 to 40 accounts. They show up and say they have to shut off the water because the bill is 90 days past due and sometimes, they will receive a check on site. They prioritize the highest account balances first and work through as many of those as possible on that day. He noted this is the current tool in their toolkit.

The following motion by Councilor Chadbourne was duly seconded by Councilor Roberts.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends the adoption of Ordinance O-2026-05.

**9. Proposed Fiscal Year 2026–2027 Budget Review**  
**a. City Attorney (page 62)**

City Attorney Amanda Palmeira said she just completed her first year, which had been great. She also had Deputy City Attorney Brandon Latham with her, who just completed his first four months. She said that as usual, the personnel section on top of her Budget is not something she works with or sets but she does set the Operating Budget at the bottom. The only update she had for personnel was because the Department is expecting a retirement this fiscal year (FY) on the administrative staff, but she did not ask for any changes to reflect it. Her hope was similar to what happened two years prior with the retirement mid-FY (with the prior City Attorney) that the Budget for that line item would cover the replacement. Otherwise, City Attorney Palmeira said she was presenting the same Budget as the prior year.

The City Attorney wanted to take some time as always to discuss the Legal Services line. Historically, her office has requested the same \$35,000 ever since adding a second attorney to the office. Prior to that in 2021, it was \$70,000. The purpose of the Legal Services line is to pay for outside counsel, which the City will use in a few different ways. It is always unpredictable when the City might need outside counsel. The City Attorney’s office will use them if there is a conflict of interest in her office with an item, if there is protracted litigation that her office is not

equipped or intended to handle with extensive litigation, for unbelievable amounts of document review that larger law firms are built for, or for uncommon areas that call for a specialist's advice. This Budget does not cover a few things that the City will have legal projects with, such as City construction projects (i.e., downtown project) or eminent domain that usually come from the broad project line or grant. Any assessing related items come from an overlay account through the Overlay Budget. Employment law questions are funded through the HR Budget. Everything else comes through this City Attorney line.

The City Attorney looked at the past five years, making sure the \$35,000 was consistent. In all years that were requested, one year was much less than \$35,000, two years were almost exactly used, and two years greatly exceeded the Budget. So, all data continued to tell the City Attorney that this is the right amount to ask the Council for. But as stated, the nature of what might come up is unpredictable, but this does her best to account for it.

There were no public comments.

**b. Assessment (pages 75–76)**

City Assessor Dan Langille presented his Budget. As in past years, the Assessing Department is made up of three full-time employees, and they also do some contract work with a utility appraiser. He did not recommend any changes to the Personnel or Operations Budgets. He said they do things pretty much the same on a yearly basis and everything they do is driven by state statute. There is a lot of oversight from the state as well. Mr. Langille discussed his expenditures. For Personnel he talked about health insurance and costs rising for employees not being under his control. The Operating portion of the Budget is under his control, and everything is staying consistent with years past. The only change to note is the Appraisal Services line. He asked for an additional \$2,200 toward the Utility Appraiser. That amount is budgeted on a multiyear contract and that pays to value the City's utilities. The City's utility is about \$115 million in assessed value and brings in close to \$4 million. So, for \$15,000 per year, Mr. Langille considered it a pretty decent return on investment.

Councilor Chalice asked about the very large new solar array at the Airport and if this would cover that. Mr. Langille said that array is in the Town of Swanzy.

Chair Powers opened the floor to public comments.

City Councilor Jacob Favolise (of Main Street) recalled a conversation a few months prior about the assessment and appraisal of homes owned by veterans who are permanently and totally disabled, and related tax credit questions. The Assessor was going to come back with additional information at this stage and the Councilor wondered if this was a good time for him to share more about the process and financial impact. Mr. Langille said he could help the Council find an update for that. The plan would still be to come before this Committee and the Council with recommendations for exemptions and credits. He said staff were trying to wait to get through the budget process a little bit further and also to get a better understanding of where the values may go as part of the revaluation. Once he has a better setting on that, Mr. Langille said he would

bring that before the FOP Committee to make some determinations, probably in June or early July 2026.

**c. Finance (pages 82–87)**

Finance Director/Treasurer Kari Chamberlain presented her Budget, including the accounting and Revenue Collection sections. She was happy to report that the Revenue Collection Department was fully staffed at this time. She said they were still trying to work toward streamlining a number of operating procedures to make things a little bit easier with being able to access various reports. They would soon be working with Tyler Technologies for the accounting system and looking to develop some dashboards for both internal and external customers; even looking at a dashboard that is unique for each department to look at the information that would be most helpful for them.

Ms. Chamberlain said they were only asking for one supplemental for Audit Services as a part of the annual reporting requirement for federal grants the Department has to prepare called a CFA. As a part of that, the auditors do a Single Audit, which have increased in cost and they usually do a few annually. That was the additional \$10,000 request.

There were no public comments.

**d. Human Resources (pages 91–92)**

**e. Employee Benefits (pages 91–92)**

Human Resources Director Darcy Newport presented her Budget. She was celebrating six months with the City, so she appreciated the time and consideration. This year's HR budget reflects a steady kind of hold the line approach during a time of transition in Human Resources. They have a staff of four people, three of which started this year. So, they are a relatively new Department, who are all still learning. Over the past few months, Ms. Newport's priority has really been listening, learning the organization, and understanding the current processes and the needs of the City overall.

Ms. Newport said she really focused on continuity when it comes to the Budget. The HR function is supported through two budgets, one being the Departmental Operating Budget and the other being the Citywide Benefits Budget. The Operating Budget came in at about \$5,000 below FY26, whereas she asked for a \$5,000 supplemental for the Citywide Benefits Budget, which was totally coincidental. Ultimately, the total expenditure came out just below FY26. The \$5,000 supplemental request is intended to support an employment event that is held during the winter holiday season. This gives HR the opportunity to recognize milestones for service achievement, award recipients, and demonstrate appreciation for the workforce as a whole. There is a cost associated with it. She thinks that it is an important investment in employee engagement, retention, morale, and overall organizational culture.

Ms. Newport thought it was worth noting that although there are not significant revisions in this year's budget, she does plan to take a closer look at how funds are currently being utilized to make sure the department really maximizes resources. One example of that is including an

opportunity to leverage technology a little bit better to help streamline processes, reduce administrative burden and errors, and to provide a higher level of service to the workforce. Human Resources plays a key role in supporting the workforce, from recruitment and retention to employee relations and development of people, so maintaining stability in this year's budget will allow the Department to continue delivering these core services while strengthening internal operations. Looking ahead, Ms. Newport plans to take a much more comprehensive and strategic approach to looking at the budget to ensure she is really maximizing all of the resources. For this year, the Department is really holding steady and making sure to make every dollar count.

There were no public comments.

**f. Compensated Absences Fund (pages 173–174)**

Finance Director Kari Chamberlain discussed the Compensated Absences Fund, noting it is the same amount appropriated for the past few years. This fund is available in unforeseen circumstances of retirement. So, any kind of payout that would be related to somebody who is retiring; anytime that the City would owe them, that is what this funding is for.

Chair Powers said this is a responsibility this City has always had and funded the best it could in prior iterations of it doing business. Over the past few years, he thought the government told the City it needed to do things differently. He said it makes sense to do things in a fashion so that the City can anticipate its expenses. The Finance Director agreed that the auditors for FY25 looked at the process the City was using and provided some feedback on additional considerations that the City would be incorporating moving forward.

Councilor Roberts asked if this is why so many companies pay out any leave, etc., at the end of their fiscal years, so they do not have anything like thing going forward. The City Manager said it was a great question. She said the City has a combination of leave banks that an employee may have when they leave or when they retire, such as their unused vacation time. As those leave banks grow, it creates an additional liability for the City. So, by creating this Compensated Absences Fund, the City is setting it aside. She knows a lot of people retire at the beginning of the year because of how their taxes are calculated, which has nothing to do with the Compensated Leave Absences. Other than that, the City Manager was not sure how the private sector might do it.

There were no public comments.

**g. Parking Fund (pages 182–187)**

Chelsea North, Parking Operations Manager, reported that the Parking Fund remains responsible for the upkeep, maintenance, and enhancement of the downtown area. The Parking Fund supports the operational needs such as parking lot resurfacing and striping, street sweeping, snow removal, trash collection, landscaping, flowers, and other beautification efforts that keep the downtown attractive and welcoming to visitors and customers. Over the last fiscal year, Parking Operations implemented a lot of different operational changes to help prepare for impacts to revenue with the Downtown Infrastructure Project. She said they anticipate being able to offset

some of those costs with some of the changes they have made to software programming. Another revenue impact they had was due to the overnight parking regulations and impacted the parking fund by about \$90,000. Those revenues have been offset by other means and other changes through software fees, etc. This upcoming year, Ms. North said she was only asking for a supplemental request of \$300 for electricity in the downtown area. Despite the rising costs, she said they kept consistent with cost of previous years.

There were no public comments.

**h. Police (pages 136–141)**

Police Chief Steve Stewart said he had very little to talk about in terms of his Operational Budget. There were no supplemental requests, and nothing had changed there. So, the only thing that really changed in the budget was the people's portion over the Payroll and Benefits, which he took an opportunity to talk about briefly. He provided a staffing update. The Police Department has 44 sworn positions and at this time, six vacancies, which he said sounded fairly good compared to recent years. However, there were also two people in the Academy at this time, so that really makes the vacancies eight, in addition to one injured and one deployed with the military. So, that totals 10 vacancies. On top of that, he said there are six people in the Department with eligibility to retire tomorrow and five more with over 20 years of service working toward retirement. He welcomed other questions about the Budget.

Councilor Lake looked at the Special Services Section and saw fluctuations year-to-year (i.e., \$80,000; \$150,000; \$270,000) and asked for elaboration on what that line refers to and why it changes so much. The Chief and City Manager reviewed. The City Manager thought that it referred to Detail Pay in the Department but would confirm and send an answer to the Council the next day. Councilor Chalice asked what Detail Pay means. The City Manager explained that when Police Officers work a detail for someone else or they are hired to do traffic control or for an event, they are paid a specific rate. That rate is tied to the Union contracts. The City has two Union contracts in the Police Department, one for Police Officers and one for supervisors. She said it makes sense that the number would increase and that it would fluctuate depending upon the need. However, she wanted to double check that Detail Pay was indeed charged to that line. Chair Powers added that there is also a corresponding income line that brings that money in.

There were no public comments.

**i. Fire (pages 102–106)**

Fire Chief Jason Martin presented his Budget, noting that the Fire Department had experienced another busy year. In FY26, the Department recorded 6,662 emergency incidents. It is an all-service Department: fire, rescue, EMS, and hazardous materials responses. Chief Martin proceeded presenting the supplemental requests for his Operations Budget, mostly to increase interoperability and safety.

First, a \$3,000 request under the Equipment–Communications Minor line item. This request is for the purchase of four iPads with cases and mounts that will be installed in the cabs of each of

the ambulances. They will remain mounted there and will be used as Mobile Data Terminals (MDT). This means each ambulance would now have two iPads, which will prevent cross-contamination from the patient compartment to the cab and ambulance. At this time, they are responding to a call in front with the iPad and then taking it out to treat the patient, so it is serving a dual purpose. Adding another iPad to each ambulance would let both those functions happen at the same time and eliminate cross-contamination between the patient compartment and operator's seat.

The next supplemental is a \$9,000 request under the Equipment–Minor Safety line item. This is a request to update the incident command consoles in the rear of the command vehicles. Through new up-to-date training that the command staff has attended, they identified more efficient ways to operate incident command and accountability at large scale incidents. This request would update the consoles to align. The Department was also currently doing some grant funded training on this new incident command layout and being able to update the consoles would go along with that grant funded training that they received.

The next is a \$10,000 supplemental request under the Supplies–Vehicles line item. This request is for the cost of upfitting of the Chief's car, Deputy's car, Shift Commander's car, and Backup Shift Commander's car with two new radio heads. One is an avionics radio or an airport radio and the other is just a second head so they can listen to multiple frequencies at the same time. An avionics radio is required to enter the grounds of any airfield in the country, so this would allow the shift commander to not only monitor the air traffic on the way to an incident but also be able to announce that FD units have arrived on scene. The second operational radio would help interoperability because the captain or the chiefs can be listening to two different frequencies at the same time, meaning the dispatch frequency and then there is usually a tactical frequency, which is what the units on the scene are using. The Department often gets orders from the tactical frequency prior to arrival on scene.

The next supplemental request Chief Martin explained is a new request for \$2,500 under the Supplies–Protective Clothing line item in the Fire Marshall/Fire Prevention Division. At this time, there is no mechanism to purchase protective equipment for the Fire Prevention Division. The protective clothing they need for their fire investigators does not need to meet the same standard as for structural firefighting. So, the cost is about half. However, this re-supplemental request would allow the Department to buy one set per year, and it would take three years to get everybody outfitted properly.

Another supplemental request for \$10,000 under Ambulance Administration Services. Chief Martin explained that recently, Cheshire County EMS submitted a proposal to charge the City for a backup ambulance service. They said this was coming and at this time, the City was in negotiations with them to find out what that total cost may be. So, this amount of \$10,000 was just an estimate. Chief Martin said it was in the works.

Chief Martin presented the FD's final supplemental request for FY27: \$6,000 under Paramedic Tuition. Currently, the Fire Department has a line under Paramedic Tuition to send one person per year to paramedic school. In the past it was funded at \$8,500 and the cost to send one person

to a 12-month program is \$14,000 plus books. So, this request is just bringing it in line with that cost per year to obtain their certification.

Councilor Lake asked Chief Martin to cover the Dispatch supplementals of \$103,599 on page 103 (online). Chief Martin replied that the reason he mistakenly overlooked it is because he almost considers it a base Budget item, meaning that it is set, and the Department has no control over it. He said it was a big jump this year and he wished he could speak for the dispatcher, but they had an assessment for every single municipality and reset fees, and this reflected the extra supplemental cost. However, it is a base part of the Budget, so the Chief had no control over it. The City Manager agreed that Southwest Mutual Aid, the City's dispatcher, alerted the City several months prior that they would be increasing fees dramatically and she shared that information with the Council at the time. She would be happy to share that again leading up to the finalization of the Budget. She said the Chief was right that the City did not really have a lot of choice. A member of the Fire Department is very active on their board, which the City Manager thinks is important as they go through their restructuring, to ensure that the City advocates for fairness across all the communities.

Chair Powers disclosed that he is a part-time FD employee. He said when you make an emergency call in the City of Keene, Southwest Mutual Aid is dispatching for the City and 74 surrounding towns at all hours. So, Chief Martin said it is a necessity for operations and said they are essential. The City Manager said she learned a lot about dispatch when the City was going through all the ambulance transition and one of the things that they do is not only dispatch the City, but they dispatch others who respond to City emergencies. So, there is a call order of towns for fire response and the dispatchers manage that. She explained that it is a complicated system as the chiefs and deputies are changing the levels of the calls. She knew Southwest Mutual Aid was working to upgrade equipment to handle dispatching efficiency. The City Manager said the County was looking at potential grants because their EMS system is also dispatched through Southwest Mutual Aid.

Chair Powers opened the floor to public comments.

Mayor Kahn wanted to understand the overall Administrative Services and the vagary around it. He asked if that increase would be a net of costs going back and forth, so this is an estimate that would be clarified before the Budget is passed. The City Manager backed up a little. She noted that the FD had been receiving backup services from the County EMS ambulance service for a couple of years now and had not been charged for that. Before the County started their EMS service, the City was backed up by Deluzio and the City backed up Deluzio, so it was a fair arrangement each year, essentially equal backup, so no money changed hands. Now, Cheshire County EMS is looking to start billing the City for the backup ambulance service after the years without a fee in addition to increasing their fees dramatically. The City also provides services to them. The City Manager knew they were looking at balancing their Budget and revenues. One thing she talked to the Chief and Deputy about is how to define or quantify the value of services the City provides to the County vs. the services they provide to the City. That was still in the works, and she did not know what the number would be. Initially, the County was going to bill the City \$120,000 or \$10,000 per month, which is obviously a lot of money. They were still in conversation to determine if they could come up with a better arrangement for the future. The

City Manager referred to the Mayor's Comment on Administrative Services under the Operating Budget and Ambulance Division (in the Budget Book on page 109) and she said it is important because the City does bill out a portion of expenses of ambulances as well. However, that \$10,000 was an increase for Comstar, which is the City's billing service. She did not believe at this time that any additional funds were included for the County because that was still being worked out, but she would confirm the next day.

Next, the City Manager asked to talk about Fire Department (FD) staffing, which she had been discussing with Deputy City Managers, Rebecca Landry and Andy Bohannon, and the Fire Chief and Deputy Fire Chief. Additionally, Councilors Powers and Lake had been serving on a staffing committee for the FD and reviewing the Department since 2022. The first recommendation that came out of this committee was to increase the Department by four firefighters, one per shift. The City has 24-hour shifts and adding one firefighter per shift equaled four, and equaled approximately \$500,000. She said the City made that adjustment in 2023/2024. The next recommendation was in 2025 for the third ambulance because a lot of calls were coming in at the same time and there was not as much of a break between calls for the firefighters; it became clear there was a minimum staffing number to be able to run three ambulances at all times. The Council agreed with that recommendation and at that time added four more firefighters. Right now, the staffing Committee had been looking at what was happening with overtime because when there is a minimum staffing number of 12 required to run the three ambulances, every time someone is out for vacation/sick/injury, the City must pay to bring in another firefighter on overtime and it is very costly. So, the staffing committee looked at adding four more firefighters to the Department, another one per shift above the minimum, so the Department would be able to cover when someone is out. They had been looking at those numbers, and the City Manager was planning to bring a recommendation to the FOP Committee on May 28, 2026 from the staffing committee to increase the FD staffing one more time by four firefighters.

The City Manager said the FD, HR, and Finance Departments had done a lot of calculations to understand what this would mean to the Budget. It unfortunately would not mean reducing the Budget; it would be an increase, but it would be a decrease to the overtime. She explained how that would work because for the past few years, the City had been paying overtime over the Budget, so the FD had come in higher than its allowed Budget and the Council moved money to cover those overages. She had mentioned being in the same situation again this year. If the Council approves this staffing increase, the Department will not pay overtime, but will pay it in wages, so it will not be 1:1. She said none of this was ready for preparation for this FY27 Budget as they were still evaluating the numbers. So, she would bring the proposal forward to FOP on May 28, 2026 with an informational presentation to show what had been discussed, reviewed, and what the committee recommends, which is directing staff to draft a resolution to move forward with increasing the budget to hire these four firefighters for fiscal year 27.

Councilor Chalice understood the overtime vs. staff wages but said it seemed like we are growing and growing. She assumed that is because the City is experiencing increased incidences of needs for services. She asked if those numbers exist. The City Manager said yes. The City has seen an increase in calls, and she would share the numbers with the Council for the last several years. Additionally, this is an ageing state, so there is more demand on EMS unfortunately. She said there are some large fires here as well. She would share the trends and what it takes to

respond to a call, such as how many people are on an ambulance. The City Manager does not want the Council to feel rushed in this important decision, so this first meeting will just be an informational session.

Ian Matheson (of Court Street) lives right around the corner from the Firehouse, and said he would be the Fire Chief's barometer that yes, they are incredibly busy. Mr. Matheson said approximately every five minutes they are going out on a call. He does not know where the Chief is pulling the people from to staff the trucks, but he gives the Chief the due credit. Mr. Matheson heard an increase in EMS more than fires and wondered if this conversation could be feasible about hiring four part-time employees instead of full time to save the Budget. He mentioned the Keene State College and River Valley Community College nursing programs in the area and said maybe the City could partner on a basic EMT course to get part timers. Otherwise, he said the cost will continue to jump and part time is cheaper than full time, which is cheaper than overtime. The City Manager said the staffing committee discussed the differences and would go into more detail on May 28. Chief Martin explained more that they had looked at just about every possibility and looked at adding two people to cover the openings, but the numbers showed that four could still do the same to offset the overtime. So, logistically, if adding four, it makes sense to add one on each shift. He explained all the logistics that come with part timers like scheduling, which the committee looked into. He noted that Cheshire County EMS tends to grab all the part-timers. Chief Martin said the City is exploring every option it can to be creative and think outside the box and will provide more of that during the presentation. Chair Powers said it is a hard question to answer and thanked Mr. Matheson for his inquiry. Chair Powers has experience in this business and said part-time works in many different ways and certain elements of community service. Particularly in the ambulance business, he said you have to be there and be fully trained, and as the Chief mentioned many part-timers work for other services. Full timers might be able to do their day off on a part time basis but that only works so well, so Chair Powers said it is pretty tough. Chair Powers commented on the FD being work that uses different methods to make everything work and said it really requires a full-time staff ready to go at any time. Looking at the average daily trend of ambulance calls, it is never the same, it is never quiet. They had looked at all those trends. Chair Powers appreciated that Mr. Matheson showed interest and took note of how busy the FD is because many do not realize how many calls: 6,000 plus calls divided by 365 days in a year means running at high speed all day long.

Councilor Laura Ruttle-Miller (of West Street) spoke in general, stating it was not criticism of Chief Martin, but noted that nobody likes to see increasing costs or a Budget increase right now. Everybody wants to think things will go down but Councilor Ruttle-Miller said that is unfortunately not the world we live in right now. She said obviously the numbers on the page only tell a part of the story, but people see line items and hear increases. She said they may not see the exponential increases in health insurance in other things that continue to grow. Councilor Ruttle-Miller suggested that it may be helpful to tell those stories as departments continue to come forward, to share the really hard choices they have had to make in their budgeting and cuts to get people here today. She said it is not as simple as presenting a budget that is bigger than last year's. Many things had to be cut so all these other things could increase. She thought there could be a way to share more of those hard choices with the public during these presentations. She thought some people might feel like the City is just out here on a spending frenzy and while the Councilor knows that is not the case, she wants to show them the City is having the same

hard time that members of the public are having too. She thanked Chief Martin for all the information shared.

Councilor Roberts said he knows the City keeps really tight control over the money it spends and is always trying to find someone else to pay or to maximize City taxes. He stated that when his house is burning down or when he is suffering a stroke/heart attack and needs to get to the hospital as quickly as possible, he is not worrying about how much his taxes were. He said maybe we put fewer flowers downtown or waited longer to plow the snow and people complain but when someone's house is on fire and life needs to be saved and nobody is there, they may also complain.

## **10. Adjournment**

The City Manager provided a brief update on the Downtown Infrastructure Project related to the Budget but not impacting on the FY27 Budget. On May 13, 2026, the Municipal Services, Facilities and Infrastructure Committee met and reviewed two bids that came in for the Downtown Infrastructure Project and put forward a motion to negotiate and execute a contract with Casella, which was the low bidder by about \$4 million. The City Manager said it was not a close choice. At the same time, City staff presented a possible funding scenario that will be running parallel. That funding scenario will come to the FOP Committee because it will involve resolutions.

The City Manager provided the Committee with the materials that were provided to the MSFI Committee on the two different bids. The two bids received were from Casella Construction for \$26,058,836 and Albanese DNS Inc. for 29,865,707. The Public Works Director pointed out that after all the cuts that the FOP Committee made and the last time the City went out to bid, the lowest bid from Casella was \$2 million less than the bids in December 2025. The City was hoping it would be lower than that, but the City Manager said it is lower. The Public Works Director went through the different pots of money that are funding the Downtown Project for the MSFI Committee: the General fund, which is supported by taxation; and the Sewer and Water Funds, which are Enterprise Funds that are supported by rates. He provided a breakdown of how much the City has in each of those funds and how much we need. He then provided a recommendation to utilize some unallocated unspent project balances that total \$2,320,000. So, what will come before the Finance Committee is a resolution to move all that money around. The City Manager was unsure if it would be in one resolution or two. Those complete project balances would take care of a good portion of the gap in funding. The City Manager explained the second recommendation to use \$1.2 million from the Fund Balance for the rest of the gap. They considered whether or not to use additional bonding, but because the City's bonding amounts are increasing, it felt safer to use some additional Fund Balance money now.

So, there would be one resolution coming forward to FOP for the Fund Balance and one to move project funds. Those actions will not impact the tax rate because the Fund Balance is outside of the Budget and the movement of funds available in the projects is already allocated money. The City Manager also provided the Committee with the Downtown Infrastructure Capital Plan Update, which was updated on May 14, 2026 with the current available funds in the FY27 Budget. It also showed these two proposed additions, broken down by the two types of funding:

General Fund or Water and Sewer. The City Manager shared this to prepare the Committee for what would be coming forward over the coming weeks.

There being no further business, Chair Powers adjourned the meeting at 7:12 PM.

Respectfully submitted by,  
Katrinya Kibler, Minute Taker

Reviewed and edited by,  
Terri M. Hood, City Clerk and Kathleen Richards, Deputy City Clerk