



CITY OF CONCORD

New Hampshire's Main Street™

City Manager's Office

Thomas J. Aspell, Jr.
City Manager

May 11, 2023

Honorable Mayor and City Council:

It is my pleasure to submit to you the proposed budget for Fiscal Year 2024. This budget includes a proposed tax rate increase of 3.95%, well below the consumer price indices reported in the past twelve months, and continues to align with the City Council's goals. This budget maintains the City's investment in emergency services and expands on serving the needs of the City's most vulnerable populations. Capital projects that support public infrastructure improvements are included, and quality of life dominates this proposal. This budget includes funding for significant supply cost increases due to market forces, and network security and management improvements. It provides for a Class and Compensation study to better align the City's positions with the competitive market to help recruit new employees, and retain existing staff and an expanded paid Family Medical Leave program to align with the State's efforts. It also includes an increased investment in education and training for City employees to allow enhancement of their skills and maintain certifications. All efforts have been and will continue to be made to ensure that costs are contained while continuing to provide high quality services.

Fiscal Year 2024 Challenges

Developing the City of Concord's annual budget requires balancing competing fiscal challenges and demands for services and projecting estimated revenues. One of the most important drivers in this process is the fundamental effort to return to a balanced budget. The Fiscal Year 2023 budget was adopted using \$375,000 in Unassigned Fund Balance. This amount was reduced to zero at the November 2022 tax rate setting with the use of additional Rooms and Meals Tax revenue received from the State. In addition to eliminating the use of fund balance, the City also lowered the tax rate increase at that time.

The Fiscal Year 2024 budget started with a number of challenges; inflation at higher levels than seen in years, a 9.5% health insurance rate increase, double digit increases in the cost of energy, and costs for supplies and chemicals increasing at unprecedented rates. Conversely, the City is also recognizing positive attrition relief in wages and benefits; a reduction in New Hampshire Retirement System rates; and revenue increases in Investment Income, Motor Vehicle Registrations and Building Permits.

The City continues its initiatives around diversity, equity, inclusion, justice and belonging (DEIJB); working with organizations such as the Overcomers Refugee Services, Ascentria, and Second Start. With the new fee structure in place, the Citywide Community Center is used by local organizations such as Change for Concord, Project Story, Riverbend, and the Senior Meals Program. The City is a designated Recovery Friendly Workplace, as well as the first municipality in the state to be recognized with the New Hampshire Veteran-Friendly Bronze Business distinction.

The City has also implemented policies supportive of LGBTQ+ individuals and works with the Municipal Equality Index. The Fiscal Year 2024 budget includes funding to facilitate a wider recruitment net from diverse pools of candidates.

Fiscal Year 2023 Review

Fiscal Year 2023 included the addition of four new full-time Fire Department employees to staff Ambulance 1, and funding to increase labor grades for qualified Firefighters to Advanced EMTs. The Police Department added two new Police Officer positions. The Community Development Department reorganized positions to add an Assistant Community Development Director, a Director of Special Projects and Strategic Initiatives, and a Permitting Systems Coordinator. This reorganization also discontinued the positions of Director of Redevelopment, Downtown Services and Special Projects; and vacant Economic Development Marketer positions. Fiscal Year 2023 also returned funding for an Assistant City Prosecutor, and added a Network Security Engineer, two part time Library Technicians, an Assistant Golf Professional, and a Fiscal Technician II.

This Fiscal Year saw the completion or advancement of several high-profile projects within the City, including:

Private Projects

- Redevelopment of the former New Hampshire Employment Security Building by John J. Flatley Companies;
- Reached an agreement with United Therapeutics Corporation to build a 36,000 SF building at the Concord Airport;
- Construction of the new Grappone Mazda dealership on Manchester Street; and
- Construction, which is underway, for the Penacook Landing Apartments Phase II.

City Projects

- City Council authorized funding for the design of the Loudon Road Bridge Project;
- Began the design phase of the Beaver Meadow Clubhouse Project;
- Design is ongoing for the Penacook Riverfront Park Project;
- Construction is ongoing for the Splash Pad at White Park; and
- Installation of the soccer mini pitch project at Keach Park is nearing completion.

City Private Partnership Projects

- The partnership with the Friends of the Merrimack River Greenway Trail continues regarding a portion of the trail along the Merrimack River, between Exits 13 & 14;
- The partnership continues with Interchange Development LLC to construct public improvements to US Route 4 and Whitney Road that facilitate development of Merchants Way;
- The design work with the New Hampshire Department of Transportation on the I-93 project specifications for Exits 13 with the Manchester Street corridor and Terrill Park, as well as the Loudon Road Bridge Design;
- Partnership with Unifit for the LED Streetlight Replacement Project; and
- Partnership with the Boys and Girls Club of Central New Hampshire for the construction of a City Branch Library and Recreation Center in Penacook Village.

The City also continued its annual vehicle replacement program and, in Fiscal Year 2023, has ordered a new Tower Truck for the Fire Department, which has an 18-month lead time for delivery. Other General Services light trucks and plow trucks have between a 12–24 month delivery window as well. Significant investments continue in the Neighborhood Street Paving Program with \$2,655,000 from the annual CIP program, and an additional \$741,000 provided by the State of New Hampshire as a one-time increase in Highway Block Grant, for a total of \$3,396,000 of additional street paving funded in Fiscal Year 2023.

Additionally, the LED light conversion project at Rollins Park is completed and is nearly complete at Rolfe Park, the next phase of irrigation replacement at Beaver Meadow Golf Course and continued major improvements at both the Water and Wastewater Treatment Plants are underway. The City is also now receiving revenue from Essex Hydro from the Net Metering Agreement.

Staffing and turnover of City staff continues to be an issue in several departments. In Calendar Year 2022, the City had an overall employee turnover rate of 16.7%, relatively significant. The Police Department's vacancy rate is nearly 20% and currently has 16 vacant police officer positions. Recruiting and retaining employees continues to be a challenge and top priority. Labor wage increases, enhanced leave, and recruitment/retention benefits that the City Council approved earlier this year will help with these efforts.

Fiscal Year 2023 is the second year that American Rescue Plan Act funds were used in both the General Fund (\$945,000) and the Parking Fund (\$438,000). These funds were used as revenue to offset the costs of operational wages and other operational expenses. The final allocation of \$899,990 is budgeted in Fiscal Year 2024, in the General Fund only, for the same purpose.

Fiscal Year 2024 Budget

The Fiscal Year 2024 budget presented here totals \$130,104,467 across all funds, with a 3.95% tax rate increase for the General Fund.

The recommended Fiscal Year 2024 Operating Budget comes after the financial rating agency's recognition of the City's strong fiscal management. The City's AA+ rating allows the City to secure favorable rates for infrastructure to support equity, affordability, and resiliency in all neighborhoods.

Fiscal Year 2024 Budget Assumptions

As in past years, this budget is premised on several significant financial assumptions for compensation, utilities and supplies. It also includes increased revenues to help offset some of the additional expenses.

The City has locked in pricing for gasoline/diesel and electricity that is lower than the market highs of just a few months ago. While there are still increases in the budget, they are not as significant as originally feared. Price increases are also being realized and budgeted for building supplies, fleet parts, road salt and sand. Wage increases for full and part-time employees reflect the need to retain and attract quality employees and keep pace with inflationary pressures. Wages for temporary positions increase to attract and retain staff. Health insurance increase is a significant 9.5%. Offsetting some of these increases, the New Hampshire Retirement System rates decreased slightly; and due to staff turnover and attrition, overall wage and Beneflex cost increases were less than anticipated. The City's new self-insured dental program with Delta Dental is on plan with expectation after nine months of experience. With the increased temporary wages, the Arena and Golf Course are able to attract and retain seasonal staff. Recreation, cemetery and lifeguard positions are still challenging to fill. All six pools and the splash pad at White Park are budgeted to be open this summer.

This budget includes \$899,990 of ARPA funding to fund operational wages and other operational costs, which is the final year of ARPA funding under this program. With the Federal Reserve's increasing interest rates this past year, the City is on track to exceed its budgeted revenue for investment income for Fiscal Year 2023. Although there is talk of a slight rate easing by the Federal Reserve late in calendar year 2023, the City still anticipates solid investment income in Fiscal Year 2024 with an increase of \$510,000 over Fiscal Year 2023. An additional \$100,000 in motor vehicle registration revenue is budgeted. While interest rates for new cars are at their highest levels in years, inventory on dealer lots is increasing and projections for demand continue to be strong. At a more local level, with increasing calls for service, ambulance charges are estimated to increase by \$252,000.

The City decreased the use of Recreation Reserve to \$200,000. An increase in the transfer to the Highway Reserve by .25% of the tax rate, or \$117,900, is also proposed to enhance the Neighborhood Street Paving Program. With this increase, the City now annually invests \$857,000 as a portion of the tax rate for Highway Reserve purposes.

Of particular note, there is no use of unassigned fund balance in the Fiscal Year 2024 budget, which meets Council Goal #1.

Public Safety – City Council Goal #3

The Fire Department responds to approximately 10,800 calls for service annually. Seventy-four percent (74%) of these calls are for emergency medical services (EMS). This budget includes the continuation of the permanent new ambulance crew for the full-year and upgrading of certifications for Emergency Medical Technicians (EMTs) to Advanced EMTs. These needed changes will significantly improve service across the community. The City continues to invest in the Fire Department personnel and operations with additional funding to backfill for training, \$26,000; paramedic education tuition, \$21,900; fire burn (Conex) box replacement, \$12,000; compliance officer training, \$2,600; station washer and dryers, \$10,500; overtime for SCBA technical services, \$15,300; headquarters concrete stair replacement, \$8,200; radiological monitors, \$1,500; and increases in other necessary supplies and equipment.

Attracting and retaining sworn police officers is a top priority. While staffing vacancies are high, it is even more important to diversify the work force with a Police Social Worker MSW position to manage issues that do not require a sworn police officer. This budget includes 10 months of funding for an individual with a Masters of Social Work degree to advocate for community members who need services, \$84,200. This expense will be supported by funds received from the Opioid Settlement Reserve. This budget also includes funding for advertising and recruitment, \$2,500; increased ammunition expenses, \$7,500; state accreditation, \$1,500; Leads online, \$7,900; Central New Hampshire Special Operations Unit training, \$9,000 and Power Engage, a complete citizen engagement and feedback solution, \$10,800.

Informational Network Safety

The City's new Enterprise Resource Planning software transition is nearly complete. The only application remaining to go live is the Property Tax module, which is now scheduled for early 2024. The Community Development permitting system is now live and the City Council approved a new Permitting System Coordinator position in April to enhance its utilization. The City's new IT Network Security Engineer position is fully in place and enhancing the City's security systems. Continuing to enhance systems and security, this budget includes funding for a Password Manager System, \$12,000; Patch Management System, \$4,300 and a Centralized Logging System, \$2,500.

Elections

Elections continue to be the cornerstone of municipal government. With City staff and Election Officials on the front lines of this work, I am including \$2,500 to compensate Ward Officials for participation and attendance at annual election training.

Training and Recruitment

For Fiscal Year 2024, the City continues to invest in its employees through training opportunities. This budget continues to build on this by including another \$59,500 for training, tuition and conferences across all funds. The Human Resources Department continues to use Circa Works, a service that promotes the City's job postings to over 600 national sites. This affords the City a more efficient and effective means to attract quality employees from a broader set of diverse candidate pools. This budget also provides funding for a citywide class and compensation study, \$80,000; and paid family medical leave, \$78,400.

Other Staffing

This budget includes the addition of a new full-time Administrative Technician III at the Cemetery Office to help improve customer service, record keeping and office coverage, which creates necessary knowledge redundancy, \$71,000; and reinstates an Engineering Technician in Engineering, \$88,100.

Protection of Open Space

Protection of the City's trail system is critical to ensuring the quality of life that many in the community value. In Fiscal Year 2024, the City is expanding the funding for the part-time Trails Ranger position by adding \$3,200 to increase the amount of time this position is able to monitor and manage the City's vast trail systems.

Economic Development

The City Council approved a realignment of the Community Development Department at its April 2023 meeting. In particular, the alignment focused on economic development roles and responsibilities, a focus on special projects and strategic initiatives, and direct support for citizen and business development interaction. This budget funds this realignment for the full fiscal year.

Community Partnerships – City Council Goal #4

As was noted in the "Fiscal Year 2023 Challenges" section, the City enjoys a history of collaboration with local organizations to enrich the quality of life for the community. In Fiscal Year 2024, the City expects to continue those relationships. Of note, the City will remain a coordinator for the Gas Holder building and a lead for the Abbot Downing Society/Concord Stables preservation efforts. The City will continue to provide support for Intown Concord, the Multicultural Festival, and the Merrimack River Greenway Trail. The City will work in close coordination with the Boys & Girls Club of Central New Hampshire regarding the new Penacook Library/Recreation Center.

Sustainability – City Council Goal #6

This budget provides funding for two new charging stations, as noted in more detail in the capital section of this letter. The City is also currently under agreement for net metering with Essex Hydro and is awaiting results of a request for proposal for a solar project on the City's Old Turnpike Road Landfill. The City has also received a grant from the State of New Hampshire as part of the ARPA funding for a solar project at the Hall Street Wastewater Treatment Plant. The City Council recently approved the Community Development Department reorganization that will bring additional focus on energy and sustainability initiatives.

Parking

The Parking Fund continues to improve parking revenues for on street and metered parking. Fiscal Year 2023 was the second and final year of ARPA funding for this fund, which helped support operational wages and other operating expenses. In total, over two fiscal years, the fund realized \$877,000 in ARPA funding for these purposes.

For Fiscal Year 2024, the ending working capital is expected to remain solid at \$1.3 million. This budget includes funding for an online permitting module for residential permits, garage permits, encumbrance permits for meter and time zones, and hotel guest parking permits, \$15,000; increased online credit card transaction fees, \$24,000; and a winter parking ban impound lot, as recommended by the Parking Committee, \$30,000. With a parking fee increase proposed in 2025, the Parking Fund would maintain a positive working capital balance through 2028.

Tax Increment Finance Districts

The City's three Tax Increment Finance Districts continue to perform well. The Fiscal Year 2024 Budget shall continue to release approximately 67% of the captured incremental assessed value of the North End Opportunity Corridor TIF District to support the City's General Fund, as well as the Concord School District and other taxing authorities, while simultaneously preserving working capital for future construction of CIP #18 Storrs Street North, and CIP #543 Merrimack River Greenway Trail, which will eventually traverse through the District. There are no significant changes to the Sears Block TIF District (SBTIF). However, the redevelopment of the former NH Employment Security property will result in the SBTIF likely being well positioned to commence releasing captured assessed value in the future to support the City's General Fund and other taxing authorities.

Lastly, because of the success of the City's investment in infrastructure for the Interchange Development and Market Basket project at Whitney Road, coupled with other past development, the Fiscal Year 2024 Budget is expected to release 15% of the captured incremental assessed value within the Penacook Village TIF District (PVTIF) to support the City's General Fund, Merrimack Valley School District, as well as Merrimack County and the State of New Hampshire. This represents an increase of approximately \$2 million in released value from the PVTIF. In addition, in Fiscal Year 2024, the PVTIF will support construction and maintenance of the new Canal Street Riverfront Park (CIP #567), as well as commence repayment of outstanding past contributions from the Economic Development Reserve Fund used in the redevelopment of the former Allied Leather Tannery site.

Water & Wastewater

The two utility funds continue to provide the City with critical services to meet ever-growing demands. A 4.5% water rate increase and 5% wastewater rate increase are proposed for Fiscal Year 2024.

These rate increases are necessary to meet the ongoing operational increases and capital infrastructure needs. The Wastewater and Water funds have a number of capital projects planned which are vital to the long-term operations of all three plants.

Fiscal Year 2024 Proposed Capital Budget

The proposed Fiscal Year 2024 Capital Program totals \$20,133,000 (less asterisked projects), and represents a 10.3% increase from Fiscal Year 2023.

Road & Bridge Infrastructure

McKee Square funding for the completion of Phase I (preliminary design) and Phase II (final design) is allocated in Fiscal Year 2024, CIP #31, \$275,700. Construction is slated for Fiscal Year 2026 and currently estimated to be \$4.2 million with an 80% NHDOT State share.

Capital funding is recommended to pressure wash and seal Commercial Street over Wattanummon Brook, and Water Street over Railroad Corridor, \$125,000. Structural repairs and/or design are needed on Horse Hill Road over the Contoocook River, Hoit Road over Haywood Brook, and Currier Road over Ash Brook, \$105,000.

The Loudon Road Bridge is a vital infrastructure piece in the City's transportation network. While no funds are earmarked in the Fiscal Year 2024 Capital Budget for bridge construction, the City Council recently approved funding for design and engineering. \$23 million is projected for construction in Fiscal Year 2025 with an 80% match from the NH Department of Transportation (NHDOT). After much effort on the City's part, NHDOT has added this project to their Ten-Year Plan and committed to providing an additional \$14 million in funding to make the bridge meet the community's needs for true multi-modal access for motorists, pedestrians and cyclists. This includes providing the critical river crossing for the Merrimack River Greenway Trail and better connecting the Heights with Downtown Concord.

Planning for major improvements of Manchester Street in future years, the Fiscal Year 2024 CIP budget proposes funding for Right-of-Way acquisition for roadway improvement, \$300,000, of which 80% would be funded by the State of New Hampshire.

New pedestrian countdown signals and a pushbutton station are scheduled for replacement at the North Main Street/Washington Street/Ferry Street Intersection, \$60,000. Also slated for reconstruction is realignment of the Abbott Road and Sewalls Falls Road intersection.

Continuing to make Concord a walkable community, the CIP Budget proposes \$1,090,000 to construct sidewalks on Airport Road, Pembroke Road, Sheep Davis Road, and Chenell Drive, and is planned in coordination with the Neighborhood Street Paving Program. This budget also allocates \$40,000 as the City's share to design and construct pedestrian safety improvements along Allen Street, which is to be coordinated with Merrimack Valley High School.

The Merrimack River Greenway Trail Phase 2 is proposed in the budget for \$700,000, pending acceptance of a grant and donations, and will be presented to City Council separately at a later date for appropriation.

The City's Sustainable Street Tree Program, replacing trees that have been removed in the City's right of way, is funded in the amount of \$5,000 and proposed to be increased to \$10,000 in future years.

This budget proposes significant funding of the Enhanced Neighborhood Street Paving Program at \$3,100,000, which includes \$2,800,000 for street paving, \$110,000 for pavement preservation, \$100,000 for drainage repairs, \$62,000 for Merrimack Street Drainage and \$25,000 for emergency overlays.

Parks and Cemetery Improvements

Recognizing the importance of quality of life for all residents, significant park improvements are programmed for Fiscal Year 2024.

At White Park, \$800,000 is included for the replacement of the Monkey Around Playground. This project is dependent on donations and federal funds; therefore it is not requested for appropriation with the budget and will be presented to City Council at a later date when all funding sources are confirmed.

At Keach Park, \$384,000 is being allocated for the design and construction of lights on a soccer field. At Kiwanis Park, \$200,000 is being allocated for the final design and permitting of the approved concept plan associated with the 2023 Merrimack River Recreation and Open Space Corridor Visioning Charrette.

For the Canal Street Riverfront Park in Penacook, \$2,012,000 is allocated for construction. This is being funded from Land and Water Conservation Funds, \$500,000; Tax Increment Financing, \$1,500,000; and \$12,000 from Impact Fees.

Blossom Hill Cemetery has two significant projects planned for Fiscal Year 2024. The rebuilding of a large granite retaining wall that failed in 2016, \$350,000; and \$100,000 to replace another smaller retaining wall. At Pine Grove Cemetery, \$40,000 is programmed to repoint and repair walls and will be funded from the Pecker Trust. Lastly, \$26,000 is being allocated to engrave and install approximately 200 markers on unmarked graves, which will be funded from the Single Grave Annex Trust.

Information Infrastructure

This budget provides \$374,000 for the annual replacement of computer hardware, software and printers citywide. It also includes \$10,500 for layer development of our critical Geographic Information System (GIS) and \$147,500 for a citywide document management system to integrate with the City's existing Enterprise Resource Planning system.

Economic Development

This budget proposes phase one of a two phase project to conduct a Full Measure and List Analysis of all properties in the City of Concord. This project is recommended in conjunction with the City's Board of Assessors in the amount of \$385,000.

City Building Improvements

A number of City building improvements are planned in the Fiscal Year 2024 CIP budget:

- Continue City Hall Masonry work, \$276,800;
- Replace the City Hall Interior HVAC chilled water piping system, \$200,000;
- Replace roof on Police Station, \$200,000;
- Replace Fire Stations washers and dryers specially designed for decontaminating personal protective equipment, \$80,000;
- Upgrade Library HVAC controls, \$100,000;

- Upgrade Library interior finishes and carpet replacement, \$50,000;
- Replace boiler at COMF, \$250,000; and
- Funding for a site selection study for a new Police Station, \$75,000.

Vehicles and Equipment

Reflecting this budget's focus on continuous improvement in emergency response, the Fire Department is programmed to replace a Tanker Truck, \$897,000; Ambulance 7, \$402,000; and four staff vehicles, \$240,000. The Fire Department will also continue its regular replacement of hose and equipment, \$30,000; systematic replacement of firefighting protective clothing, \$35,000; and \$275,000 to replace 30 AED units in all Fire Department and Police Department vehicles and within City buildings (Phase I of II).

The Police Department is provided funds to continue its programmed fleet replacement, acquiring four SUVs for \$280,000. This budget also allocates \$16,000 for Computer Crimes Hardware and Equipment.

The General Services Department anticipates \$1,743,000 in vehicle and equipment purchases, including a sludge hauler, four dump trucks, a leaf loader, two utility/pickup trucks, and other replacement equipment needs of the department.

The Parks and Recreation Department will replace two mowers and an infield pro-ball diamond machine, \$100,000.

Parking Fund Improvements

This budget proposes to conduct a study to evaluate alternatives to renovation or replacement of the State Street Parking Garage, \$75,000; it also recommends design for the reconstruction of the City Hall/Auditorium parking lot \$45,000.

Airport Fund Improvements

This budget proposes funding in the amount of \$435,000 for the design and permitting of a new terminal building and parking lot. Funding would be a combination of federal, state and Airport Capital Transfer dollars; therefore, the project is not appropriated as part of the budget.

Arena Fund Improvements

A project to replace an eyewash station, a roof ladder with hatch, and phase 2 of the ammonia system improvements, per U.S. Environmental Protection Agency regulations, is proposed at \$69,000.

Wastewater Fund Improvements

The Wastewater Capital Program provides for Sewer Main Rehabilitation and construction, \$1,950,000; Pump Station Improvements, \$300,000; Hall Street Treatment Plant Improvements, \$2,201,000; and Penacook Treatment Plant Improvements, \$50,000.

Of particular note in the Wastewater Capital Fund, are the projects planned for Fiscal Years 2024 through 2026 to support significant infrastructure needs on The Heights in order to meet the demands of proposed new development.

- CIP #91 proposes \$19,850,000 for Heights Sewer Collection Improvements, with design in 2024, Phase I construction in 2025, and Phase II Construction in 2026.
- CIP #275 proposes \$6,750,000 for the Steeplegate Mall Pump Station Improvements, with design in 2025 and construction in 2026.

In addition to other ongoing capital needs of the Wastewater Fund, these two projects account for approximately 45% of this fund's capital needs through 2029. It is important to proceed with these large projects to facilitate economic development on The Heights. It is equally important to the amortization of the debt service payments over a longer useful life and the impact on the ratepayers.

Water Fund Improvements

The City will construct two Electric Vehicle (EV) charging stations at the water plant, \$75,000.

The City plans to design and construct 1,850 linear feet of 8-inch water main on the full length of Lawrence Street in advance of the annual paving project, \$551,000.

Several projects are planned for the treatment plant: \$75,000 to replace the windows; \$50,000 flocculator electric service repairs for eight units; \$30,000 for Supervisory Control and Data Acquisition (SCADA) system improvements; and \$75,000 for water storage tank repairs.

The annual water meter and gate valve replacement program is budgeted at \$375,000.

Stormwater

Three significant Storm Water Improvement Projects are scheduled for Fiscal Year 2024. The design and construction of the Abbottville/Hood Outfall Area, \$552,000; engineering analysis and alternatives study for the collapsed Burnham Brook Culvert under the future extension of Whitney Road, \$75,000; and design and permitting of the Runnells Road and Terrill Park river bank stabilization improvements, \$400,000.

Beaver Meadow Golf Course

Due to continued popularity and success of the golf course and the continued improvements of the greens and fairways, \$326,000 is budgeted for the next phase of the irrigation work, and \$35,000 to replace one aerator.

Looking ahead

The City remains well positioned to weather most threats, though challenges remain. Inflation continues to exact increasing pressure on wages and the prices of goods and services, which has been felt throughout the organization. Energy and health insurance costs continue to rise significantly, despite tangible measures taken by City staff to ameliorate these impacts. With the expiration of the Solid Waste contract in June 2024, the costs for these services will rise significantly.

Despite these challenges, there are many opportunities ahead. There are multiple housing development projects currently under construction, and several significant projects expected to commence construction this year and next. In terms of both affordable and market rate housing, the community can expect a significant increase in housing stock. The increase will assist with both community livability and upcoming economic development opportunities.

City departments continue to demonstrate proactive, disciplined fiscal management; equitable and responsible spending; and long-range strategic planning. These practices will continue to maintain vital services while addressing evolving future needs. The Mayor and the City Council remain committed to keeping municipal property taxes affordable for all members of the community.

The City strives each and every year to reach a state of good repair on all major City assets. This proposed budget continues that practice. The commitment the City Council has made to continued fiscal responsibility again has yielded tangible results. City services continue to become more efficient, effective and responsive to the needs of all Concord's residents, businesses and visitors.

The proposed Fiscal Year 2024 budget affirms a commitment to capitalizing on and creating opportunity. The focus is on investing in Concord's neighborhoods while maintaining a record of strong financial management. The budget is balanced, sustainable and open-minded across all public policy areas.

I wish to recognize the employees that helped to bring many parts of this initiative together in this document for the City Council and this great community. All department heads and their staff have provided creative leadership in shaping their budgets, the various alternatives suggested and the continued excellent financial management exhibited.

I recommend this budget to the City Council.



City of Concord
FISCAL YEAR 2024
Budget in Brief



AA+
S&P Bond
Rating

Certificate of
Achievement
for Excellence
in Financial
Reporting -
27th Year

Distinguished
Budget
Presentation
Award -
8th Year

As stewards of taxpayer dollars, the City of Concord hopes you will find this document helpful. This Budget in Brief is intended to provide an overview of the City's proposed budget.

Fiscal Year 2024 is a roadmap for continued development and investment by the City Council for the citizens and taxpayers of Concord.

Full budget details are available online at concordnh.gov.



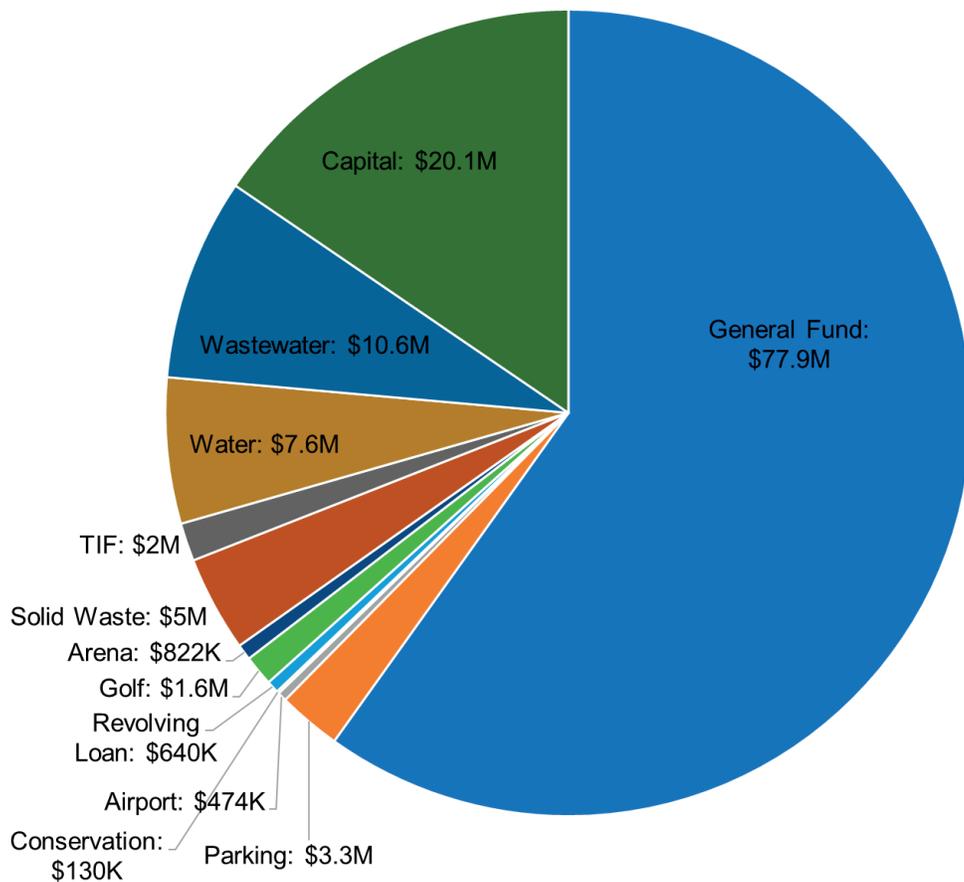
TOTAL BUDGET OVERVIEW

The proposed FY24 budget includes a 3.95% tax rate increase

FY23 Adopted Budget*: \$123.1 million

FY24 Proposed Budget*: \$130.1 million

**Includes Capital Improvement Projects*



CURRENT PROPERTY TAX RATES

CONCORD: \$25.89



School	City	County
\$14.63	\$9.11	\$2.15

PENACOOK: \$29.13



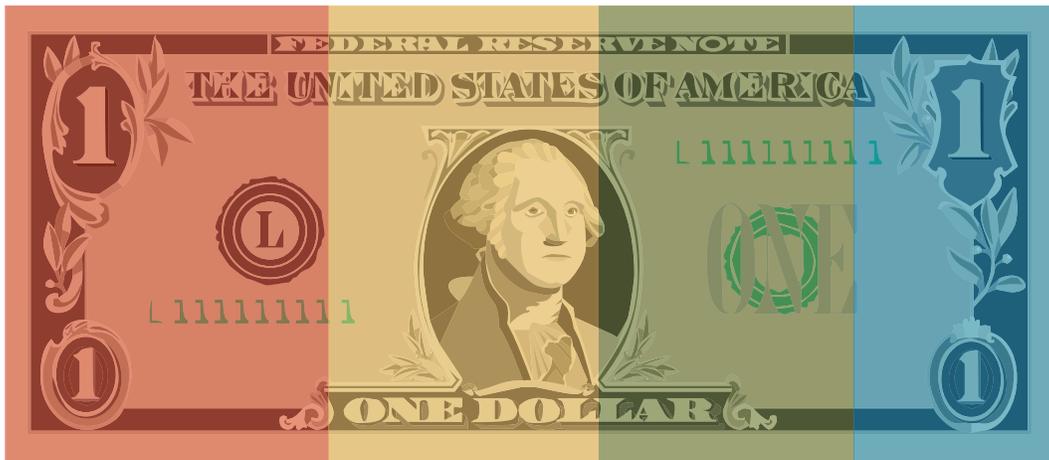
School	City	County
\$17.87	\$9.11	\$2.15

TAX RATE IMPACT



*A 3.95% tax rate increase
(City portion) equates to
\$108 for a \$300K house.*

What Do City Taxes Pay For?



33%
Fire

30%
Police

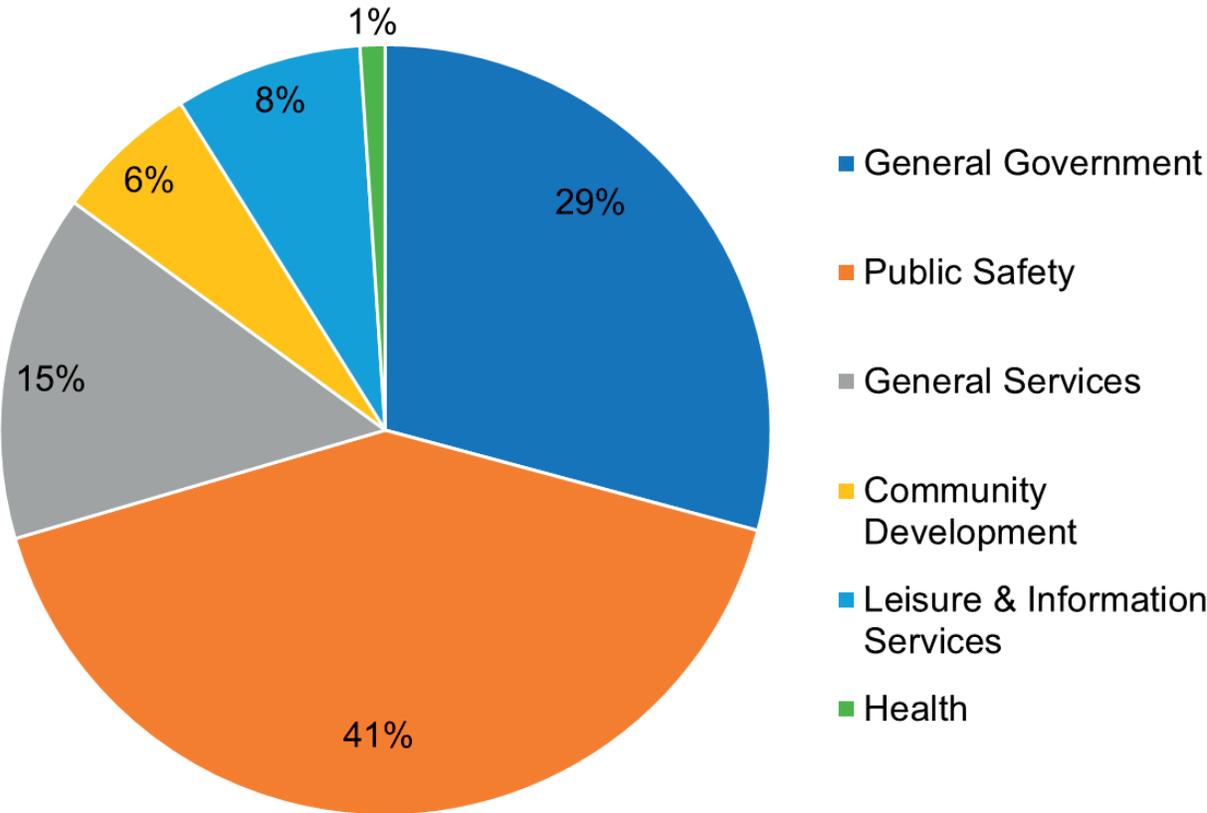
22%
**General
Services**

15%
**Debt
Service**

GENERAL FUND OVERVIEW

\$77.9 MILLION

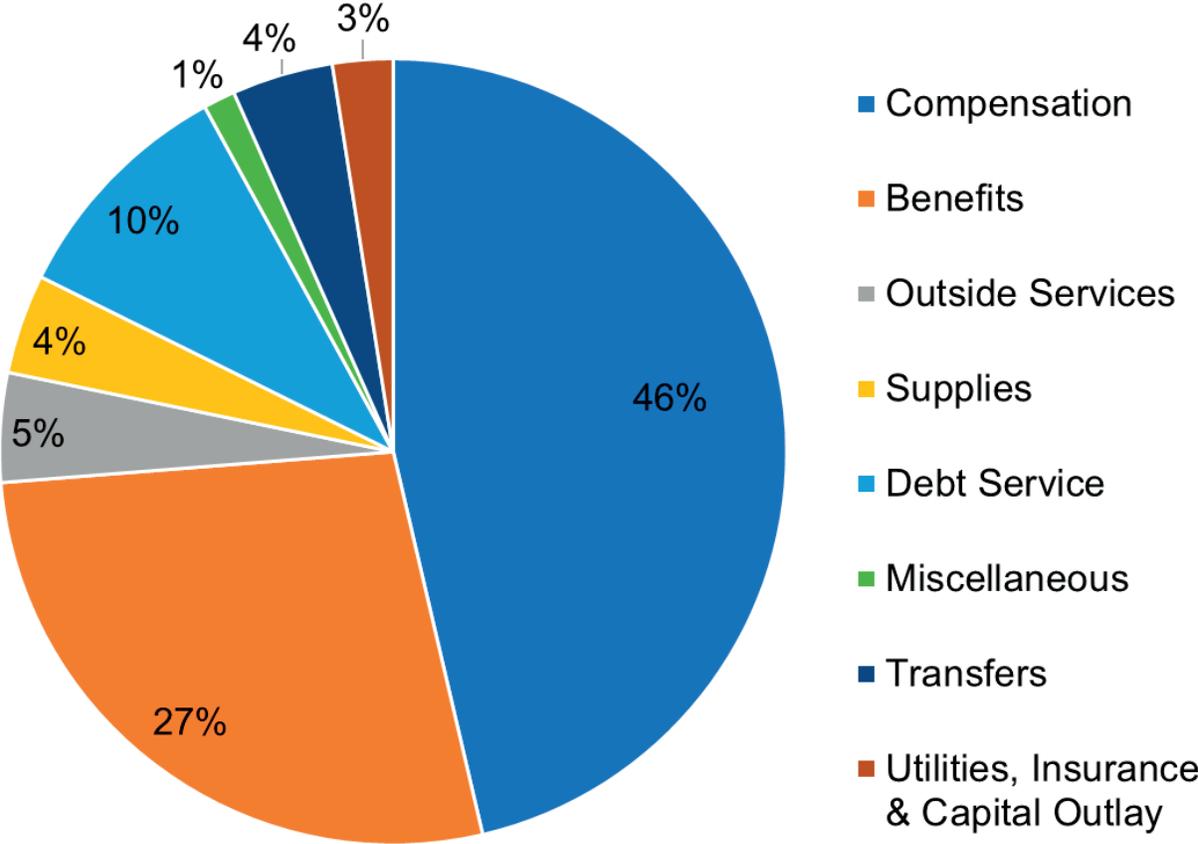
General Fund Expenses By Function



GENERAL FUND OVERVIEW

\$77.9 MILLION

General Fund Expenses By Classification



BUDGET TO BUDGET GENERAL FUND COMPARISON

FISCAL YEAR 2023 TO FISCAL YEAR 2024

Notable Budget Increases / Decreases



Compensation:
\$1.6 million



Benefits:
\$446K

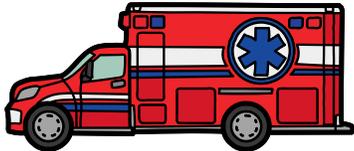


No Use of Fund
Balance



Debt Service:
\$120K

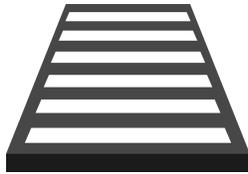
NOTABLE ITEMS IN THE FY24 BUDGET



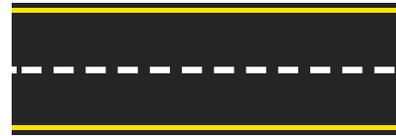
1 New Ambulance:
\$400K



4 New Police Vehicles:
\$280K



Sidewalk Construction
Project:
\$1.1 million



Neighborhood Street
Paving Program:
\$3.1 million



New Tanker Truck:
\$897K

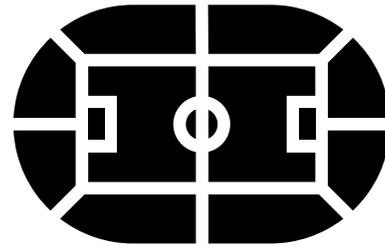


4.5% Water
Rate Increase
5.0% Wastewater
Rate Increase

NOTABLE ITEMS IN THE FY24 BUDGET



Golf Fund:
\$16K
Projected Gain



Arena Fund:
\$55K Projected Loss

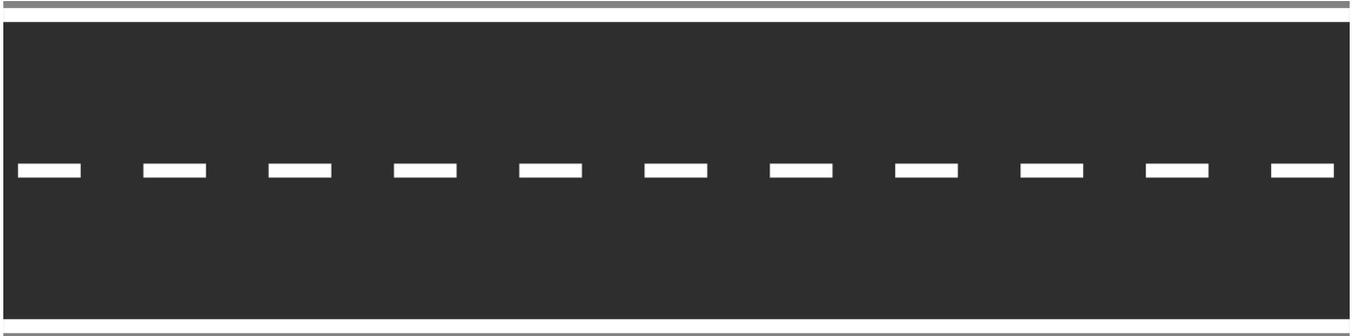


Parking Fund:
\$240K Projected Loss



Airport Fund:
\$4K Projected Loss

NEIGHBORHOOD STREET PAVING PROGRAM



The City of Concord continues to increase the neighborhood street paving program plan with additional funding in FY24.

FY24: \$3.1 million

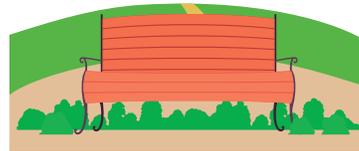
Annual transfer from the General Fund to the Highway Reserve:

- FY23: \$1.3 million
- FY24: \$1.4 million

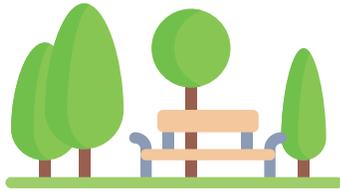
CAPITAL IMPROVEMENT PROJECTS



McKee Square
Design:
\$276K



Penacook
Riverfront Park:
\$2 million



Kiwanis Park Final Design:
\$200K



Keach Park Lighting:
\$384K



Tree Planting:
\$5K



Cemetery
Improvements:
\$516K



Golf Course
Improvements:
\$326K

CAPITAL IMPROVEMENT PROJECTS



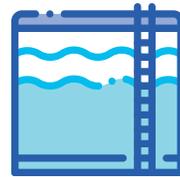
Parking Lot
Reconstruction
Design:
\$45K



State Street Parking Garage
Renovation/Replacement
Options:
\$75K



Wastewater
Plants
Improvements:
\$2.3 million



Water Plant & Tank
Improvements:
\$480K

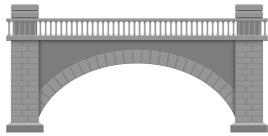


Water Meter
Replacement:
\$375K



Wastewater Mains
& Pump Station:
\$2.3M

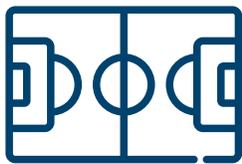
CAPITAL IMPROVEMENT PROJECTS



Bridge & Dam
Projects:
\$230K



General Services
Vehicle Replacement:
\$1.7 million



Arena
Improvements:
\$69K



City Hall
Improvements:
\$377K



Monkey Around
Playground Replacement:
\$800K



Library Facility
Improvements:
\$150K

CAPITAL IMPROVEMENT PROJECTS



Fire Station
Improvements:
\$80K



COMF Improvements:
\$270K



Fire Department Hose &
PPE Replacement:
\$340K



New Police
Station Study:
\$75K



Police Station
Improvements:
\$200K



New Airport
Terminal Design:
\$435K



Airport Repairs:
\$199K

SUSTAINABILITY INITIATIVES



Install EV Charging
Station at the
Water Treatment
Plant: \$75K



Completion of LED
streetlights project
with Unutil (2023)
Carbon emissions
reduction:
551.6 tons per year

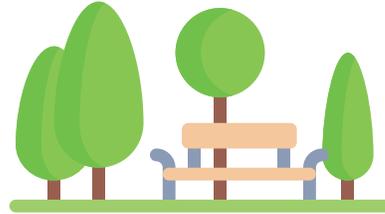


Trails Ranger position
(continued in 2024)

CONCORD AT A GLANCE



80+ miles
of trails



230+ acres
of parks



220 miles of
roads



250K circulation items
from Concord libraries
(2022)



63K Police & Fire
service/response calls
(2022)

LOOKING FORWARD

The City of Concord has much to look forward to.

The City remains well positioned to manage challenges of inflationary pressure on wages, the prices of goods and services, infrastructure, energy, health insurance costs, solid waste disposal and recycling. The City maintains strong fund balances and working capital to support operations and rate increases.

There are many opportunities ahead with multiple housing development projects currently under construction or expected to commence construction this year and next. These projects include both affordable and market rate housing and will greatly increase the housing stock.

City departments continue to demonstrate strong fiscal management, with a keen eye to the future. The Mayor and the City Council remain committed to keeping municipal property taxes affordable for all members of the community and provide a balanced budget.

The City strives each and every year to reach a state of good repair on all major City assets. This proposed budget continues to support operations to keep City Assets in good repair and provide City services to become more efficient, effective and responsive to the needs of all Concord's residents, businesses and visitors.

This budget focuses on investing in Concord's neighborhoods while maintaining a record of strong financial management this year and into the future. The budget is balanced, sustainable and objective across all public policy areas.