

A special meeting of the Board of Aldermen was held Tuesday, July 19, 2005 at 7:22 p.m. in the Aldermanic Chamber.

President Brian S. McCarthy presided; Deputy City Clerk Patricia E. Lucier recorded.

Prayer was offered by Deputy City Clerk Patricia E. Lucier; Alderman Kathryn D. Vitale leading in the Pledge to the Flag.

President McCarthy

I will remind the members of the Board and of the public to please turn off cell phones and pagers.

The roll call was taken with 11 members of the Board of Aldermen present; Aldermen Tollner, LaRose, Gage, and Lozeau were not in attendance.

Corporation Counsel David R. Connell was also in attendance.

COMMUNICATIONS

**MOTION BY ALDERMAN DEANE THAT ALL COMMUNICATIONS BE READ BY TITLE ONLY
MOTION CARRIED**

From: Brian S. McCarthy, President, Board of Aldermen
Re: Special Board of Aldermen Meeting

**MOTION BY ALDERMAN DEANE TO ACCEPT AND PLACE ON FILE
MOTION CARRIED**

**MOTION BY ALDERMAN DEANE THAT THE RULES BE SO FAR SUSPENDED AS TO
ALLOW FOR PERIODS OF PUBLIC COMMENT
MOTION CARRIED**

PERIOD FOR PUBLIC COMMENT RELATIVE TO ITEMS ON THE AGENDA

Robert Sullivan, 12 Stonybrook Road. I came here this evening as a result of watching the previous Special Board of Aldermen meeting last evening. I didn't watch the whole meeting, but I was able to listen the important portions. During that meeting, it was mentioned that the tax bills would increase approximately 5.88 percent. Even prior to that when I watch snippets of the meetings, it seems that the reassessment portion of the tax bill increases aren't mentioned in this chamber. For instance last evening it was mentioned by the director of administrative services that there was going to be a 5.88 percent increase in the tax bills associated with the increase and spending of the budget. It should have also been mentioned that as the board of

aldermen and the executive branch know today that there will probably be an additional five percent increase on top of the 5.88. Maybe instead of saying 5.88 you could say 5.9 or 6, which would give the average citizen an average tax bill increase, if assuming the budget stays the way it is, almost 10.9 increase in their tax bills this year. We really haven't been hearing about the other portion of the tax bill that we will be seeing – 5.8 based on the increase in the budget based on the increase in spending and the 5 percent which is the estimate – it could be a little bit less, it could be a little bit more – pertaining to the reassessments. We all remember the reassessment last year. We had about the same increase to our tax bills because of that shoe falling off last year. I guess that shoe is falling off again this year regarding the reassessments. To the citizens, it would be appreciated if our publicly elected officials would be a little bit more vocal about the percentages of increase in our tax bill this year, not only what the increase in the budget is as it stands but also to the reassessments. The overall question this year is: are there going to be anymore shoes falling off in the future? It is my understanding that our tax bills based spending alone will go up somewhere between seven and nine percent next year. Maybe the reassessment will have a little ticker but not quite as bad. We had the shoe that fell off this year's budget regarding the 508 account, insurance. I'm wondering if the next shoe is going to be. The city has been subsidizing revenues for the last several years out of the fund that Davidson created where he was going to allocate 50 percent of principal to pay off 50 percent of the principal at the high school. Instead, back in 2001 the board of aldermen and the executive branch decided to use those funds to subsidize revenues. Those will be just about disappearing in a couple of years. That's going to be another shoe that falls off where the citizens will then not only bear another 7 to 9 percent in the future but perhaps because those funds and you can no long subsidize revenues they will also feel an extra brunt. Last year's budget, this year's budget, next year's budget we all going to feel about the same percent increase. So when you mention the increase to our tax bills, could you just also mention that there will be an adder associated with the re-assessments? Thank you very much and have a nice evening.

Susan Wright, 10 Cathedral Circle. I did intend to e-mail the aldermen regarding the library program that delivers to house-bound people books that they are considering cutting. I know personally that my mother has been housebound for about a year, other than me taking her somewhere. She has this program and it is wonderful. She lives in senior housing and the people who live there can't get to the library. They pretty much can't get anywhere. They just stay in their 600 square foot apartments and watch TV all day unless someone brings them a book. I believe it is just one woman who picks the books for them according to what they like. It is the highlight of many who live there. I think it is a great program, and they are a group of our citizens who can't be forgotten. Since they don't go out much, they don't use many resources of the city. This is really important to them.

Bradley Whitney, 38 Fifield Street. I understand this discussion on the budget. I want to mention that I have done 40 years of business in Nashua. For the first 15-20 years, our place was never a concern. It was always quality and service and it was quite nice. As times changed, we have to be more efficient and compete with the major chains that came into Nashua. I started out as the smallest pharmacy and then at one time, we were the largest independent. You have to do to maintain your financial security, strength or liability. Things

change. What I see now is the United States is in a world economy and the current issue of Business Week Magazine states that Toyota and a number of automobile companies are now going to make cars in eastern Europe. I got from that that we may not even be making cars in the United States in another 20 years because our costs are too high. We don't make steel, we don't make clothing, we don't make toys. These other countries can undercut us. I had to fight that. I know what it is to cut costs, reduce. We had to get rid of white jackets. We had to stop delivery. All of the things we had to cut out to stay in business and be viable. I just see it happening now. The United States has had a wonderful ride, but right now we're unable to compete. We can't even afford things made in our country. We buy clothing that's made in China because it is cheaper and we can afford it. Whatever you plan on, people are going to be paying their taxes earning less money than they are now. You're going to be dealing with citizens that don't make as much money, who don't have any security and they are going to be paying taxes based on the cost of running the city. You really have to look at this to see what impact this is going to be because I think you're going to have way more problems in a few years than you have now. The best thing you can do is be sure that you don't set up the city for long-term debt that is going to create such a problem that people can't afford to live here. People travel from New York State to work in Lebanon, New Hampshire because they can't afford there. It's too expensive. People come from Vermont to work in Lebanon. Lebanon is a thriving community because there's a big hospital there and a big college. But they can't afford to live there. I think Nashua is headed in that direction. You are the ones making the decisions. You have to look further ahead and take a picture of where we are going to be in a few years. I don't see how the United States can compete economically with companies that can undercut us. Economics dictates the whole thing.

UNFINISHED BUSINESS – RESOLUTIONS

R-05-184

Endorser: Mayor Bernard A. Streeter

RELATIVE TO THE ADOPTION OF FISCAL YEAR 2006 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL AND ENTERPRISE FUNDS

Given its seventh reading;

MOTION BY ALDERMAN DEANE TO TAKE FROM THE TABLE R-05-184 MOTION CARRIED

MOTION BY ALDERMAN DION TO REDUCE LINE ITEM 503-59100 BY \$5,500

ON THE QUESTION

Alderman Dion

We are in a budget crisis and this is one item we can cut without hurting anyone. I wish that the

board would pass this. I think it is important that we do. We have a lot of cutting to do to bring the tax rate down to a respectable level. I know this is just a baby step but it's a step that I believe we must take.

-
Alderman Lozeau

-
Did we use the entire \$5,500 on the facilitator?

President McCarthy

-
I don't know exactly where we are at the moment. We had not been incurring bills recently. I'd had to look at the actuals and then talk to our administrator to find out.

Alderman Bolton

-
I was going to ask the same question in a different way. The \$5,500 for Fiscal Year 06 is that impended for anything other than the fees to the strategic planning facilitator?

President McCarthy

-
It is not. However, it is the first place I would look if we went over the stenographic services budget which we do on a yearly basis. It is likely if we get to the end of the year we will have to stop doing verbatim transcriptions of money because we rarely have enough money to transcribe the budget meetings.

Alderman Johnson

-
About how much money do we go over by?

President McCarthy

-
It's probably about \$1,000.

AMENDED MOTION BY ALDERMAN DION TO REDUCE LINE ITEM 503-59100 BY \$5,000

Alderman Shaw

-
We already had the bottom line, five 9's, cut. I think it was another \$2164. Has there been any determination where that was coming from. Was that already going to come from this line?

President McCarthy

-
The bottom line adjustments were made by removing the merit increases for our assistant and her assistant and by the changes in stipend the board approved last week.

Alderman Vitale

-
If we did not put the funds in for a facilitator for this year to go forward with the meetings that we currently have, what would the plans of our president be to move forward on that work?

President McCarthy

-
That question would be better asked to the maker of the motion.

Alderman Dion

-
If I'm cutting it, I'm not looking forward to going forward.

Alderman Cardin

-
I'm not going to support cutting this. I think in the eight years that I've been on the board, we've made some progress in this area. In eight years we have never sat down as a board to really do this type of planning. I think it's the closest thing we've come to to making kind of priorities or goals for this board, and I'm not going to support cutting it. I think it's to have a neutral person, not someone who brings their own agenda to the table. It has been suggested by another member of this board that the president or someone on this board do it. I think it is good to have a neutral person in there. I'm not going to support cutting this.

A Viva Voce Roll Call was requested, which resulted as follows:

Yea: Alderman MacLaughlin, Alderman Deane, Alderman Plamondon,
Alderman Lozeau, Alderman Dion, Alderman Rootovich,
Alderman Johnson, Alderman Bolton 8

Nay: Alderman Vitale, Alderman Cardin, Alderman Shaw,
Alderman McCarthy 4

MOTION CARRIED

MOTION BY ALDERMAN DION TO REDUCE LINE ITEM 581-99999 BY \$2,000,000

ON THE QUESTION

Alderman Dion

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We all know what we are facing here. We are facing an 11 percent in our tax bills. The reason I'm making this cut is because of the fact that the school budget is 70 percent of the total city budget. If you're going to cut any significant cut in the budget, if you're serious about cutting this

budget down and bring the tax increase to a much lower figure you have to cut your biggest item. Your biggest item is the school department. If we cut \$2,000,000 that equates to 1.4 percent on the tax rate. That means this will bring the 5.88 down to 4.48.

Alderman Bolton

- I would like to inquire of the maker of the motion as to what impact he has calculated that this will have on the educational services we are able to deliver.

Alderman Dion

- I'm not a school administrator, but I can answer it this way. You know that the school department could close an elementary school as we speak because of the low amount of kids in that part of the system. The school children could be relocated to other schools. There has been talk about this and that is one item that comes to mind. Other ones are sports and positions, not replacing certain positions that are open.

Alderman Bolton

- How much money would be saved from closing a school and which school do you have in mind.

Alderman Dion

- I don't have any school in mind. This is things that I have heard in the past. I'm told that it could save \$1 million.

Alderman Bolton

- May I inquire who told you that?

Alderman Dion

- Members of the board that we spoke with.

Alderman Bolton

- I don't think there is any liable information that would say closing any school would save us \$1 million. Unless you're saying you are going to lay off all of the teachers and just increase classrooms beyond their capacity, you wouldn't come close to that. You might save a principal's salary; you might save a custodian and a nurse's salary. You might save the cafeteria personnel salary, although frankly I think some of those would have to move because those children will still be getting their lunches and what not so the work will go on elsewhere. I think it is no better than aiming at a dart board to just pull a number of \$2 million out of the air and say they can do something. As to eliminating sports, I think that is such a short-sited position. They used to say

in the Fram Oil Filter commercials, "pay me now or pay me later." Nothing would send a worse message to the children of the community that we don't care than to eliminate things like sports and extra curricular activities at the same time we eliminate teachers and cram them into overcrowded classrooms.

Alderman Johnson

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I read in the paper today that Mr. President, you, Mrs. Shaw and the mayor had a meeting with a donor who is willing to donate money. I guess there's some obstacles associated with the money. If I remember correctly this was done in a meeting between the three of you. Am I correct?

President McCarthy

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Yes. An attorney representing a couple who would like to make a donation asked to speak to the mayor, myself and Mrs. Shaw.

Alderman Johnson

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If all else failed, if the Board of Education accepted the money under the terms and agreement, the money would be replenished for the sports. Am I correct?

President McCarthy

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For one year, yes, that is correct. The discussion centered around some requests that may or may not have been implemented.

Alderman Johnson

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Right now they are talking pay to play sports. Am I correct?

President McCarthy

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Yes, with what the budget reflects at this moment.

Alderman Johnson

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So it would give the school district one year to figure out how to come up with other ideas. We have an assistant superintendent. They replaced one and I guess they are putting an interim in. So we have two assistant superintendents and one position might still be open. I believe they eliminated two head masters already this year. There could be more headmasters. Every year I talk about the headmasters. You have five administrators, nine assistant administrators. You've got four supervisors. I'm questioning what half of these people's positions are for and what exactly they do. I know we talked about trying to merge different departments together in order

to get rid of any type of overlap in services. Every year I come up with motions that we could reduce that come up to about \$1 million. Every year, I'm shot down and we never come up with better ways and we don't talk about all services duplicated in other parts of the city and in other departments. We're at the forefront right now. We really need to take a look on what is duplicated and what departments can be merged citywide and have a more efficient operation in this city. One assistant superintendent is \$95,000. Four headmasters is about \$280,904.

President McCarthy

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I just want to point out with respect to the question you asked about the athletics fund that the budget prior to this \$2 million adjustment does not include any money appropriated from taxes to athletics at this point in time.

Alderman Dion

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Now that I think about the question Alderman Bolton asked me, a couple of things have come to mind. One of them that really disturbs me is the fact that we have to send our seniors to Manchester to graduate. To me that's an expense that we shouldn't incur. We have Holman Stadium and we have the other stadium that we just built. Why can't they graduate there? We're spending thousands of dollars bussing the students to Manchester plus the rent of the Verizon Center, which is pretty steep. We're talking a lot of bucks. I don't know what the total is, but I would say it is in the vicinity of \$20,000 anyhow. Another thing that comes to my mind is the money that the school board has spent on the trip to Texas. The money they want to pay the superintendent. The bonus pay that they are giving to the leaving superintendent. It seems like they have a lot of money to spent. Those are some of the reasons why I am making this motion.

Alderman Bolton

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Since the Verizon Center in Manchester has been used for graduation that has been a savings of monies, not an added expenditure. No one is bussed up there but the students, not the spectators. When Holman Stadium was in use the labor expense to have personnel there to set up the chairs in the field, to break them down, we have actually saved money by use of the Verizon Wireless Center in Manchester far but from incurring additional expense.

Alderman Johnson

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If I remember last year, I spoke with Mr. Conrad about that because I was concerned. I believe they have buses available to take parents and family members up to the Verizon Center to see their children graduate if they didn't have any vehicles so that is an expense. Thank you.

Alderman Plamondon

Just for clarity through you Mr. Chair to whomever – should this \$2 million cut go through where

does that put the bottom line with the School Department percentage wise? Are we at level funding or ..

Unidentified Speaker

Level funding.

Alderman Plamondon

I have been a long time supporter, but I do have some concerns particularly around the maintenance area. I see new trucks and such. I hear stories from our own union employees while they are out paving and filling potholes the School Department has a two ton truck pulling a 10 ton paving at Pennichuck and doing paving – when there is no communication with existing departments within the city. There seems to be an apparent mentality of autonomy that does not overflow into communication and sharing of duties. Just now I look at Elm Street Middle School and we subcontracted out another company to remove part of the cement driveway. I checked with out Streets Department and there was absolutely no communication whatsoever. Our crews could have done that. Then I look at the other driveway loop where the handicapped buses go and nothing was done and it was worse than the other ones. I have some concerns. We're asking every division in this city to level fund and I believe in parity. I am inclined to go along with this for the sake of parity. Thank you.

President McCarthy

Is there any further discussion?

A Viva Voce Roll Call was requested, which resulted as follows:

Yea:	Alderman MacLaughlin, Alderman Plamondon, Alderman Dion, Alderman Rootovich, Alderman Johnson	5
Nay:	Alderman Vitale, Alderman Cardin, Alderman Deane, Alderman Shaw, Alderman Lozeau, Alderman Bolton, Alderman McCarthy	7

MOTION FAILED

Alderman Plamondon

– Thank you Mr. President. Correct me if this is an inappropriate time as I do not have the line items. I did get a spreadsheet and an e-mail and I must have accidentally deleted it – I tried to access it today and print it out – it was in regards to all of the elected bodies of this city and those that are nominated or appointed I should say that receive a stipend. Precedence has been set by this Board receiving a 3% cut in stipend. What I propose is across the board 3% cut to all stipends of elected bodies and appointed bodies.

President McCarthy

That would in fact require a change in the ordinances unless the appropriate ordinance is currently in place.

Alderman Plamondon

Thank you.

President McCarthy

Although the Planning and Zoning Boards are – the Planning and Zoning Boards are set by budgetary item. The other commissions and the Conservation Commission are set by ordinance.

Alderman Plamondon

Thank you.

Alderman Lozeau

Through you Mr. Chairman to whomever – could you explain or someone explain to me the addition of \$900,000 in the School Department's budget referred to as Medicaid?

President McCarthy

I cannot. Mrs. Anderson might be able to.

Carol Anderson

That is going to be added to the school budget this year. It has been in a separate fund and we have been working down on fund balance, and that fund balance has gawn away and now those costs are going to be reflected in the school budget.

President McCarthy

If I understand that correctly this is more of an accounting change than it is a change in expenditures?

Carol Anderson

Yes.

President McCarthy

That as money that was received into a separate fund, which has always been used to offset expenses in the School Department?

Carol Anderson

Right and now those funds basically we don't have anymore fund balance remaining in that. At one time it was in the general fund then it went to – when we had the fund balance it went into the special one. Now those costs are being absorbed back into the general fund.

President McCarthy

What sort of cost does that offset?

Carol Anderson

I would imagine it would be mostly teacher costs. I don't have the book with me. I can certainly go and check that out.

President McCarthy

If we have depleted the fund balance I assume that means that those expenses in fact exceed the revenue that is sent to us on a yearly basis as well.

Carol Anderson

I would say so.

Alderman Lozeau

Could I assume that was granted money and the grants ran out?

Carol Anderson

It is a form of grant money, but in actually in most municipalities they include it in the general fund. That is where it is usually included because it is not the same as receiving a grant perse. This is the Medicaid – it is a different type of state funding.

Alderman Lozeau

Do we know exactly what it is intended for? Is it intended for Special Ed?

Alderman Bolton

I think you are probably looking at the sheets that show how adjustments were made to calculate the so called 2% increase over last year and that has been adjusted for certain other deviations, the one time transition costs for moving and for furniture and the Bidy Basketball custodial expenses that have been in and out and so forth. That \$900,000 really represents in this a moderation of what would otherwise be the bottom line Aldermanic adjustment in order to achieve that 2%. It is the actual expenditures are scattered throughout various line items in the School Department budget. I believe a lot of it would be for the expenses of the para-professionals who work with certain Medicaid eligible students. I am sure a portion of it is for the special equipment and special instructional materials that some of those students require. There may be certain of it that is related to medication that we have to provide for them during the school day and perhaps even a portion of nursing services that are necessary for them during the school day.

It is just a question of what in the past we have been allowed to bill Medicaid for and so we have built up the workforce and the infrastructure to provide for these students that we have to provide for. At one point Medicaid allowed us to bill and get more back than we are getting now. At one time the fund was essentially growing and more recently the fund has been declining. That is where we are. There is no one line item you can point to throughout the School Department's budget and say that is where the Medicaid money is going. It is in there to provide the services we legally are required to provide.

Alderman Lozeau

I would think there is a revenue source for Medicaid money it is just not as much as it used to be.

Alderman Bolton

That is correct.

President McCarthy

In fact if you look at line item 481-985 it is the revenue side of that, which is actually \$900,000. Previously we would have taken that grant and put it into the fund and then drawn off some portion of the fund balance of that fund when we set the tax rate to offset expenses in the general fund. Now what we are doing is recording it as revenue and expenditures in the School Department.

Alderman Lozeau

Thank you for that clarification. While I have the floor if I could ask another question of members of the Finance Committee – I was looking through minutes and I noticed that an expenditure was made regarding automated recycling compression trucks. It had been mentioned that it would

allow the recycling department to become more efficient; to make less return routes to the disposal site therefore making the collection of recyclables more efficient and I would assume that it would require less man hours. If somebody on the Finance Committee could just fill me in on the discussion that was around that purchase of I believe it was \$350,000 for automated recycle collection vehicles.

Alderman Deane

I can give you a brief summary of the discussion. The trucks that we had that we were using for collection of curbside recyclables in some instances are well beyond their life expectancy. The philosophy behind bringing forward vehicles where you can co-mingle and compact leaves the vehicle out on the street longer to pick up the routes and make less return trips back to the landfill to dump. I think what you are seeing is the – you are probably going to gain some man hour efficiencies, but I believe the efficiencies pertaining to less time from route to disposal site and back on to route whereas the vehicle would stay on the street longer because it could carry more material through the compaction process. I believe when we purchased those trucks – a couple of those trucks when we purchased them they were used to begin with when we bought them. I believe out of the four two of them were used. We bought two new and two used when they implemented the citywide recycling. The two vehicles that we have replaced had significant issues and like I said they were beyond their life expectancy. The replacement was needed to continue with the citywide recycling program.

Alderman Lozeau

If I could direct a question to Alderman Deane since he is up on this – would you translate that into maybe we can save some labor costs in the picking up of the recyclables or is it too soon to tell?

Alderman Deane

Well I think the efficiencies that are going to be gained is that the truck is going to be on the street longer in the route carrying more material than it had done in the past. As for the man hours of the pick up and go home scenario since I don't believe the vehicles have been delivered because the cab and chassis are ordered separately from the compaction component that goes on the back I don't think the vehicles have even been delivered as of yet.

Alderman Lozeau

Thank you.

President McCarthy

Are there any further motions?

Alderman Deane

I had a question on the Charter language pertaining to the budget. If we have to file a Continuing Resolution, if we don't have passage of this budget as amended, I had spoken briefly with Mrs. Anderson and Mrs. Lemieux about taking a percentage of the '05 budget – I am just trying to reflect back on last year and what we used for amounts. Does this revert somehow back to what the original budget that the Mayor presented if unapproved?

President McCarthy

No we simply don't have a budget until we approve one.

Alderman Lozeau

Is there a time lapse that non-essential functions would cease?

President McCarthy

I will refer that to Corporation Counsel. In theory we have no money right now because we are in a fiscal year without appropriations, however, the Charter anticipates that we have to pass a budget by the end of the second month of the fiscal year, which would seem to mean we are allowed to continue operating until then.

David Connell

That is correct with one qualification – it is the end of the first – beginning of August 1 is the deadline. You are allowed to operate for one month of the fiscal year without having passed any appropriations.

Alderman Lozeau

Does that mean non-essential services shuts down on August 2nd?

President McCarthy

There is no distinction of essential or non-essential services. I would take it to mean that all services shut down. The ability of the city to write checks and compensate its employees and its contractors simply ceases.

Alderman Dion

You could make a motion like we did last year and go the whole month of August with a resolution or a motion to go with the same budget as you had in '05 for a period of 30 days. We

did that last year. Call it a supplementary budget or whatever you wish, but we did do that last year.

President McCarthy

Yes we did.

Alderman Deane

It doesn't appear much is getting done, so I am going to make a motion.

MOTION BY ALDERMAN DEANE FOR FINAL PASSAGE OF R-05-184 AS AMENDED

President McCarthy

Actually we can't do that yet. We have to make the \$5,000 adjustment to the correct line items in the resolution itself at this point.

MOTION WITHDRAWN

President McCarthy

Mrs. Anderson do you know what the

Carol Anderson

I don't actually have the amended one in front of me, but it would be on the – it is the first paragraph, the second to the last sentence and it is at ...the number I believe it should be would be the \$210,422,601 that you had before you. We had to make an adjustment in that number because of the insurance – we needed to add back the insurance amount. I believe after the \$5,000 that was just passed that the number should be \$210,430,079. That is because before in that \$210,422,601 there had been an adjustment for the insurance administration and that is netted out so that should not have been included in that number. Other than that I believe then we have the enterprise funds revenues that would be the second paragraph – I believe the other number that you would have before you should be correct – should be enterprise fund revenue appropriation instead of \$18,424,169 is that what you have on your resolution?

President McCarthy

That is what is on the Resolution. I have that we had amended that last week to \$18,416,523.

Carol Anderson

That is correct. Then the next one would be for the revenues would be \$16,292,450.

MOTION BY ALDERMAN DEANE TO AMEND R-05-184 BY CHANGING IN THE FIRST PARAGRAPH THE AMOUNT OF \$210,422,601 TO \$210,430,079

ON THE QUESTION

Alderman Dion

Mr. Chairman I had a couple of more cuts in the budget I was going to motion for. Could we hold off on that?

MOTION WITHDRAWN

Alderman Dion

Thank you Mr. Chairman. I have four motions. If the first one does not pass I can't see any reason to make the other three because it would be insignificant.

MOTION BY ALDERMAN DION TO REDUCE LINE ITEM 581-99999 BY \$1,000,000

A Viva Voce Roll Call was requested, which resulted as follows:

Yea: Alderman MacLaughlin, Alderman Plamondon, Alderman Dion, Alderman Rootovich, Alderman Johnson

5

Nay: Alderman Vitale, Alderman Cardin, Alderman Deane, Alderman Shaw, Alderman Lozeau,

Alderman Bolton, Alderman McCarthy

7

MOTION FAILED

Alderman Dion

Mr. Chairman I will not make the other three motions because I don't believe we are serious enough about cutting the budget. If we can't cut the biggest department then we are not going to amount to nothing. Therefore I will not make any more motions to cut the budget. Thank you.

Alderman Bolton

I will object to the indication that those voting no are not serious. Insults have no place in this proceeding.

Alderman Dion

Mr. Chairman I thought I had the floor. I don't like to be interrupted when I am speaking. Furthermore seeing that Alderman Bolton has brought it up I haven't heard him make a motion to cut anything.

President McCarthy

I believe that Alderman Bolton is in fact happy with the budget as it stands or believes it should be increased. I also believe that he waited until you were done to make his objection.

Alderman Bolton

The fact is I have made motions to cut. The most recent one being in the Public Health & Community Services Division Director's salary line. Furthermore I have vote in favor of many of the motions to cut specific lines in the budget. I have long made it clear my absolute feeling that blind cuts to the bottom line is a violation of our duty here and we have an obligation to the people we serve to know what we are doing when we make cuts, and I don't feel we do that when we just make cuts blindly to the bottom line. I am not going to support any budget that contains such cuts, and I have made that perfectly clear. It is my right to do that and it is my belief and my duty. I take this very seriously.

Alderman Dion

Apparently we're talking about the citizens in the City of Nashua and their tax rate and the money that is coming out of their pockets. They are the ones paying the bills. If we are not willing to cut this budget and bring this tax increase down to a reasonable, reasonable amount then we are not doing our jobs. I will not vote for this budget with a 5.8% plus a looming 5% reassessment. There is no way that I will support this budget. I will let you know right now.

Alderman Lozeau

Could I ask the President how many Aldermen have to vote in favor of this budget – if you could clarify how that works. If the budget as it stands above the tax cap therefore it would require 2/3?

President McCarthy

We have 12 members of the Board present that would mean that 8 of them have to vote in favor.

Alderman Lozeau

Thank you.

President McCarthy

Alderman Deane did you want to renew your motion?

Alderman Deane

If anyone else has any other cuts – any other additions? Nobody? I don't know what else to do. We have spent a lot of time on this. If somebody has some other suggestions I am more than willing to hear them. I am not happy with this either, but it appears that we are going nowhere.

MOTION BY ALDERMAN DEANE TO AMEND R-05-184 BY CHANGING IN THE FIRST PARAGRAPH THE AMOUNT OF \$210,422,601 TO \$210,430,079

Division Taken

MOTION CARRIED

MOTION BY ALDERMAN SHAW TO AMEND R-05-184 IN THE GENERAL FUND REVENUE NUMBER TO REFLECT \$26,044,807

ON THE QUESTION

-
Carol Anderson

-
That number is correct. The \$210,422,601 I had \$210,427,601. Once you take out the \$5,000 it ends up right back where it is. The revenues as Alderman Shaw has indicated would be increased by the \$300,000 for the motor vehicle fees.

MOTION CARRIED

MOTION BY ALDERMAN SHAW TO AMEND R-05-184 BY CHANGING IN THE LAST SENTENCE OF THE FIRST PARAGRAPH THE AMOUNT OF \$210,430,079 TO \$210,422,601

MOTION CARRIED

MOTION BY ALDERMAN DEANE FOR FINAL PASSAGE OF R-05-184 AS AMENDED

A Viva Voce Roll Call was requested, which resulted as follows:

Yea: Alderman Vitale, Alderman Cardin, Alderman Deane, Alderman Plamondon,
Alderman Shaw, Alderman McCarthy 6

Nay: Alderman MacLaughlin, Alderman Lozeau, Alderman Dion,
Alderman Rootovich, Alderman Johnson, Alderman Bolton 6

MOTION FAILED

-
MOTION BY ALDERMAN DEANE TO ADJOURN

Alderman Bolton

- Parliamentary Inquiry. If we vote yes to adjourn, that will preclude any public comment period?

President McCarthy

- Yes it will.

MOTION FAILED

MOTION BY ALDERMAN DEANE TO HOLD R-05-184

MOTION CARRIED

PERIOD FOR PUBLIC COMMENT

Robert Sullivan, 12 Stonybrook Road. I come up here to speak because of the dialogue that transpired between Alderman Bolton and Alderman Dion. I want to take you back to discussions I had back in January 2005 or December 2004 at the school board or a budget meeting. A question that I posed in writing to the school administration was if anyone had looked into the feasibility of whether an elementary school should be shut down based down on the restructuring of our school system. I didn't say why can't we shut an elementary school down. I asked if anyone had looked into the feasibility of doing that. After several weeks of getting a yes and no answer, the answer was no. No one looked into it. But I did get a figure that if an elementary school was shut down it would save a little over \$900,000. Obviously to one of the points that would mean the elimination of all personnel in that particular elementary school. We know that there an impending teacher shortage right on the horizon. I was wondering if there was any planning associated with teachers leaving the system and the restructuring. The answer was no. There wasn't any planning. Alderman Bolton and Alderman Dion's dialogue brought up an issue that I have been talking about. This should have been looked into two years ago. We knew that the restructuring of the school system was going to be two years ago. The only answer I got was we get rid of the portables. There was an overall 33 percent reduction in the elementary school population. The board of education stipulated to me later that there was a vision committee put forth. The vision committee did not get any direction from the board of education to look into that. I'm not sure that's the board of education's role into looking into the feasibility of perhaps shutting down an elementary school. If it was beneficial to do so it should have been down by the school administration. I look at that and say why isn't this long term planning occurring? It is not the only area that is lacking. Where is the long term planning in monies from the fund balance and general funds to use over several years to subsidize revenues? Where was the long term planning associated with putting off the re-assessment process which is really hurting us today? There wasn't any. Where's the check and balance of our legislative branch to make sure that these things occur? Again, if it feasible to shut down a school, it would save \$900,000. Wouldn't it be nice to know that right now if it was desirable to do so? I have done a lot of study and review of the literature on class size. There are some

benefits associated especially during the early years at the elementary school level – especially K through 3. Let's think about next year. What should class sizes be at all grade levels, what improvements to academic and school achievement we will achieve with those changes, and what will it cost the citizens of Nashua? I think those are the type of things we should be looking at now and answer those questions. There's just not one answer – there's a range of answers. I think the more we look into those things, the better off we are going to be. What happened to the strategic planning that you have been working on for over two years now? Do you have anything to show the citizens of Nashua? I don't think so. Those are the areas we need to focus in on. Have a good evening.

Robert Hallowell, 6 Chaucer Road. I'm not sure what just happened here. It seems like you guys are stuck. It's similar to last year. It doesn't seem like any broad-base cuts are going to happen. Cutting \$5,000 every evening, spending three hours here, doesn't seem like that's going to get you anywhere either. I think unfortunately the failure happened nine months ago when everybody should have been looking forward to the fact that this exact thing was going to happen. There was no question that we were going to get less money in school funding, no matter what the mayor thought. The reality is in the future it is going to get smaller. That is clear. I think it is too late now to simply say that the school department can cut \$2,000,000. While I think there may have been a quote of \$900,000 to cut a school, it is, as Alderman Bolton suggested, cutting an entire school and all the people in it. The reality is that's not going to happen. It can't happen. You have to teach those students. You can't simply add them to other classes. That's not possible. I also think it is potentially short sighted to cut that school. You look at other school districts in Massachusetts that did a similar thing when they had a drop in elementary students and the other way you get money is to sell the property. That would be a huge mistake because ten years from now suddenly the elementary school will be the population and the high school will have fewer students in it. Everyone will be saying that now we have to buy another school. It's a tough thing, but it's not \$900,000. I don't think cutting \$2 million from the school budget makes sense unless you know what impact that is going to have. I sense that there is a whole bunch of people around the table that should have run for board of ed because that's where the issues are. That's 70 percent of the budget. Unfortunately the board of aldermen just have a bottom line cut, and I'm not looking forward to what the board of ed would do if there was a simple bottom line cut that was much below what it is now because I don't think it would be what any of the conservative members around this board would think it would be. Maybe we can take the position that that's what they get, but it's our kids that would pay the price of that. I think the board of ed and the board of aldermen and the mayor need to get together and all be on the same page. This mistake happened a long time ago because you guys have been butting heads for a long time. I really think it needs to stop. You need to step up and decide that you're going to compromise. Right now it's all black and white. Sometimes the conservatives win; sometimes the liberals win. Somebody has to be in the middle and make things work. I hope you can do that because in about ten days we don't have any money. Thank you.

ADJOURNMENT

**MOTION BY ALDERMAN ROOTOVICH THAT THE JULY 19, 2005 SPECIAL MEETING OF
THE BOARD OF ALDERMEN BE ADJOURNED
MOTION CARRIED**

The meeting was declared adjourned at 8:35 p.m.

Attest:

Patricia E. Lucier, Deputy City Clerk