

BUDGET REVIEW COMMITTEE

MAY 26, 2005

A meeting of the Budget Review Committee was held Thursday, May 26, 2005, at 7:43 p.m. in the Aldermanic Chamber.

Alderman-at-Large Steven A. Bolton, Chair, presided.

Members of Committee present: Alderman-at-Large David W. Deane, Vice-Chair
 Alderman David MacLaughlin
 Alderman David D. Lozeau
 Alderman-at-Large Paula I. Johnson

Members not in Attendance: Alderman Lori Cardin
 Alderman Robert G. Shaw, Jr.

Also in attendance: Alderman-at-Large Brian S. McCarthy
 Alderman-at-Large James R. Tollner
 Alderman-at-Large David Rootovich
 Alderman Kathryn D. Vitale
 Carol Anderson, Chief Financial Officer/Comptroller
 Maureen Lemieux, Div. Dir., Administrative Services

COMMUNICATIONS - None

WRAP-UP SESSION

-

Chairman Bolton

What is the pleasure of the committee?

Alderman Deane

I would like the Chief Financial Officer and the Administrative Services Director to come up and

join us if that is possible.

Chairman Bolton

Welcome. Thank you for being here.

Alderman Deane

My question to Mrs. Anderson could you or maybe Mrs. Lemieux perhaps – there have been a very minute amount of budget cuts to date, but could you give us the total amount that has been removed from the 501 account?

Maureen Lemieux

This is by memory. Actually I could run down stairs and get that for you. We just spend the last couple of days going through all of the minutes of all of your wrap-up meetings so that we could be sure – we weren't even really organized in how we had our lists of the different motions that you have made, so we have created just in the last day or two the same sheets that we did last year for you. I believe in the Mayor's Office the three motions that passed were the reduction of the Office Manager. I believe that was the entire salary that was in there. Then both of the \$3,000 accounts so the \$3,000 for the car and the \$3,000 for spending. I believe those were the three motions that passed in 501.

Alderman Deane

That is what I have.

Maureen Lemieux

We do have those sheets that we will be putting in your packets for tomorrow.

Alderman Deane

Alderman Lozeau do you happen to have the, through you Mr. Chairman, the total for the position that was cut?

Alderman Lozeau

Yes - \$36,546.

Alderman Deane

I am all set for now Mr. Chairman.

Alderman Johnson

Thank you Mr. Chairman. I have a list of reductions I would like to start with. If someone could possibly write them down for me. I would be more than happy to pass this sheet if somebody could do it for me. Thank you. I spent at least two days between Concord and late at night with these reductions. I will let everybody know the Mayor emphatic said to me he will not accept any stipend reductions. I am making motions that whole sheet of stipends that were non-contractual. Since I don't have departments I can just tell you what was on the sheet of paper. I will go through each one individually if everybody would like me to.

MOTION BY ALDERMAN JOHNSON TO REDUCE IN DEPARTMENT 501, LEGISLATIVE BUSINESS LIAISON IN THE AMOUNT OF \$5,000.04

ON THE QUESTION

Chairman Bolton

Do we have any information what account that is paid out of or where we would find it within the budget book?

Alderman Deane

I have it. That is the funding line is 535-81023.

AMENDED MOTION BY ALDERMAN JOHNSON TO REDUCE LINE ITEM 535-81023 BY \$5,000.04

ON THE QUESTION

Alderman Lozeau

I just question – I would like to know exactly what that line item does.

Chairman Bolton

That is what pays the additional \$5,000 a year to the Legislative Liaison for his additional whatever he does with regard to emergency preparedness, which he gets another \$100 a week or something or thereabouts.

Alderman Lozeau

Thank you.

MOTION CARRIED

MOTION BY ALDERMAN JOHNSON TO REDUCE DEPARTMENT 519; LINE ITEM 522-11429 BY \$15,000

ON THE QUESTION

Alderman Deane

Where are we? Are we still on the stipend page?

Alderman Johnson

Right on top.

Alderman Lozeau

What was that line item again? I am sorry.

Alderman Johnson

522-11429.

Chairman Bolton

The motion is to cut that by \$15,000, but what these numbers are showing is what is happening in FY '05. Are these same amounts budgeted in the proposed FY '06 budget?

Maureen Lemieux

No. There is no stipend budgeted. That stipend is until June 30th.

Alderman Johnson

Then I guess my question to Mrs. Lemieux is are all of these stipends going through again this year except for the exception of?

Maureen Lemieux

I believe so. I believe that is the only one that is not in the '06 budget.

MOTION WITHDRAWN

MOTION BY ALDERMAN JOHNSON TO REDUCE LINE ITEM 523-12072 BY \$14,456.00

ON THE QUESTION

Alderman Deane

Could you read the reason on the stipend sheet?

Alderman Johnson

GIS – Coordinator.

Alderman Deane

I have another question probably to Mrs. Lemieux. If Mr. Marino isn't compensated for being the GIS Coordinator who will perform that task?

Maureen Lemieux

We would have no one on staff with his capabilities so I don't know what the answer would be to you. It is not part of his job description as Chief Assessor, which is why he receives the stipend. It isn't part of anybody's job description.

Alderman Deane

We have made significant investments in GIS and we need somebody to be the coordinator of the Pictometry and everything else, and this is what he does. We're utilizing the programs and we have made some very large purchases and now we don't want to pay somebody to coordinate and operate the department. I can't support doing that when the simple fact is we spent a lot of money and a lot of departments depend on this technology. Thank you.

Alderman McCarthy

Don't our job descriptions for our senior management include phrases like miscellaneous duties as assigned?

Maureen Lemieux

I am sure most of them do.

Alderman McCarthy

It would seem to me, and the whole stipends issue in this regard – we pay people to work with a certain, and we pay them by the skills they come with for what approximately is the 40 hour week, and usually it exceeds it for anybody who is in a professional position, and it strikes me stipends may be appropriate if for some period of time we ask somebody to work deliberately 50-

60 hours a week and we ask them to do something on top of it, but if we tell them we would like you during the normal course of your employment to take on some other function and do it, typically that means they are not doing something else that was in their job description in the time they are doing that. It strikes me that stipends are not appropriate. I get asked – if I were to go back and look I would say probably close to half of what I have done in my career have been things that weren't in my job description because stuff happens and it just gets assigned to people when it does. It just strikes me that this is with exception of specific cases where we are paying somebody to do something that is outside of the normal realm of experience of a professional job it is not appropriate to do that and we still ought to be able to require that the same job get done that is getting done now.

Alderman Vitale

I would agree with what Alderman McCarthy said. What I would like to ask, and I have heard before and don't know if it is true – is the stipends go toward the retirement or if you take that as part of the salaries for the retirement or is it outside that?

Chairman Bolton

My expectation is when someone's retirement is calculated my understanding is their three highest earning years is what is taken into consideration so it may be in some cases we are talking about something that is never going to end up in someone's retirement because if they area going to be here in the New Hampshire Retirement System for many more years what happens in one particular year early in their career may not make any difference at all, but

certainly if it amounts to one of the three years when they have their highest compensation yes it is taken into consideration to that extent.

Alderman Vitale

Then on each of these positions I think if we are hearing about then we should know if it is a short term assignment, which maybe a stipend is appropriate, but if it is something that is basically done month after month, this year next year, etc., then I would like to know the reason why it happened and not been included in maybe a step upgrade or etc. – why it hasn't been considered for that.

Chairman Bolton

I think I have the same comment. Once something has become pretty much indefinitely assigned to an individual it seems like that individual's job has changed. Maybe it deserves some expanded title and quite possibly it ought to go through the what we know is the common practice of PDF review and analysis as to what the appropriate grade level and range and so on and so on is, and then we come up with a number. I have no confidence that the number we see and have seen is the same number that process would produce. Maybe someone else

knows whether it is or not.

Alderman Vitale

Are they all paid out of budget or are they paid out of grant monies or anything like that?

Carol Anderson

I believe that they are not paid out of grant monies unless the activity that they are performing would be applicable to that grant. Offhand I could look at that report and see, but I would say that the majority of them are not. There may be some in the Fire Department that might fall into that category. I would have to check that out.

Alderman Johnson

You would think that when Mr. Marino does this GIS on a regular basis that should at least have become part of his job description. When I go through the list now of all of these stipends that I have these are stipends that have been paid year after year after year with Policy 40, and if this is part of their regular job description – Homeland Security over the last several years – it should have been built into their wages. Some of these people are making over \$90,000 a year and yet it should have been put in their job description. If it is being done on city hours it is part of the job. When you are in management, and this is what I can't understand for the life of me, when you are in management in the private sector if you work 90 hours a week because you are in management so be it. When you work for the city it is not the same set of rules, and they get paid stipends. I can understand maybe at the end of the year occasionally you get a bonus for whatever, but that is once a year maybe not even that much and for different reasons, but a stipend year after year after year? When you start totaling this up, and if Alderman Deane didn't have the wisdom to ask for this information we – we see stipends in the budget and we never think of it. Now we see it in black and white. The mayor said to me tonight in an e-mail he was very emphatic that he was not going to go along if we reduced any stipends. I am just shocked at what is going on here when we are looking where we need to make reductions and savings in this budget because we are in a crunch. I would like everybody to know the State is in a big crunch also, but this is our job, our responsibility to the citizens of Nashua to make sure that we have some truth in budgeting, and this to me is not 100% truth in budgeting when you have stipends all over.

I think maybe it is about time we start looking at if they are doing it then maybe it becomes part of the job description and we get away from some of these stipends. Thank you.

Alderman MacLaughlin

I don't think I would go so far as to say it is not truth in budgeting. It is truth. It is the ugly truth. It has been exposed and here it is. I can tell you that my previous employer when I – I am usually on a salaried arrangement with my employers – if I were to agree to work for a certain

wage and then my supervisor gives me additional duties and if I agree to perform them it is not that I am rewarded financially for doing so unless a net result is increased profit somewhere and ignored efficiencies somewhere. Clearly that may or may not be the case with this arrangement before us. I am very comfortable with the proposed reduction that Alderman Johnson made. I would concur with her acknowledgement of Alderman Deane. This has been brought into expensive detailed light here. I think that is a positive step forward for us.

Alderman Lozeau

If I could go back to what Alderman Deane said – if we cut this line item do we assume nobody is going to do the job?

Maureen Lemieux

Well I think it would certainly be in question. If I could just explain back to Alderman Bolton's question of why this has gone on particularly with this one. This is really the only one on the list that I can talk to as far as why we have paid this stipend for a few years. Back in the '90s when we began the pursuit of GIS technology for the city it was being done by committee so it really floundered for several years. I think it was probably three years ago, it could be a little bit longer than that, that we went to Mr. Marino and said we would really like you to take on this function, and paid the stipend for that. The reason that it hadn't become part of his job description is the first year or two we were still thinking maybe it would become its own department. We weren't really quite sure where GIS was going. We also didn't know for sure whether or not we would ultimately put GIS with IT or whether we would ultimately incorporate it with the whole assessing function of the city. This has been in a little bit of a state of flux with where it ought to go. As time has gone on it has become more and more clear that having Mr. Marino manage the two functions makes perfect sense because especially with Pictometry, with the Orthos, with all of the different layers that we have in our GIS system it is really integrated with the whole assessing system and is utilized by all of the departments.

It certainly makes sense at this point in time to re-write his job description and to reflect it accordingly. It took us a while to get to that decision. That is at least the history of this particular item.

Chairman Bolton

I want to say at least as to this one, very much differs in my view from the Mayor's Legislative Business Liaison. That one, the Legislative Business Liaison, came I think as a surprise to most of the members of the Board. It certainly was shocking to me to find out that we have been getting budgets year after year listing his pay as one thing and to find out he is getting \$5,000 more from some other direction was pretty astounding. With this GIS Coordinator it was crystal clear -- I think all members of the Board every year when it came in that this was going on. We would go through the Assessing Department and see what the Assessing Manager was being paid and then we would go through the GIS, which was listed as a separate department and

there was a line in there for compensation for its Manager or Director or whatever he was termed, Coordinator. We all knew that. I think seeing all of these this way is what gives you to pause to think about well how ought to it have been organized. It was no shock to me that it was going on.

Alderman Johnson

- Actually Mr. Marino with this amount this year and the increases in his salary come up to \$88,919 am I correct? If we don't pay him his stipend then he might not do the job because it should have been probably classified because it took this long to figure out where GIS should be. I guess we are probably in this catch 22- dammed if we do and dammed if we don't. Don't you think there should be a better place to put this money maybe get it moved out into the appropriate line item? If it is going to be part of his job then it needs to be in his job description.

Alderman Deane

Let me understand this – through you Mr. Chairman to Mrs. Lemieux or Mrs. Anderson whoever wants to answer it – this is showing the distribution of the funds to the position and the individual and where it is budgeted. It is currently budgeted as the GIS Coordinator in the 523 account and it does show that line. Maybe what Alderman Johnson is alluding to is if there was to be some sort of process put in place by Mrs. Joyce pertaining to reviewing the PDF, but I am not – I haven't sat down and really drilled into that yet. Some day I am going to. Doesn't there have to be a certain percentage of job duties, change in job duties associated with the position in order to trigger the PDF process for review? Is that correct?

Maureen Lemieux

Yes I would believe so. I think if we, which we are really at the point where we have pretty much made the decision that GIS will be staying where it is, that certainly could trigger it. It is more because it was in a state of flux for a while that we never did that.

Alderman Deane

Okay. Alderman McCarthy mentioned some phrase pertaining to and other duties I believe..

Chairman Bolton

Other duties as assigned – a typical last phrase in a job description.

Alderman Deane

- Other duties as assigned – would this function fall under that other duties as assigned?

Maureen Lemieux

My inclination would be that it would not because this is a huge function. If you take on different roles along the way – in my job description I can tell you when the Board of Aldermen added the city owned land that line item to the Ordinance, we wouldn't re-write my PDF for that. That clearly fits into other duties as assigned. Something like this being the coordinator for all of GIS for the city would not fit into that line item I would not think.

Alderman Lozeau

Could the Assessing Department function without GIS?

Maureen Lemieux

Absolutely. Not as well as it functions with GIS, but it certainly did function for many, many years prior to us having this technology.

Chairman Bolton

I guess we can function without automobiles on that theory as well, but the horse drawn fire equipment is hard to get to these days. The motion before us is to reduce Department 523 line 12072 by \$14,456.00. Is there any further discussion?

MOTION FAILED

MOTION BY ALDERMAN JOHNSON TO REDUCE LINE ITEM 523-12072 BY \$7,228.00

ON THE QUESTION

Alderman Rootovich

Could I ask that the maker of the motion give us a brief description of what that line item is. I don't have one of those sheets.

Chairman Bolton

Same line. The GIS position the proposal cuts in half the existing proposed expenditure.

Alderman Rootovich

If I may when you make those line item cuts as you go down the list just give a brief description so we know what it is and what department we are cutting.

Chairman Bolton

It cuts in half FY '05's expenditure. The proposed FY '06 expenditure on that line is \$14,893.

AMENDED MOTION BY ALDERMAN JOHNSON TO REDUCE LINE ITEM 523-12072 BY \$7,446.50
MOTION CARRIED

Alderman Johnson

Mr. Chairman I went by last year's figures, but I will be happy to take the figures that I have from last year not really nickel/dime it off of the stipend sheet.

Chairman Bolton

You make whatever motion you want. I was just correcting something that I said that was wrong.

Alderman Johnson

And I appreciate the comments. I am not going to go back and redo everything.

Chairman Bolton

Please make any motion you wish to make.

MOTION BY ALDERMAN JOHNSON TO REDUCE LINE ITEM 531-11553 BY \$1,000

ON THE QUESTION

Alderman Johnson

This is the amount for the Chiefs and Deputy Chiefs.

Chairman Bolton

Is there any discussion?

MOTION FAILED

MOTION BY ALDERMAN JOHNSON TO REDUCE LINE ITEM 532-19230 BY \$3,000.40

ON THE QUESTION

Alderman Johnson

That is for the Fire Chief.

Chairman Bolton

Is there any discussion as to that motion?

Alderman Lozeau

If we could have a description on the ...

Alderman Johnson

That has to do with Policy 40.

Alderman Tollner

If I am not mistaken I think Policy 40 is a line with the contracts that the Local has. You can make that adjustment if you want this evening, but I would check in to that just to verify it.

Chairman Bolton

The Chief is not a member of the bargaining unit.

Alderman Tollner

I understand the Chief isn't, but part of his arrangement is whatever benefits the Local may receive the Assistant Chiefs and the Fire Chiefs receive. I think it is intertwined a bit if I am not mistaken. I am just mentioning to the committee we should just check it out before we assume that we can definitely make those cuts without any problem.

Chairman Bolton

What you say Alderman Tollner is absolutely true. The Fire Commission has indicated they would like to see their upper level officers get the same additional benefits and compensation that are negotiated in the union contracts. The right of the Board of Aldermen to adopt the budget is unaffected by that desire of the Board of Fire Commissioners. We can do this it is just a question of whether it is desirable to do this. I don't think there is any question it can be done.

Alderman Lozeau

We asked that question – I am not sure if Alderman Johnson was here that night – at a Budget meeting to the Commissioners, and the answer to the question was that was for compression because if the stipends weren't applied to their salary they would actually have subordinates working for them that are making more money than them. They chose to do it under Title 40 or

whatever you call it so it is that compression.

Chairman Bolton

That is certainly the case when you compare the Captains to the Deputy Chiefs. It may or may not be the case as to the level of the Chief himself. I don't know that. That is the reason and perhaps a good reason why the Fire Commission wants to do this.

Alderman Johnson

And I understand the reasoning, but again when you look in the private sector now the employees can always make more money than the supervisor because they can get overtime, and that is the difference. Management is set at a set salary, and again they have other duties that are not assigned, and that is part of their duties. An hourly employee can always go above a supervisor because of the overtime factor; the time and a half or the double time is what really brings them up. I understand the reasoning behind this, but you know guys you have a big hole in the budget and it is nice to be nice when times are good, but when times are tough the only ones who are going to get a hard time is when the taxpayers get the bill this year. Maybe when times are good you can go back and take a look at this or add it into their contract or put it in and say that is the Fire Chief will get X amount of dollars at a certain time, but you know I can keep making motions here year after year and we can keep turning them down.

The issue becomes we are not doing anything that needs to be done with the budget. We can do this or I will come in and just make my big motions, and maybe I should have started with the big time stuff and forget about this little stuff because this is nothing compared to what I really have motions on. I worked long and hard for two nights until 1:00 a.m. trying to figure out which would be the best way to do it. I don't care. Either way I am going to make motions and I can make it very easy rather than going line by line. I am doing this because I know what has to be done. It is not because I like to do it, and I am not looking at the person with the title I am just looking at the job title and saying what I know needs to be done. In another week or so there could be another bomb that is dropped on us. Who knows with the education funding? Right now we are being told still \$26 million. Next week something could happen and we could be down to \$23 million. Then what are we going to do? It is going to get harder. It is not going to get easier it is going to get harder. I just figured I would do the little things and kind of be nice, but this is if we don't want to do it this way and we are going to say every time we can't do it to people then what is the point let's just pass the budget on and let the people see the sticker shock. Thank you.

Chairman Bolton

The motion is in Department 532, Line 19230 to reduce that by \$3,000.40. Is there any further discussion?

MOTION CARRIED

Alderman Deane

I have a question and a potential motion to either of the two ladies that are here with us this evening. I wanted to go into the 507 account – pensions. We have a 13.03% increase in that area for \$1,516,959 over the '05 adjusted approved budget. Can you go into that area with some explanations of why we have a 13% increase?

Carol Anderson

I don't have the folder with me tonight, but we have rate increases that take affect on July 1st as dictated by the State. In fact, one of them I believe it is like the either the teachers or the police group have like a 40% increase in their rate. Another one has I think 12% and another one has 15%. There are significant increases, and it is all dictated by the State. The only way that you would be able to cut this back will be if any reductions are truly made. If there are reductions or positions cut out we would be able to make some minor adjustments to that account then, but at this point I would say no that is based on actual budgeted salaries.

Alderman Deane

What are we figuring for a percentage to the State in that number?

Carol Anderson

The State is actually really four different rates. I don't have that with me, but it is four different rates. There are four groups that are included in this. Employees is a group 1, there is fire, there is police, and then there is the teachers.

Alderman Deane

At our next meeting, could you come prepared to discuss this one line?

Carol Anderson

Yes.

Alderman Deane

I wanted to go into department 531 – police. My motion is to reduce that bottom line by \$175,658.

MOTION BY ALDERMAN DEANE TO REDUCE THE BOTTOM LINE OF DEPARTMENT 531 BY \$175,658

ON THE QUESTION

Chairman Bolton

The line we typically use to make a bottom line adjustment would be 99999.

AMENDED MOTION BY ALDERMAN DEANE TO REDUCE LINE ITEM 531-99999 BY \$175,658

ON THE QUESTION

Alderman MacLaughlin

Thank you Mr. Chairman. Through the Chair to Alderman Deane – can you describe why you arrived at that particular number?

Alderman Deane

That number is a reasonable facsimile of their '05 Aldermanic adjusted approved budget within a few dollars.

Alderman Lozeau

If I may would that bring that to a level funded budget?

Alderman Deane

Yes it would.

Alderman Lozeau

Thank you.

Chairman Bolton

Do we have any knowledge on what that would mean for the operation of the Police Department – what programs and services might be impacted? Does anyone have any of that information?

Alderman Deane

It is my understanding that the police and the fire are ready to deal with the level funding.

Chairman Bolton

But no one has specific information on how that would be dealt with? Am I correct or does

anyone...

Alderman Tollner

Maybe I could just build on that statement a little further. In conversations that I have had with both Chiefs, they are prepared to deal with a level budget if they are asked to. When they are asked to come to the Budget Committee whatever night it happens to be on the list here, June 30th for the fire, and I don't know when the police is coming – June 13th the Police – they will be able to talk to it. I want to emphasize that was under the guides of conversations I had as far as I was going to request from different departments what the impact would be of a level budget on not only their departments but every department. Alderman Deane's statement is true they are prepared to deal with it if they are asked to, but that was also under the assumption that all departments in the city were going to be asked for the most part to work under a level budget as well.

Chairman Bolton

I had thought that last Thursday everyone was in agreement that was not the question they would be asked, that the questions they would be asked were a 1, 3, or 5% reduction off the proposed '06 budget. Anyone can make any motion they want let me make that clear, but I for one want to know what the impact is if I vote in favor of one of these, and it appears that we have now requested information that doesn't tell us what the impact will be on the approach that some people desire to be taken. In my first draft of a memo out to them I specifically asked for the information that would have told us the answer to this question, and I was let to the understanding that people didn't want that information. I mistakenly thought that meant they did not intend to take that approach. Is there any further discussion as to the motion?

Maureen Lemieux

Just as a point of clarification, if the intent of the maker of the motion is to somewhat level fund Department 531 from the Aldermanic Approved '05 budget, I do not believe \$175,000 is the figure that you are looking for. That \$175,000 may be lowering it from the 1% reduction that was in the proposed Mayor's budget that might add up, but the '06 budget is actually about \$348,000 above the '05 budget. Just as a point of clarification depending on what the intent was.

Alderman MacLaughlin

On the memo date April 4, 2005, Chief Hefferan had distributed a breakdown of proposed reductions that would have total \$164,844. I don't know if we all have that in front of us or not. That was based on the 1% proposal that the Mayor had requested from them, and it included three line items – that figure was broken down, account 531-11549-6372 was \$90,600 and it comprised first year officers – two full time and one half year, but these were for trying to bring the force up to commissioner authorized strength. Currently those positions appear to not have been in the current amount of officers. It wasn't reducing officers it just wasn't filling positions.

The second amount of \$65,744 consisted of two probationary dispatch positions that were vacant and the third amount of \$8,500 had to do with maintenance computer software – due to a change, and this is in Chief Hefferan’s words not mine – the department will not need this amount funded in the FY ’06 budget. It appears that those are three areas that he seemed to prioritize once this request had been received.

Chairman Bolton

Is there any further discussion?

Alderman McCarthy

I guess first of all I am confused – does this constitute the entirety of reducing it to level funding or does this constitute basically an amount that is similar to the 1% that the Mayor had proposed?

Alderman MacLaughlin

Similar.

Chairman Bolton

It ends up being similar. I think what would happen is if you added the 1% the Mayor proposed and this number it would come out to what the increase is over last time, but I ... it is within about \$10,000 of what 1% will be.

Alderman McCarthy

It doesn’t sound like that accomplishes any purpose I have heard expressed – that we ought to either take the 1% number at this point because we know as Alderman MacLaughlin pointed out what the response would be to that or if we choose to make the cuts to level fund without hearing what the impact would be that number ought to be significantly larger. That course of action I am concerned about on three levels; one we have asked the departments to come back and tell us what the impact would be. I think it shows utter disrespect for them to simply say in retrospect we don’t care we are just going to make the adjustment anyway. Secondly if they have a plan to deal with that and if there are people sitting here that understand what that plan is I am offended because if there is a plan to deal with that it should have been brought forward to this entire committee and why we are waiting until a week or two weeks from now to hear it I don’t know. If we don’t have a plan to deal with it then I think it is incumbent upon us to wait until the information we have asked for comes back. I may well be in favor of making these cuts once we see what those impacts are, but it just seems to me like we went through a lengthy process last week of asking for this information, we have asked the departments to accelerate the rate at which they get it to us, we are trying to work that out to get in additional meetings, and we really

ought to wait until we see that before we make the cuts. If we are going to do something tonight I would suspect we ought to accept the Mayor's proposed cut, which is the one that we understand how the department will deal with it.

Alderman Tollner

Just to respond to a couple of comments from Alderman McCarthy, I don't know whether anybody has seen any plans from any departments. I want to make sure that people understand. I have not seen anything on the police department other than having a conversation with the police chief. Again those conversations at that particular time where they had roughly about a 3% increase in this budget I think at that time I think the Mayor was discussing a further reduction of 1% and my conversation with him was basically just as a courtesy call that I wanted him to know ahead of time that at least speaking for myself that I would like to see a level budget and the affect that would have on the police department. He said that he would work up a plan. I know there is a difference of opinion on this Board. I am very comfortable with a couple of departments after speaking with those department heads who said go ahead and make those cuts, and let me decide what direction/where those cuts take place and the programs that are adjusted.

I am fully aware that some other Aldermen are not comfortable with that and they would like to see where those cuts are and they would like to decide which programs they would like to keep in place, and that is their right, but of the four different departments that I have spoken to over the last 2 and a half three weeks maybe even a month, every single one of those managers or directors have stated let me make those recommendations. I can go along and confer with any cuts that you make. The bottom line message from all four of those people were I wish the Board of Aldermen would get going, make the cuts that they are comfortable with, give me my budget for next year so I can move on with my department programs. All four of them said leave the decision making process to them.

Alderman Rootovich

I agree with Alderman Tollner in a sense, but that is not the memo that Alderman Bolton sent out, and again I think they are getting mixed messages. Saying that I have to agree a little bit with Alderman McCarthy. I think it is a little disrespectful to ask them to use their time and energy to accumulate what I would figure would be quite a massive amount of work to put together those three proposals we asked for. I would hate to see tonight where Alderman Deane is an example, I am picking Alderman Deane because he just made a \$175,000 cut to one division and Alderman Johnson will come back and make additional cuts, and again I don't know what that relates to his cuts, but it is kind of piecemealed together and from my perspective I really would like to see a plan first from the Division Directors prior to making all of these cuts. That is my perspective. I am just a little bit concerned.

Again although I agree with Alderman Tollner with respect that I am in management and if my boss had asked me I would prefer that he said to me you make the cuts and I would go back and

make the necessary cuts. I think that is the way to go, but we didn't ask that in the letter we asked them to take the time now to put all of this information together. In doing that we should at least let them come back and present us with their suggested plans on each of the three levels that we asked for.

Alderman Johnson

I don't have a problem with that. I don't want to sit here and do nothing. We have an obligation. I don't mind continuing to make my motions to reduce the stipends, and if I come in and make a motion and I would like to make a motion to reduce the budget by 3%, which is going to be over \$6 million then I am wasting my time now for doing things because we have asked the department heads to come in and tell us what programs would be in jeopardy. I appreciate them coming in. I don't mind listening to what programs are going to be, but the bottom line dictates that it is either going to be that we are going to save everything or we are going to lose something. You can't have it both ways. If I have to put everything away tonight and go home and everything that I have done for the last two days – I pushed myself and pushed myself between Concord and here to get this done and at least get something on the table tonight because I know people are saying in the community you guys are doing nothing you are just sitting and talking and doing nothing. People want to get an idea.

I know I got my tax bill for the last half of the year today and I didn't even open it up, but I know that one is \$2,000. That is half of what I paid in November. I don't want to see what will happen in November. I am hoping that maybe by the time we come back the next time we will get some information about the assessment because I think that is a big piece that is going to play into this whole reduction also because the tax rates are never going to come down low enough so people don't have a sticker shock this year. I guess it is the pleasure of the committee if they want me to continue also with making reductions in the stipend or I could pass it up and that will be it.

Chairman Bolton

I think you will find that the tax bill you got today is just a little less than the one you got last November unless something has changed for your particular property, but it is not going to be half as much.

Alderman Vitale

Following up on the letter that you sent out to the department heads, I think it makes a lot of sense to hear what they bring forward and to see how they relate to the services that they would plan to cut. It might be that we see there is more there that we can do, and it might be that they come forward with something that they are going to cut that this Board doesn't agree with. We might as well wait. Why go through twice what we can do at one time and have to go through and make adjustments and everything. There are the things that the committee could do tonight and wanted to go through the Mayor's proposal that he brought forward. The other thing that I have heard brought up in relationship to not passing the Principal's contract is the no increases

for the merit employees and how that relates to the budget. I would be interested in hearing conversations at this budget level regarding that.

Alderman McCarthy

I think Alderman Rootovich covered most of what I wanted to say.

Alderman Tollner

I was prepared tonight to through a committee member to make a number of reductions more along the lines of what we had discussed a few weeks ago of roughly around 2%, but it seems like the committee wants to wait for the departments to come in and make those changes. If that is the case I would like to make a couple of recommendations.

Chairman Bolton

We have a motion we are discussing right now.

Alderman Tollner

What is that motion?

Chairman Bolton

The motion is to reduce in 531 line 99999 by \$175,658.

Alderman Tollner

I guess if we are going to wait then I think it probably as much as I concur with that motion I guess in order to be fair to all of the departments we should hold that motion at the full Board, and after that motion is finished then I will ask the Chairman to recognize me and I can finish the rest of my comments. Thank you.

Chairman Bolton

I don't understand the full Board, but anyway.. Is there any further discussion on Alderman Deane's motion to cut in 531-99999 \$175,658?

Alderman MacLaughlin

Thank you Mr. Chairman. Based on the memo that I cited from the Chief that was responding to the proposed reduction I wonder if the maker of the motion would accept an amended amount. I would submit the amount of \$164,834.

**AMENDED MOTION BY ALDERMAN MACLAUGHLIN TO REDUCE LINE ITEM 531-99999
BY \$164,844**

Division Taken

MOTION CARRIED

Chairman Bolton

Is there any further discussion? All of those in favor of that motion raise your hands/

MOTION CARRIED

Alderman Deane

In the 552 account, I don't know whether it would be best placed under 53 Professional Services or I wanted to make a motion to add \$47,000 to cover the cost of the Bidy Basketball Referees that have been cut as an in-kind service by the School Department. Carol is there some way or excuse me sorry Mrs. Anderson is there some way that we can produce a line item? I don't know whether it would be under the 53 or whether it would be under ..

Carol Anderson

59...

Chairman Bolton

Somewhere in here there is a line for officials.

Carol Anderson

59-050 is game officials.

Alderman Deane

But they are not game officials they are janitors.

Carol Anderson

I would definitely put it in the 59 area as miscellaneous services. If you just do a 59 account I will create one for that. That is not a problem – just 59XXX and I will make sure there is one in there for that.

Alderman Deane

Thank you.

MOTION BY ALDERMAN DEANE TO INCREASE LINE ITEM 552-59XXX BY \$47,000

ON THE QUESTION

Alderman McCarthy

I am just wondering if there is a complication we will have to deal with in terms of implementing that given that there are school custodians who have to be paid out of the 581 account eventually. I don't know if we are going to have to do a transfer to get the money over there and what then happens to our control of it when that transfer is made.

Carol Anderson

We could do it by control or if we – we could charge it actually through payroll. We could just charge the portion that they are working as a custodian over there.

Alderman McCarthy

We can do that?

Carol Anderson

Yes you can it is just a different funding method.

Alderman Lozeau

I wonder if they would be getting paid under an overtime account for that..

Alderman Deane

It is Saturdays.

Alderman Lozeau

For Saturdays they wouldn't be paid time and a half?

Chairman Bolton

I am sure it is overtime.

Carol Anderson

It would have to be.

Chairman Bolton

It is Saturdays and there may be some weeknights, but the weeknights there is usually coverage there anyway until the times that are involved. Is there any further discussion?

MOTION FAILED

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS - None

NEW BUSINESS – ORDINANCES - None

HELD IN COMMITTEE

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

R-05-185

Endorser: Mayor Bernard A. Streeter

ESTABLISHING THE USE OF UNDESIGNATED FUND BALANCE FOR TAX RATE

R-05-193

Endorser: Alderman-at-Large Brian S. McCarthy

AMENDING COMPENSATION FOR THE BOARD OF ALDERMAN FOR FISCAL YEAR 2006

R-05-211

Endorser: Alderman-at-Large David W. Deane

DECLARING THAT NO APPROPRIATION OR TRANSFER WILL BE FUNDED FROM

**ACCOUNT 802-299 “SEWERAGE DISPOSAL SYSTEM – RETAINED EARNINGS”
FOR TIPPING FEES AT THE FOUR HILLS LANDFILL RELATED TO THE SARGENTS
AVENUE AREA SEWERAGE WORKS IMPROVEMENTS CONTRACT**

R-05-219

Endorser: Mayor Bernard A. Streeter

**RELATIVE TO THE APPROPRIATION OF \$3,075,000, WITH THE FUNDING SOURCE
BEING RETAINED EARNINGS OF THE SEWERAGE DISPOSAL FUND, ACCOUNT
#802-299, INTO ACCOUNT #802-59101 “WASTEWATER FUND – ASBESTOS
CONTAMINATED SOIL DISPOSAL” AND THE TRANSFER OF THE SUM INTO
ACCOUNT #801-899 “SOLID WASTE DISPOSAL FUND–ASBESTOS CONTAMINATED
SOIL DISPOSAL REVENUE”**

Ordinances

O-04-45

Endorser: Alderman Marc W. Plamondon

REQUIRING THE PARKS AND RECREATION DEPARTMENT TO CHARGE A

FEE TO NON-RESIDENTS FOR RESERVATION OF CITY-OWNED PARKS AND

SPORT FIELDS

O-05-76

Endorser: Mayor Bernard A. Streeter

**RELATIVE TO DISCONTINUING THE SCHOOL BUILDING AND CONSTRUCTION
CAPITAL RESERVE FUND**

O-05-77

Endorser: Mayor Bernard A. Streeter

**ESTABLISHING A NEW “SCHOOL BUILDING, CONSTRUCTION, ADDITIONS AND
RENOVATIONS CAPITAL RESERVE FUND”**

O-05-85

Endorser: Acting Mayor Brian S. McCarthy

ELIMINATING CONSERVATION COMMISSION COMPENSATION

O-05-86

Endorsers: Mayor Bernard A. Streeter

Acting Mayor Brian S. McCarthy

ESTABLISHING AN ADDITIONAL MOTOR VEHICLE REGISTRATION FEE OF FIVE DOLLARS PER VEHICLE AND ESTABLISHING A SPECIAL MUNICIPAL TRANSPORTATION FUND FOR SUCH FEES UNDER RSA 261:153 VI

DISCUSSION

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ADJOURNMENT

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**MOTION BY ALDERMAN DEANE TO ADJOURN
MOTION CARRIED**

The meeting was declared closed at 8:50 p.m.

Alderman Paula I. Johnson
Committee Clerk