

## PERSONNEL/ADMINISTRATIVE AFFAIRS COMMITTEE

June 8, 2006

A meeting of the Personnel/Administrative Affairs Committee was held on Thursday, June 8, 2006 at 7:00 p.m. in the Aldermanic Chamber.

Chair James R. Tollner presided.

Members of the Committee present: Alderman Robert A. Dion, Vice Chair  
Alderman Daniel Richardson  
Alderman David MacLaughlin  
Alderman Greg Williams

Members Not in Attendance:

Also in Attendance: Alderman-at-Large Fred S. Teeboom

### INTERVIEWS

#### Ethics Review Committee

Dearborn Wingate (New Appointment)

Term to Expire: December 31, 2008

#### Chairman Tollner

Thank you for coming this evening. If you could state your name and address for the record. You are here to be interviewed for the Ethics Review Committee. Maybe you could take a second and let us know why you have interest in serving on that committee, and how you were introduced to at least who spoke with you about the committee as far as any interest in serving on it.

Dearborn Wingate, 77 Walden Pond Drive, Nashua

I am a personal friend of Buzz Harrington, and I met him a couple of months ago, and he had said he was Chairman of the Ethics Committee. I asked him a few questions about it, and I guess he said they haven't met very often, and there were 6 members of the committee originally and now there was just he and some sister from Rivier College. He said we need 4 new members. I said I wouldn't mind serving on that, I am interested in civic affairs, I am retired now and have the time and experience in that type of stuff listening to both sides of questions – I was on the Pari-Mutual Commission for 22 years and President of the radio station so I have been involved in a lot of meetings where things go two ways, and you have to make a decision.

Anyway I said I think I would like to get my name in. I saw Mayor Streeter at a rotary meeting and told him of my interest, and that is how it came about.

Chairman Tollner

So you are somewhat familiar with how often they meet, and like you said they haven't met for quite some time up until recently, but you do have time on your hands to meet the schedule.

Dearborn Wingate

Correct. That is one of the reasons I have plenty of time now.

Chairman Tollner

Are there any questions from my colleagues?

Alderman Richardson

Through you Mr. Chairman questions to Mr. Wingate – Mr. Wingate it is my considered opinion that the Ethics Review Committee of all of the committees in the city probably holds the most responsible position in that you are called upon to render your opinion in the form of a report to the Board of Aldermen and the Mayor as to what should be done with complaints against employees, and as such I have many more questions for you than I would normally have for anyone else so please don't take offense.

My first question has to do with the fact that your name appeared in a November 6, 2005 Smart Water newspaper advertisement with statements to the affects from others that city officials want what they want, the hell with the taxpayer – that was from an individual, Pennichuck has supplied our water service for as long as I can remember, and has done an excellent job, Mayor and Aldermen need to listen to the majority of residents to stop this insanity – that is from an other individual. Do you hold the same sentiments as these people about the Mayor and the Board of Aldermen?

Dearborn Wingate

First of all I joined the Smart Water and my name was just one of many, many in there. I had nothing to do with the writing of what you are talking about there. I had nothing to do with that. It is an advertising agency that does that I understand, and my name was on that Smart Water along with many others.

Alderman Richardson

Do you hold those sentiments that the Mayor and Aldermen are doing what they want to do, are they acting irresponsibly?

Dearborn Wingate

No. I don't think I ever – I never said that.

Alderman Richardson

No you did not. I was wondering if you hold ...

Dearborn Wingate

Personally – I will be honest with you – personally I am against the city take over of Pennichuck, but no I never had any animosity of the Mayor and the Board of Aldermen that is for sure.

Alderman Richardson

Thank you. Other questions – do you or have you ever conducted business with the City of Nashua as the customer?

Dearborn Wingate

No.

Alderman Richardson

Do you have relatives by blood or marriage who are employed by the City of Nashua or serve on any board?

Dearborn Wingate

No.

Alderman Richardson

Do you have any indebtedness whether it is personal favors or money or whatever to any business owner who does business with the City of Nashua?

Dearborn Wingate

No.

Alderman Richardson

Do you or your family have any ties via a relationship or intimate friendship to any business owner or their family who does business with the City of Nashua?

Chairman Tollner

Alderman Richardson I don't want you to stop asking your questions. I think the net that you have thrown out with the last couple of questions is rather substantial. I guess maybe the question if it is rephrased – do you have a relationship with anybody that would influence any decision that you may possibly have to render on the committee would probably be a better way to present it.

Alderman Richardson

Actually I kind of like the way I had worded it previously.

Chairman Tollner

I just wish you would be a little more careful or I don't know what the proper term is in asking some of those. The last question that you asked do you have any relatives, friends that could be anybody that Mr. Wingate has ever met in the city. He has been living in the city for a long time. I would ask you to consider that.

Alderman Richardson

Mr. Chairman you did not hear the complete question. You began to interrupt while I was still speaking. If you would like to hear the question again?

Chairman Tollner

You can finish it.

Alderman Richardson

I understand you have a great sensitivity to asking questions, but as I mentioned previously, I do feel as though this is a very very important position, and we really need to air the fact, which I will not say it is a fact, but my impression is that Mr. Wingate has absolutely no problem in sitting on this committee, and I just would like to have that aired. That is my purpose.

Mr. Wingate do you have any indebtedness, personal favors, owe money or whatever to any person who regularly seeks quasi judicial decisions from any board of the City of Nashua?

Dearborn Wingate

No.

Alderman Richardson

Do you or your family have any ties, relationships, intimate friendship to any person or their family who regularly seeks quasi-judicial decisions from any board in the City of Nashua?

Dearborn Wingate

No.

Alderman Richardson

Have you read the section of the Nashua Revised Ordinances concerning the duties of the Ethics Review Committee?

Dearborn Wingate

No I have not. I have never been presented with them.

Alderman Richardson

Have you ever read the section of the Nashua Revised Ordinances concerning the Code of Conduct?

Dearborn Wingate

No.

Alderman Richardson

Are you familiar with the Rules of Parliamentary Procedure?

Dearborn Wingate

Yes I am.

Alderman Richardson

Do you feel comfortable in the role requiring observance of rules of evidence, testimony, and examination?

Dearborn Wingate

Yes.

Alderman Richardson

I will not ask these other questions. Thank you.

Chairman Tollner

Thank you Alderman Richardson.

Alderman Dion

Mr. Wingate you and I have never met, but I have seen your business many times on Main Street. I hear you have a pretty good clientele over there. What I would like to do is start out by thanking you for volunteering your time to do this job. I am sure you will do it impartially, and will look at all of the facts when you make a decision. I noticed that you are a brother Elk too.

Dearborn Wingate

That is correct – over 50 years.

Alderman Dion

If you get appointed good luck, and make the wise decisions. Thank you.

Dearborn Wingate

I will do my best.

Alderman Teeboom

I am not a member of this committee so I can't vote at this committee, but I can vote in another meeting. I have never met you myself, but I have two questions for you. Have you read and are you familiar with the Nashua Conduct Regulations?

Dearborn Wingate

No I have not. I assume that I will probably get all of that when I get on the committee. I have had no reason really to read it beforehand.

Chairman Tollner

I think coming in here, if I could just jump in, I think after you were approved then you would take the time and opportunity to review the ...

Dearborn Wingate

Once I get them I would certainly review them carefully yes.

Alderman Teeboom

Conduct regulations were written in 1993 – they were strengthened heavily in 1993 because three Aldermen were convicted – they went to jail for more than ethics violations.

Dearborn Wingate

I remember that.

Alderman Teeboom

Just before we got on the board they strengthened the – it is a very extensive set of regulations, very detailed. It tells who employees are and what they can and cannot do. Let me ask you my second question. Can you give an example of what would be an ethical violation as opposed to an illegal act? In other words ethical violations goes through the Ethics Board as opposed to a legal violation that would come before a criminal investigation.

Dearborn Wingate

Well a legal one I imagine would be if – I don't know what you are going to show us two properties for instance, if one person is doing something illegally against the law that is one thing. As far as ethical goes I don't really know how I can define that, but probably a conflict of interest would be one thing, it would be unethical if you were on a board and you had a relative or someone that was involved in a deal or something that would be where the ethics would come in I would think.

Alderman Teeboom

Very good sir. I just want to make one final statement. I am a card-carrying member of the Smart Water Organization. I have quoted on the web site. I share with you my concern, my grace concern about the extreme risk we place on the city with the action. I have not been able to get the Aldermen to change their minds.

Alderman Williams

Good evening Mr. Wingate. I would like to thank you for volunteering for this committee, and I look forward to seeing your good work. Thank you.

Chairman Tollner

Are there any further comments? I would like to thank you for your interest in serving on the committee. I would like to thank Buzz for talking to you about joining the committee and volunteering your time. How this will work is we will go through the rest of the agenda, the committee will vote on you this evening, and then that vote will be forwarded to the full Board of Aldermen for a vote, and then the full Board of Aldermen will vote on it. You will be contacted by the Aldermanic Office to come in, and you can either be sworn in at a Board of Aldermen meeting or if you can't make that just visit the City Clerk's Office downstairs after that, and they can swear you in at any time. Do you have any questions of us before you leave?

Dearborn Wingate

Have you any idea how often the committee will meet?

Chairman Tollner

That is the \$1000,000 question. The committee hasn't met probably at all in the last 5-7 years. I know that they have met recently, and they plan to meet again in the very near future. If you asked me two months ago I would have said I don't think the committee has met in like 8 years. If you ask me have they met at all in the last month I would say yes they have. Basically the committee is to provide a review for an oversight on situations that may arise that people are uncomfortable with and provide an opinion on a particular situation. That is basically why we have this committee. I guess in one sense it is good that the committee hasn't met in 8 years, but it is, as Alderman Richardson said, a very important committee. To agree with Alderman Teeboom's comments, there was legislation years ago as a result of what had gone on in the

city and in the Chambers here to make sure that something like that hopefully does not occur again because it hurts the city.

Is there anyone else here this evening to be interviewed?

**MOTION BY ALDERMAN TOLLNER TO GO OUT OF THE REGULAR ORDER OF BUSINESS TO TAKE UP THE APPOINTMENTS BY THE MAYOR  
MOTION CARRIED**

APPOINTMENTS BY THE MAYOR

Ethics Review Committee

Dearborn Wingate (New Appointment)  
77 Walden Pond Drive  
Nashua, NH 03064

Term to Expire: December 31, 2008

**MOTION BY ALDERMAN DION TO RECOMMEND THE CONFIRMATION OF THE APPOINTMENT OF DEARBORN WINGATE TO THE ETHICS REVIEW COMMITTEE FOR A TERM TO EXPIRE DECEMBER 31, 2008**

ON THE QUESTION

Alderman Richardson

I am a little concerned that Mr. Wingate has not made himself aware of the duties of the Ethics Review Committee nor Nashua's Code of Conduct. I certainly hope he understands, has some inkling of what he is getting himself into as this is an extremely important position, and it has impact on not only the accused, but also leaves an impression on the rest of municipal employees. I hope that he is very very sober about the fact that this is a very important committee, and his participation will be more than appreciated. It is very difficult to find people to serve on this committee. I certainly appreciate it. I hope he has the stamina to stay with that. I understand by looking up his history on line that he has had this type of experience before semi-judicial although the Ethics Review Committee is not a judicial committee, it does render a report. It is an advisory committee. Nonetheless it has weight. That is all I would like to say. Thank you.

Chairman Tollner

I had spoken with a number of people about Mr. Wingate, and received nothing but solid glowing reports. I will work with Mr. Wingate and the Mayor's Office to make sure that he gets the information he needs. I would be more than happy to do that – the Code of Conduct and the duties and responsibilities of this committee that he will be serving on if he is voted in, prior to him starting on it. I will work with you on that Mr. Wingate.

Dearborn Wingate

Very good. When I get it I will certainly go over it very diligently. I have had no reason to get it before the fact, which comes first the chicken or the egg – I wanted to wait until I was on the committee then I would certainly go over it all.

Chairman Tollner

Are there any further comments?

**MOTION CARRIED**

Chairman Tollner

You are approved in committee. I will make sure that we get you the information that we discussed this evening. We will get that over to you this week. We will mail it to your home, and I will have someone call you. I am not sure whether it will be Tuesday night whether it will make the agenda for Tuesday night, but someone will call you and let you know, and then your appointment will be voted on by the entire Board of Aldermen, and then you are set to run. Thank you again for coming.

Dearborn Wingate

Thank you very much. Thank you all.

**MOTION BY ALDERMAN TOLLNER TO RETURN TO THE REGULAR ORDER OF BUSINESS  
MOTION CARRIED**

COMMUNICATIONS

From: Neighbors of the North End

Re: Concerns about the Trend to Carve Up Nashua's Older, Established Neighborhoods

Chairman Tollner

This memo, as you all know, was referred to the Planning & Economic Development Committee and they had a meeting back in February. After that meeting, it was recommended for referral to the Personnel Committee. I have spoken with some of the people out in the audience this evening previous to this meeting, and told them that at one of the upcoming Personnel meetings we would allow them the opportunity to provide public comment to this committee since this committee is responsible for the initial approval of different appointees not just to the Planning or Zoning Boards, but pretty much any committee as we saw an example of it earlier this evening.

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

Chairman Tollner

What I would like to do is open up public comment at this particular time. Prior to providing us with your comments please state your name and address for the record.

The following individuals addressed the committee and provided their comments with regard to the communication:

Jane Vincent, 67 Wellington Street

Her remarks centered around her belief that when an individual comes before the city boards/commissions, they are hoping for a level playing field. She thanked the committee for hearing the opinions of the residents with regard to choice of candidates for the various boards/commissions. She continued by stating her personal beliefs of the necessary qualifications of candidates.

Alderman Richardson asked what the Mayor's process is with regard to vetting candidates. Chairman Tollner responded the Mayor's Office should not forward a candidate until he has done due diligence as far as the candidate is an appropriate candidate for the position he is recommending, and they have done checks and balances on that candidate before presenting that to the Board of Aldermen.

Alderman Richardson stated his concerns with being presented with candidates via a resume and have not received information directly from the Mayor. Alderman Richardson continued by stating his concerns that the difficult questions be asked in order to bring to light any potential conflicts of interest.

Alderman MacLaughlin noted that in his tenure on the South Burlington City Council, the Council went through a process where they got to know the candidates for the different candidates and boards. He believes the process being used here in Nashua is not unlike that of many other communities. He stated his confidence that the system itself, although it can always be improved upon, does work.

James Donchess, 4 Rockland Street

Mr. Donchess thanked the committee for their time in addressing the issue. It is his belief that what comes through in their letter is the sense of great frustration as to the way the development process seems to be slanted against neighborhoods, in favor of the sort of neighborhood busting projects. He reminded the committee that just because there were only a few people in attendance for this particular meeting does not indicate that the sense of frustration is any less than it was a few months ago. He mentioned a few instances where this sort of favoritism appeared evident. He stated there is hostility when a member of the public questions the process. He touched on the requirements that should be in place for potential candidates for city boards/commissions with regard to possible or perceived conflicts of interest.

Alderman Richardson questioned where the authority was derived in terms of Administrative Decisions. Chairman Tollner suggested he pose the question to either Director Hersh or Corporation Counsel. Alderman Richardson stated his desire that a representative speak to this issue with the entire Board of Aldermen. Chairman Tollner suggested the proper venue would be before the Planning & Economic Development Committee. He stated that he will talk to Alderman McCarthy about the possibility of scheduling a special PEDC meeting to take place

prior to a Board of Aldermen meeting. Alderman Richardson went on to state his desire to have a representative address the Personnel/Administrative Affairs Committee as well. Chairman Tollner expressed that it was a bit of latitude allowing the neighbors to address this committee to begin with as the committee does not address zoning, planning, etc. Alderman Richardson continued that it is his belief that an Administrative Decision is a function of the Planning Department, and, therefore, would be an appropriate discussion for this committee. Chairman Tollner continued that what has been discussed tonight would be an individual from the Planning Department going back to the regulations and looking at the regulations in making those decisions. Alderman Richardson agreed that is what he is interested in. Chairman Tollner stated that would be an issue for the Planning & Economic Development Committee, and would have nothing to do with the Personnel/Administrative Affairs Committee.

Alderman Teeboom noted state law defines, to a great extent, what the Zoning Board can do. However, in very limited conditions, it does allow for an appeal to the Board of Aldermen. He feels that is an issue for the Personnel/Administrative Affairs Committee.

Alderman Dion thanked the individuals for attending the meeting. He stated his concerns that the citizens are not given a fair shake, that the members of the boards seem to be more concerned with the lawyers representing developers than the people of the neighborhoods. Alderman Dion went on to describe several instances that have occurred in his ward where he has addressed the Planning and Zoning boards. He stated that determination of hardships is another area that is not being properly addressed. It is his belief that more effort should be placed in approving candidates.

Paul Johnson, 44 Browning Avenue

Thanked the committee for the opportunity to speak. Made mention of the fact that the Planning & Economic Development Committee has been meeting on this issue, and has had presentations by some of the people Alderman Richardson desired to hear from. He stated his concern of the perception that exists in the community that these boards do not represent a level playing field. Although he believes those are issues that the Personnel Committee may not be in a position to address, there are things that he believes the committee can address. He believes that is in relation to the ethics and conflicts of interest type scenarios. He suggested there be a set of guidelines for the boards/commissions to follow with regard to real or perceived conflicts of interests as well as possibly a list of professions that could pose a real or perceived conflict of interest.

Another suggestion was ethics training – Town Officials Handbook from NH Municipal Association has an entire chapter on conflicts of interest inclusive of sections specifically related to Planning and Zoning Boards. Discussed the ability for communities to adopt an ordinance to sign a conflict interest. He stated that Nashua has one, and believed that it was utilized for employees at this point – suggested the ordinance be revised to address the planning and zoning boards specifically.

Alderman Teeboom questioned whether a clear definition of whether or not the boards are quasi judicial should be sought

Suzanne Vail, 2 Rockland Street

Expressed her concern that these appointed individuals may not realize that they have a constituency to represent. She continued by saying that these individuals should be required to be completely familiar with the Land Use Code. It is her perception that procedures are not always followed even with regard to the conducting of the meeting.

She expressed her concern regarding elderly housing – specifically services that are provided in this use and whether or not all required/anticipated services be included in elderly housing. She believes that a candidate should have some knowledge of the Human Rights Code of the State of New Hampshire. She went on to state the shared opinion that the character of neighborhoods does not appear to be considered when discussing a potential development nor is the existence of a hardship determined.

Chairman Tollner remarked that for the last couple of years, any candidate, prior to coming to be interviewed by this committee, has been asked to sit down with the Planning staff and to attend Planning or Zoning meetings. The process right now as far as people coming that are interested is better than it was a couple of years ago. He went on to say there are not many people who are knocking down our doors recently that would like to serve. He invited anyone in the immediate audience and/or the television audience that has an interest to come forward.

John Koutsos, East Dunstable Road

He stated his belief that these problems will continue unless something is done that may be beyond what the committee can do. He feels that the city should consider setting monies aside to conduct ethics courses. He also suggested that they may need to further define the city's Code of Conduct. He continued by stating his belief that it is a bad policy to have a lawyer sitting on an appointed board being the Planning or Zoning boards based on his observation that opinions from such individuals are weighted. He believes there are also issues related to the staff in the Planning Department.

Diane Urquhart, 2 Ferson Street

Discussed the preservation of the character of neighborhoods and the law associated with same. Within that law it states that the abutter's opinions do have a bearing on this aspect. She mentioned another law (15-28) that relates to protecting the character of existing neighborhoods through zoning regulation and enforcement. She went on to cite instances where applicants to the Zoning and Planning Boards began work prior to approval of their proposed projects by the Planning Board.

Victoria Donchess, 4 Rockland Street

Responded to the comment made by Chairman Tollner with regard to not receiving interest from individuals to serve on the various boards. She stated that she is aware of quite a few

people who would like to serve. She questioned how they would go about entering their names for consideration.

Chairman Tollner responded they should communicate with the Mayor informing him of their interest. He also suggested that the President of the Board of Aldermen could be copied on the communication.

In response to Alderman Teeboom's question regarding when positions would be open on the boards, Alderman Richardson responded that it is his belief that 3 members of each of the boards have terms that were up as of March. He is sure that is the case on one of the boards. Chairman Tollner remarked that he would confirm that with the Mayor's Office.

Chairman Tollner informed the committee that he would attempt to set up an appointment with the Chairmen of the Zoning and Planning boards, and speak with them about the ethics issues brought up as well as the suggestions made with regard to instructions being provided as to how the process works. He also remarked that he would speak with Mrs. Hersh with regard to the issues brought up concerning the Planning staff.

Alderman Richardson brought up the concern that the members of the public felt as though they had experienced rudeness from the members of the boards. He felt that the individuals who feel that they experience this behavior should address the board(s), and if they do not receive an acceptable response should follow up with a communication to the Board of Aldermen.

Alderman Richardson reminded Chairman Tollner that, in previous conversation, he made mention of discussion Administrative Decisions with Alderman McCarthy as Chairman of the Planning & Economic Development Committee. He believes a firm understanding of the authority from which these decisions are made.

Alderman MacLaughlin remarked that the process witnessed during this meeting was that of a government that is working more efficiently and is likely to produce positive changes as a result.

APPLICATION TO LICENSE HAWKER'S, PEDDLER'S, ITINERANT VENDOR'S LICENSE -  
None

UNFINISHED BUSINESS – None

NEW BUSINESS – RESOLUTIONS – None

NEW BUSINESS – ORDINANCES

**O-06-19**

Endorser: Alderman Daniel Richardson

**INCREASING THE BLIND AND THE ELDERLY PROPERTY TAX EXEMPTIONS**

**MOTION BY ALDERMAN TOLLNER TO RECOMMEND FINAL PASSAGE**ON THE QUESTIONAlderman Richardson

I originally started with this ordinance being very aggressive in support of elderly exemptions. We have had a tremendous increase in the amount of valuation of properties within the city, and there are a number of elderly folks who have had their property increase, and, therefore, their taxes have increased significantly. These are folks who most would have fixed incomes. Their incomes do not rise to take care of these increases in property taxes. Myself I am an employed person. I do not have my income increase significantly to take care of my taxes. My taxes went up 16%. My valuation of my property went up 33%. I can only imagine the horror that elderly have experienced in seeing their taxes go up. That is what prompted me to pursue this legislation to increase the exemption of property tax on elderly people.

Again I mention that I had started off very aggressively. I had submitted a proposal, and requested that I talk with Maureen Lemieux and David Fredette about the amounts and levels, and it was a very fruitful/productive discussion that we had. I backed off of being very aggressive in the interest of having a piece of legislation that we can talk about with merit. What I would like to do is pass around some information in support of the present form of the amendment, plus information, which may be considered in amending this to be slightly more aggressive.

Chairman Tollner

How we have handled this in the past when we have I think in the last 5 years we have increased the elderly tax exemption if I am not mistaken 3 times, how we have handled this – we have had numerous discussions before we approved it, and the reason for that is there is a ying and a yang so to speak with this. The first discussion I think reaped a cost shift to the taxes in the city somewhere around \$800,000 to \$900,000 so it was suggested to have a conversation with our staff, which Alderman Richardson and I think a couple of other Aldermen did. I think this is something that we should consider, but it may take a few meetings for us to do that. What I would do is invite Tax Collector Fredette and Director Lemieux to a subsequent meeting so they can provide us with data. If anyone has any requests of the impact of the legislation they should send them.

Alderman Richardson

There are three separate handouts that address the 80 and over elderly category – one addressing the change from a \$201,000 exemption to a \$225,000 exemption, the next one is to increase it from \$201,000 to \$250,000, and then a third sheet is to increase it from \$201,000 to \$300,000 exemption. If you take a look at the very top number, Total Qualified Elderly in 2005, there was 374 folks in 2005 who were over 80 years old who held property and met all of the other qualifications to get the elderly exemption and those who actually applied for it. Then at the bottom of the top box you will see it says “Net Loss in Taxes”. That is the bill to be paid by changing the ordinance in each of these cases – in \$201,000 to either \$225,000, \$250,000 or \$300,000 exemption.

Chairman Tollner

If I am reading this correctly, in the \$225,000 there would be a net loss of taxes of about approximately \$100,000?

Alderman Richardson

That is correct.

Chairman Tollner

In the one representing \$250,000 there will be a net loss in taxes of \$176,000?

Alderman Richardson

Correct.

Chairman Tollner

Then to \$300,000 it would be \$219,000?

Alderman Richardson

That is correct. As presently written, it is only proposed for \$225,000 from the \$201,000. However, I don't feel as though that is much of a tax hit. I would be more than happy to or in the future if anyone should make an amendment to increase that amount of exemption even up to \$300,000 is a \$200,000 cost in taxes. Now the lower box in each of these cases shows the population of that 80 and over category in the amounts of which their taxes are being assessed. For instance in the change from \$201,000 to \$225,000 you will see there are, under the proposed change, there would be 137 paying no tax. In other words their property is less than \$225,000 in valuation. Then there are 132 between zero dollars and \$500 payment and etc. etc. As you see if you look from each of these sheets from the lowest to the highest you will find that more and more people go into the zero tax category. We go from the \$225,000 from 137 then all the way to \$300,000 we go to 353 people would get into that category.

Chairman Tollner

It might be a good idea to add a third column and just let us know the increase to the variance if that proposal was passed. A number of people are going to look at this and say the difference between '98 and 2005 the way it stands right now – if the first proposal was approved that number would jump to 137 – that is easy for me to say okay that is an increase of 39 individuals, but maybe another column here. The other question I had was the total net assessment piece that is up on the top and these numbers – did you get all of these numbers from city staff?

Alderman Richardson

This is city data. It comes from the Assessor's Office.

Chairman Tollner

Okay and everybody – Director Lemieux and ...

Alderman Richardson

Everybody has seen this. Alderman Dion was present when we discussed this.

Chairman Tollner

I guess the one question I would have is the difference between the first proposal where you are moving it from \$201,000 to \$225,000, the net loss in taxes is \$100,000 and the last one is bringing it up to \$300,000 and the net loss is \$219,000. If I just look at who is going to pay zero taxes it goes from 98 to 353, and the difference between those loss of no taxes being paid only adds \$119,000?

Alderman Richardson

That is correct sir.

Alderman Williams

Just a point of information through you Mr. Chairman to Alderman Richardson – you preface these comments on saying the total qualified people that had applied and met the other qualifications. Can we briefly review the other qualifications? I know there are income qualifications and asset qualifications. Can you go over what those are at this time?

Alderman Richardson

I will go from memory. I do believe there was a great deal of difficulty following last year's changes with respect to this because there was legislation proposed and I had a hard time discerning whether it was in fact passed or not. Of course we don't have our ordinances actually updated at the moment that... but I do believe the present status is that there is an income limitation of \$36,000 and an asset test of \$100,000 excluding the property on which the taxes are to be paid.

Alderman Williams

Is there any way that would prevent someone from trying to get this – for example if I were to make myself 80 years of age today and place my house in trust and then pass on, the trust owns the home – would that home still qualify?

Alderman Richardson

I would think that if that was attempted ...

Alderman Williams

I have noticed there are a lot of properties in this city that are held in trusts.

Alderman Richardson

I understand.

Alderman Williams

Especially on your street.

Alderman Richardson

And so is my property. Of course we do that for tax purposes – not property tax purposes, but inheritance tax purposes. If someone was to try to evade payment of property taxes obviously that is illegal.

Alderman Williams

Okay.

Alderman Teeboom

A lot of people try to evade property taxes successfully. I have a couple of questions on the top of the page. Total qualified elderly that is the number that is the same in all three sheets. The total tax assessment is the same for all three sheets; the net assessment for the \$201,000 is the same on all three sheets. The 2005 tax exemption is of course all the same. The next columns is what I don't quite understand – the numbers change. Would you explain the next three numbers of these sheets? I think I understand the net loss in taxes so explain the other two.

Alderman Richardson

That was explained to me at the time that we discussed it, and those are the two numbers from the Assessor's Office that I had a little trouble understanding myself.

Alderman Teeboom

Does it mean anything?

Alderman Richardson

Certainly it does mean something. I believe one of those numbers is the – it says proposed expanded net assessment and the other is the proposed expanded tax exempted at a certain level. That is the amount of property value, which throughout the city would be – that is the increased exempted of total property. In other words that would be the – for the first case of \$201,000 versus \$225,000 the delta would be \$24,000 and multiply by 374 people – something on that order. Of course then we have different gradations here depending on who will pay what level of taxes at that level. Do you understand?

Alderman Teeboom

No not really. I don't think you understand it either.

Alderman Richardson

It is the gross increase in exemptions. Take all valuations of properties, change the exemption level for this particular category of elderly people, and that is the – for instance the \$1.2 million that is the gross amount of property valuation, which is now exempted under this new exemption level. Do you understand?

Alderman Teeboom

I won't push it. I don't understand it.

Alderman Williams

May I? Alderman Teeboom has an excellent point here. If you look up from the bottom of that top box it says Net Loss in Taxes and we understand that one. The one above it is puzzling, but the one above that is even more puzzling – Proposed Expanded Net Assessment. If you look at the one that goes to \$250,000 that one says \$3.6 million. If you go to the one that says \$300,000 it is only \$900,000. The one at \$225,000 is \$8.3 million. They are all over the place in that specific line.

Alderman Teeboom

There has to be some meaning.

Alderman Williams

We could use some clarification on that line.

Alderman Richardson

We will probably discuss that at a follow up meeting.

Alderman Williams

Sure.

Alderman Richardson

This is generated by the Assessor's Office.

Alderman Williams

Just some clarification would be good.

Alderman Richardson

Those particular numbers were actually fairly meaningless to me so I didn't pay a lot of attention to ... the net loss in taxes that was meaningful, the total number of people was meaningful, etc.

Alderman Teeboom

Now let's take a look at the bottom part – I am 85 years old – let me pretend I am up to 85 – what does this mean? I am now paying zero taxes – if I am one of 137 I am not paying any taxes where before I was 1 of 98 and I was paying no taxes?

Alderman Richardson

Which one are you looking at Alderman Teeboom?

Alderman Teeboom

Let's take the first one. Let's say I am 85 and own a \$300,000 home and if I weren't 85 I would pay \$5,000 taxes.

Chairman Tollner

You have to qualify so you are 85 and your income level would be at a certain amount, your assets – say your assets were \$100,000 and your property is exempted from the asset piece – you would be paying no taxes. You would probably still be coming to City Hall and give everybody a hard time, but you wouldn't be paying any taxes.

Alderman Teeboom

You mean I could be one of the 137?

Chairman Tollner

You could.

Alderman Teeboom

I could also be one of the 92.

Chairman Tollner

Absolutely. It all depends.

Alderman Richardson

It depends on what your house is assessed for.

Alderman Teeboom

The assessment values aren't shown here. The exemption only is shown.

Alderman Richardson

That is right.

Alderman Teeboom

So if I have a \$5,000 bill and I am one of the lucky 92 I get between \$1,00 and \$1,500 taken off my tax bill, but it really doesn't mean anything either it has to be a specific amount – what does that mean between? Do I come in and argue with Maureen Lemieux whether it is \$1,000 or \$1,500 or with Fredette?

Alderman Richardson

Not at all. The assessment is done on your house like assessments are done on everybody else's houses. If you qualify then you get \$225,000 knocked off that valuation and then what is left you pay tax on.

Alderman Teeboom

Okay so what does the 80+ elderly category mean then?

Alderman Richardson

Under state law, there are three categories of elderly, which we can tailor under our ordinances; the first one is the 65-74 year old category, the next one is the 75-79 year old category, and the last one is the 80+ category.

Alderman Teeboom

Well we are talking about the 80+ category so I am here at the column that says between \$1,501 and \$2,000 and before there were 13 people exempted and now there are only 6 exempted. Why are there only 6 exempted?

Chairman Tollner

They moved up the chain.

Alderman Teeboom

Now I am still 1 of the 6. Do I get the \$1,500 taken off my taxes or \$2,000?

Alderman Williams

That is not what is taken off that is your total bill.

Chairman Tollner

You have taxes on your house for \$5,000 you would be paying that.

Alderman Teeboom

So instead of paying \$5,000 I will be paying \$1,501?

Chairman Tollner

Between \$1,501 and \$2,000.

Alderman Teeboom

I will be paying in other words?

Alderman Richardson

That is correct.

Alderman Teeboom

Okay that is clear on that. It doesn't say that.

Alderman Richardson

The other thing I would like to do is distributed further information for the other categories so that everybody has that in hand, can study it at their leisure, and the next time we come back we can discuss that. The first thing I am going to hand out is for the change in the 75-79 category from \$155,000 to \$175,000 exemption, and then the 65-75 category goes from \$130,000 to \$150,000 exemption. As it does for the 80+ category it shows the same information, but for the different categories and different amounts. If anyone is so disposed as to deciding that they would like to propose an increase in exemption in those two categories there is information for you to work with.

Chairman Tollner

If we took the most conservative approach on each of these three it would be \$320,000 that we would have to find the balance of in the budget – roughly is that correct?

Alderman Teeboom

Where do you come up with that?

Alderman Williams

The net loss in taxes.

Alderman Teeboom

Well you would take the 65, 75 ...

Chairman Tollner

All I did was take the \$136,000, the \$83,000, and the \$100,000 and added them up and got approximately...

Alderman Teeboom

You get \$219,000.

Chairman Tollner

I get \$320,000 something. I said the least aggressive. What you are asking us to do is look at this, digest it a bit, if we have any questions you recommend that we just speak with Director Lemieux, Mr. Fredette or yourself?

Alderman Richardson

Certainly.

**MOTION BY ALDERMAN RICHARDSON TO HOLD O-06-19 IN COMMITTEE**

**ON THE QUESTION**

Alderman Dion

Through the Chair to Alderman Richardson please – have you given any thought to raising the exemption from total assets from \$100,000 to say \$125,000?

Alderman Richardson

I believe that is state law.

Chairman Tollner

I was going to say, if I am not mistaken – I will check, we have it right now at a level that is controlled by state law.

Alderman Dion

Then the income part of it then have you thought of that?

Chairman Tollner

That is state law as well.

Alderman Richardson

No I would like to differ – I believe that in fact is something that we can adjust locally. That was an item that was subject of legislation I believe last year, and I believe that was ...

Alderman Dion

Alderman McCarthy and I sponsored that.

Chairman Tollner

We increased it. Motion is to hold.

**MOTION CARRIED**

Alderman Williams

The next time we convene and discuss this are we going to have some discussion on the tax impact and how we will fund it?

Chairman Tollner

Right. I am sure between now and our next meeting we will have some more information – Alderman Richardson will get more information, and I will have a conversation with Director Lemieux and Mr. Fredette to check their availability. Just for the public's information, there is no rush in passing this legislation because as long as we pass it, if I am not mistaken, before some time in April of next year we are fine. Not that we are going to have to take that long, but this doesn't really have a ticker on it that we have to meet 6 times in the next 5 days in order to meet a deadline is what I am saying.

HELD IN COMMITTEE

*Appointments by the Mayor*

Ethnic Awareness Committee

Luci De Biagio (New Appointment)  
22 Squire Drive  
Nashua, NH 03063

Term to Expire: December 31, 2006

Resolutions

**R-06-36**

Endorsers: Mayor Bernard A. Streeter  
Alderman-at-Large David Rootovich

**DETERMINING THAT REVISION OF THE CITY CHARTER IS NECESSARY  
AND PROPOSING THE ESTABLISHMENT OF A CHARTER COMMISSION**

PUBLIC COMMENT - None

DISCUSSION - None

ADJOURNMENT

**MOTION BY ALDERMAN DION TO ADJOURN  
MOTION CARRIED**

The meeting was declared closed at 9:45 p.m.

Alderman David MacLaughlin  
Committee Clerk