

**SPECIAL MEETING
BOARD OF MAYOR AND ALDERMEN**

October 27, 1998

6:00 PM

Mayor Wieczorek called the meeting to order.

The Clerk called the roll.

Present: Aldermen Wihby, Klock, Reiniger, Sysyn, Clancy, Pinard, Shea,
O'Neil, Girard, Rivard, Pariseau, Cashin, Thibault, and Hirschmann

The Mayor called for a recess.

The Mayor called the meeting back to order.

Report of the Mayor's Special Committee on the School Deficit, if available.

A report of the Mayor's Special Committee on the School Deficit was presented through a resolution "Resolution on School Overspending". Such resolution having been amended by the Board of School Committee for presentation to the Board of Mayor and Aldermen for adoption. The resolution read as follows:

WHEREAS, The City Charter, Section 6.09 Overspending of Appropriations Prohibited, states that: No payment shall be made or obligation incurred against any appropriation except in accordance with appropriations made. Any authorization of payment for incurring of obligation in violation of the provisions of this charter shall be void and any payments made illegal." And

WHEREAS, The City Finance Officer as part of the FY 1998 year end closings procedure, has notified the Board of Mayor and Aldermen that the School District has incurred obligations in excess of appropriations of approximately \$1.4 million, and

WHEREAS, This overexpenditure, along with a reduction of \$982,118 in estimated revenues for the FY1999 Budget, has resulted in an unanticipated tax rate increase of over fifty (50) cents on the tax rate, and

WHEREAS, The School District is subject to the appropriation authority of the Board of Mayor and Aldermen as the Legislative Body and to the accounting control of the Finance Officer, and

WHEREAS, The Board of Mayor and Aldermen and the Board of School Committee wish to resolve the problem in a responsible and amicable way.

IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. The City's and School District's independent auditors shall identify the extent that such overspending is directly attributable to mandated Special Education and English as a Second Language services provided by the District versus other non-mandated spending. The

City's independent auditors shall certify the line-item areas in which overspending occurred and the services provided/received by the District for these overexpenditures, and

SECTION 2. School Board and Board of Mayor and Aldermen agree that maintaining an adequate Fund Balance is vitally important for the city's credit rating, which is of primary importance for the funding of future projects, and therefore, that the amount of overspending as certified in the city's independent auditors report shall be fully reimbursed to the General Fund by the School District as soon as possible over a period not to exceed two years (i.e. FY 1999-2000), through separate line item appropriations made by the Board of Mayor and Aldermen. In advance of the independent auditor's report the School District shall immediately transfer \$200,000 to the General Fund from its FY1999 appropriation, and

SECTION 3. The Mayor's Special Committee on the School Deficit shall continue
to meet on a biweekly schedule throughout the fiscal year to review all FY 1999 School District spending and to ensure that overspending does not occur during the current fiscal year (FY1999). The Committee shall report to the School Board and Board of Mayor and Aldermen on a monthly basis, or more often as necessary, on the status of the School budget, and

SECTION 4. The School District shall not plan, purchase, develop, contract for, implement, or otherwise consider the purchase, installation or sue of financial accounting/management software which interferes with the implementation of the HTE system, or the Finance Officer's ability to control accounts of the City and issue payments on the City's behalf. And

SECTION 5. The City Finance Officer or his designee shall attend all regular meetings of the School Board's Finance committee. The superintendent shall provide the Finance Officer with reasonable notice of scheduled meetings and full agendas so that the Finance Officer can make arrangements for attendance, and

SECTION 6. The use of leases to fund operating expenses is less than ideal and may have an effect on the credit rating of the City. Consequently, the Board of Mayor and Aldermen will approve the request leases (except those for financial accounting software) on condition that the terms of the leases be paid off in the second year through separate line item appropriations made by the Board of Mayor and Aldermen.

SECTION 7. The School Superintendent, or his designee, shall immediately meet with the School Capital Improvement Program (SCIP) committee currently consisting also of the Finance Officer, Planning Director, Building Commissioner, Public Building Services Director, and Mayor's office to formulate a plan for the development of an alternative School in the City of Manchester to provide Special Education services locally and, thereby, reduce the cost of providing such services. The Plan shall consider the concept of a regional service provider to be operated as an Enterprise, much the same as the City's Water, Sewer and Airport Enterprises. This Committee shall submit a plan for the development of such a program to the School Board and Board of Mayor and Aldermen not later than January, 1999. All departments, commissions, and officers of the City shall cooperate fully with this Committee in completing this important assignment, and

SECTION 8. The Mayor will appoint representation on the Board of School

Committee Negotiations Team to represent the city's fiscal interest(s). Each Negotiations Committee will be comprised of members of the Board of School Committee, a Mayoral Representatives(s), and members from each appropriate employee group. And

SECTION 9. Upon approval of this Resolution by the Board of Mayor and Aldermen and the Board of School Committee, the Board of Mayor and Aldermen approves the teachers contract as negotiated by the Board of School Committee.

SECTION 10. This Resolution shall take effect upon its passage contingent upon the School Board and the Board of Mayor and Aldermen adopting the same in its entirety. Failure of the School Board to adopt any section hereof shall result in the entire resolution not taking effect.

Mayor Wieczorek stated I am going to entertain one motion to adopt all of the items that we had in the schedule that we discussed previously.

Alderman Rivard moved to adopt the Resolution. Alderman Pariseau duly seconded the motion.

Alderman Wihby stated I just wanted to say that before the 4 p.m. meeting I was prepared to vote against this. I think you did a good job with your compromised solution. I think it doesn't serve maybe all the problems that we have, but I think it takes care of the immediate problems that we have. My concern, I guess, was the bonding, the financial aspect of this. I think by breaking it into two years I think you have done a good job with that. I think that next year at least we will be back whole. We won't have any leases and we won't have any deficit. I want to commend you for your hard work, your Honor, and I am in support of this.

Deputy Clerk Johnson clarified that the motion on the floor is to adopt the Resolution presented by the Mayor's Special Committee with the amendment made by the Board of School Committee.

Alderman Girard stated I am not going to support this, but there are two reasons why I am not going to do it and I just want those reasons to be clear. First I would like to echo Alderman Wihby's sentiments, your Honor. The trouble that you have put into crafting this arrangement, much of which I agree with, is to be commended and those who would complain that you have not exercised leadership here, I think, have been very unfair. I think it is through your efforts that you have gotten to this point but there are two reasons why I will not support this. The first reason is I don't believe it holds the School Administration accountable for the deficit it created. FY98 was a fully funded budget. It had provisions for special ed reorganizations and we have heard that special ed was the reason for this deficit and I cannot support something that does not hold the Administration and the governing body of that Administration accountable. Now what we have done here is we have fixed the problem and moved forward, but no one is responsible for what has happened and I have a problem with that. The second reason why I can't support this, and this is a very difficult position for me to take, is after reading in the newspaper the

MEA President stating that the civic center would not have the teacher support if they did not get their raises, I spoke with the MEA President and I would have to say that I was more than disturbed, more than a little disturbed with the conversation that I had with her. Basically, what it boiled down to is this. In discussion, she acknowledged that the civic center and the teacher pay raise had nothing to do with each other, but she was willing to build an argument that potentially pit one sector of our community against another in order to “force the issue on the pay raise”. I find the tactic of publicly stating something and trying to create a debate that does not exist...I find the tactic despicable to be honest with you. I find it beneath contempt and I don't think it deserves to be rewarded. Those are the bases of my opposition.

Mayor Wiczorek called for a vote. The motion carried with Aldermen Girard and Reiniger duly recorded in opposition.

Alderman Wihby stated I sat from 4 p.m. to 8 p.m. with Ellen Healy. I think she was part of the team that came up with this. I think she did a great job. It is with her help I think we are moving forward today. I still agree and I will say it publicly there was mismanagement on the School Administration side. I am not taking back that comment. We have to move forward. We have to do what is right and I think that this proposal that came forward was a recommendation from the School Board, Aldermen, teachers, union, I think everybody worked together to do that. I recognize the comments from Alderman Girard, but I just think that on the other end everything worked out fine and she worked hard to help us today.

Alderman Cashin stated I can't accept the fact that there was mismanagement on the School Department. I don't agree with that. There wasn't. There were computer problems and everything else and that is the way I feel. Also, you have to thank Brad Cook and Mike Garrity. There was more communication here today between the School Board and the Board of Aldermen then I have seen in a long, long time.

Alderman Shea stated Alderman Girard brought up the fact about the civic center. Isn't it ironic, your Honor, that a few days after the teachers decided that they were opposed, or almost opposed, we had a quick solution to this problem, your Honor. That is a special issue. Some of us are opposed to it and some of us are for it. Those who are opposed to it, lets take the vote, lets see how it works out. Basically, we shouldn't bring this matter up. He chose to bring it up, your Honor, but it should have been kept separate and distinct.

Ellen Healy stated first of all, I would like to tell Alderman Girard that he needs to get Hooked on Phonics because it obviously works for a lot of people. The MEA never took a position against the civic center. What we did was, and the position still holds true today, schools first, civic center second. It is unfortunate. He did call, he did threaten me. He was very clear in saying that he would never, ever support any teacher initiative as long as I held the office that I hold. That is fine, believe me. I doubt that there will be many teachers that vote for him. It doesn't really matter. It is unfortunate that he has had to resort to a public forum for this, but

yes, you are right, I thank you, Mr. Mayor, I thank the Committee Members and I especially thank Mr. Cook who was the Moses who brought everything together that we needed to do and there comes...you know we can agree to disagree and I think it is time to move on so we can do what we do best and this is educating children. This is what we want to do. Stop the name calling, stop the blame and Alderman Girard, grow up.

Alderman Pariseau moved to ratify the teacher's contract as agreed upon by the Board of School Committee. Alderman Pinard duly seconded the motion.

Alderman Wihby stated again, two years ago I was promised that there was going to be merit performance raises, evaluations in the contract. As I promised two contracts ago, I will not support any raises unless they had that provision in there. This one does not carry that provision in there. I have no problem with the increase. They deserve the increase, but as far as not having the merit evaluation in there, I am going to have to be opposed to this. I just wanted to state my opinion.

Alderman Cashin stated as Chairman of this Board, Alderman, you have a right to vote anyway you want but you should be setting an example too. If every Alderman on this Board waited to get everything they wanted in a contract before they voted for it, not contracts would ever be signed.

Alderman Wihby replied so as Chairman of this Board everything I vote you are going to do, Alderman Cashin.

Mayor Wiczorek called for a vote. The motion carried with Aldermen Wihby, Reiniger, and Girard duly recorded in opposition.

Mayor Wiczorek advised that this being a special meeting of the Board, no further business can be presented, and on motion of Alderman Wihby, duly seconded by Alderman Cashin, it was voted to adjourn.

A True Record. Attest.

City Clerk