

**SPECIAL MEETING
BOARD OF MAYOR AND ALDERMEN**

March 31, 1999

6:30 PM

Mayor Wieczorek called the meeting to order.

Mayor Wieczorek called for the Pledge of Allegiance, this function being led by Alderman Pinard.

A moment of silent prayer was observed.

The Clerk called the roll. There were thirteen Aldermen present.

Present: Alderman Wihby, Klock, Reiniger, Sysyn, Clancy, Pinard, O'Neil, Girard, Shea, Rivard, Cashin, Thibault, Hirschmann.

Absent: Alderman Pariseau

Mayor Wieczorek stated the purpose of the meeting is to receive the budget for fiscal year 2000 pursuant to section 6.03 of city charter. The budget message is as follows. Members of the honor of Board of Mayor and Aldermen, City Department heads, citizens of Manchester. I present to you tonight my proposed budget for fiscal year 2000. Two months ago my budget team and I were presented with department requests that combined with rising insurance rates, and need to invest in our capital budget total of 15.36 tax rate increase. That number was no small increase to deal with. I wanted to thank the team for helping me to propose tonight's budget with a predicted tax rate of \$32.99 representing an estimated increase of 1.35%. This years budget process is been a truly strange one, as the entire state is forced to wait until the Governor and Legislator can agree to a plan which addresses the Claremont II lawsuit. The numbers that have been used in Concord to address is issue change nearly every day. But one fact seems to remain, whatever plan comes up with the taxpayer will probably make out well in this situation. As part of my budget is assuming increase 13 million dollars in revenue received from the State. This number is based upon the very lowest projection we have heard to date. I believe this number is very conservative. If these revenues are not appropriated by the State than this budget will be mute and we will have go back to the drawing board and radically change what is proposed. If we receive even more revenue above and beyond what have budgeted I fully expect that all-additional money we be used to substantially lower the tax rate and address the additional infrastructure needs of our schools. Lower the highlights of this budget what is means to the people of Manchester. With School, my proposed school budget fully funds the request budget approved by the School Board included in that amount is seventy seven new teachers, the pay-off of the leases, and eight hundred thousand dollars increase in text books, increase in transportation costs, increase special education and ESL. Added to the school boards request are 2.3 ,million dollar raises for teachers, principals and other certified

school staff. Public Building Services, at the recommendation of the Public Works Director and his consultant adding 1.4 million to PBS to address custodial, preventive maintenance and capital outlay needs. This number is very fluid and we will not have a good number until late April, late April we will be opening the bids from the contractors that will be submitting them. The police are requesting an increase of over three hundred thousand dollars to pay for patrolmen previously paid through federal grant monies. The success attained by the Manchester Police Dept. over the last few years seemed to justify that the need to keep these positions. Highway Department budget has increased by eight hundred thousand dollars to address two issues. First the amount of solid waste collected by the department has seen a sharp increase over the last fiscal year and this would appear to be caused by increase in our City's population and an under performance of our recycling program. Second, this budget reflects the policy change we made last year to move the salaries and benefits of street reconstruction from the CIP process into the operation budget of the Highway Dept. Regarding fringe benefits, this budget projects increase of 3.2 million dollars in fringe benefits, health, dental, and FICA. These line items have risen steadily over the years and has become a major concern to me. At this time I am announcing the formation of a special staff committee to review this issue and make recommendations on how to address these concerns to the Board of Mayor and Aldermen. This committee will consist of Mark Hobson, Kevin Clougherty, Chief Mark Driscoll, Howard Tawny, and Randy Sherman. I request that the report back to the Human Resources insurance committee by May 17, 1999 regarding maturing debt. Maturing debt and interest is up by almost 2.5 million dollars. This increase is a tough pillow swallow, but I believe that necessary if we are to continuing making the progress we have in the last few years. As I always say every year today marks the very beginning of the budget process, this is not the end this is the first step in the budget process. Over the next few weeks this board will work very diligently to provide the very best services to our taxpayers at the lowest possible cost. I want to stress again to the public that the Claremont issue could radically change what has been proposed tonight. As we know it changes almost daily and we want to assume a very conservative figure the figures that I presented in the budget tonight. What ever happens we will have to take into consideration. As I say this is the first time that we had to deal with a situation like we are in the budget process not knowing were we are going to be as far as the state is concerned, so I want to caution everybody that there could be a change if the all of sudden decide to the will be nothing than all of the figures that you see here will be gone and we will be starting all over again. That the bases on which we find ourselves tonight. I want to thank you all for your consideration of this budget and look forward to working with all of you in completing this process as expeditiously as possible.

Alderman Girard stated do you know what the projected tax increase would have been had you not counted the 13 million dollars in new state revenue.

Mayor Wiczorek responded I don't, I didn't calculate that.

Mayor Wiczorek noted they would have a lot of time to look over the budget, he believed until mid-June.

Clerk Bernier noted a June 8 deadline.

Mayor Wieczorek commented by June 8 we'll have to have that completed but by that time we will certainly have a very good idea of what is happening. We have soft numbers in here obviously because we don't have the bids from the custodial operations and we don't know what the state is going to do. So once we get some of these numbers firmed up then I think will see the budget begin to take shape.

Alderman Girard stated other than these summary sheets and resolutions, which you passed out. What further information, can we expect your office to distribute to the board regarding the budget?

Mayor Wieczorek responded Monday or Tuesday they would get the one with all the line items.

Alderman Girard stated that would include new personnel requests and all of your additions to the existing operating budget.

Shawn Thomas responded yes it will

Alderman Hirschmann stated is this significant increase in the Finance Department but know.

Mayor Wieczorek stated well you know don't start going through one item at time here cause this not going to be the night. I am presenting it to you and giving two and a half months to take a look at it.

Alderman Hirschmann stated you want to talk about the bad thing on another day is that it.

Mayor Wieczorek stated the bad things on another day well I want to talk about good things so I hope that were going to have a lot good things to talk about.

Alderman Hirschmann stated I say Finance went from \$858,000. of a modified budget to over \$900,000. and I know people have been moved out of that department, so what's going on over there.

Mayor Wieczorek stated that we have Yager Decker, and people that have gone on to forty hours so, that is part of it. Aldermen you know that the committees and the departments are going to be speaking to the board, so you will have plenty of time.

Alderman Hirschmann stated you could address this another night Kevin , I guess.

Mayor Wieczorek stated he will answer it know for you if you want. Go ahead answer it.

Kevin Clougherty stated I am due to an increase in Yarger Decker and if you look at the line items in are department there exactly the same except for the salaries.

Alderman Hirschmann stated you lost employees and went up about \$90,000. I'm glad I voted against Yarger Decker that's what I'm telling you.

Kevin Clougherty stated there is one additional position.

Alderman Hirschmann stated the year before that we took people out your department as we; and you went up again. So you keep losing people but your budget keeps going up. When I joined this board it was six hundred something thousand dollars and now it's nine hundred something thousand dollars.

Kevin Clougherty stated we gave that to the board.

Alderman Hirschmann stated and you even took the aggregation people out . I think we have some work to do with finance. I made my point.

Mayor Wieczorek stated the budget is in, it in your hands and knows you can do what you will with it and will go from there.

Alderman Wihby noted he had requested the City Clerk to forward a letter to aldermen to have them advise if they wished to have someone appear before the Board on their budget.

Alderman Hirschmann stated anybody that increased their budget by more than a percent should be in front of us as far as I'm concerned.

Mayor Wieczorek stated you could request that.

Alderman Girard questioned the Mayor's budget message stating did I understand you to say that the pay-off of the leases incurred by the school department in the current fiscal year is in there operating budget.

Mayor Wieczorek stated yes.

Alderman Girard stated so theirs not another number on the general fund side that is going to pay those off.

Mayor Wieczorek stated no.

Alderman Girard stated thank you your honor.

Alderman Wihby stated what amount was that.

Mayor Wieczorek stated the million thirty four thousand I believe is the number.

Alderman Wihby stated and the raises is also in their budget.

Mayor Wieczorek stated it's all in their budget.

Alderman Wihby questioned the extra two million three hundreds thousand.

Mayor Wieczorek stated it's the raises and step increases for them.

Alderman Wihby stated where's the leases.

Mayor Wieczorek stated leases are in the pay-off too, there part of the pay-off.

Alderman Wihby stated right so it looks like what there requested and what you gave them are two million three hundred thousand more.

Mayor Wieczorek stated right, because they, in the request they did not have any pay raise increases.

Alderman Wihby stated the leases were in there.

Mayor Wieczorek stated the leases were, yes. Everything was in there except the raises and I added those to it that's why that number have changed.

Alderman Shea stated thank you, I do have some concern about the Manchester Aggregate Program so, I am going to bring that up as well at the proper time but, I have concerns about that. I wanted to express that.

There being no further business to be presented before the special meeting, on motion of Alderman Rivard, duly seconded by Alderman Thibault, it was voted to adjourn.

A True Record. Attest.

City Clerk