

**SPECIAL MEETING
BOARD OF MAYOR AND ALDERMEN**

June 1, 1999

5:15 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 twelve Aldermen present.

Present: Aldermen Wihby, Reiniger (arrived late), Sysyn, Pinard, O'Neil,
Girard, Shea, Rivard, Pariseau, Cashin, Thibault, Hirschmann

Absent: Aldermen Klock and Clancy

4. Appropriating Resolution:

"Appropriating to the Manchester Aggregation Program the sum of \$808,118 from Aggregation Fees for the Fiscal Year 2000."

Alderman Shea moved that the resolution be read by title only. Alderman Cashin duly seconded the motion. The motion carried with Alderman Hirschmann duly recorded in opposition.

Mayor Wieczorek asked, Tina, do you have any problem with any part of this Resolution that we have on the table.

Ms. Parsons indicated no.

Alderman Wihby moved that the Appropriating Resolution pass and be Enrolled. Alderman Girard duly seconded the motion.

Alderman O'Neil stated, Frank, just a nod would be okay. You will do everything you can to get consulting costs under control.

Mr. Thomas nodded in the affirmative.

Alderman Shea asked, Frank, are you comfortable with the fact of restricted funds subject to the approval of the Finance Officer rather than the Board of Mayor and Aldermen or does it make any difference to you. Frank, do you understand what I'm saying. Under the appropriation it says Restricted Funds subject to the approval of the Finance Office (\$62,963) and Incidentals of \$300,000. Are you comfortable with that or do you feel if I wanted to make an amendment to

have these restricted funds subject to the approval of the Board of Mayor and Aldermen, would that make a difference with you.

Ms. Parsons replied the first line is the Employee Benefits and that traditionally has always gone under the approval of the Finance Department.

Alderman Shea stated that is true and I realize that but there is something here we can change if we so wish.

Ms. Parsons stated the Incidentals line that you refer to for the \$300,000, I believe your concern is with the Incidental line for the consulting fees...the issue with that would be that if this Board wants to continue with the policy of participating in the State hearings that in order to be able to move forward and those schedules when they come out are on a very fast type pace the Board only meets twice-a-month normally and if only meets once-a-month in the summer time. The scheduled hearings for both the rate case and the stranded cost issue are due...a number of the items that are concerned in those hearings for data requests and some of the testimony is due this summer. So that, in order for the consultants to move forward on those hearings we would need some latitude to be able to allow them to do the work necessary by those deadlines that the State sets. It's not to say that we cannot or shouldn't bring the bills before the Committee on Accounts for approval and review, but it does make it difficult to proceed in those hearings if, in fact, we have to come to the Board for permission to spend that money prior to that. So, it is a policy decision on this Board's part in order to decide if you want to proceed in those hearings or not in order for us to meet the schedule that's laid out by the New Hampshire Public Utilities Commission.

Alderman Shea stated there are two parts to the dilemma. One is the fact that some of the Board members are reluctant in terms of giving the Finance Department jurisdiction in this matter without necessarily knowing what's going on because obviously there's concern about what has been paid in terms of consultant fees and what you brought up is the other. So, basically that is where the dilemma lies. I'm not sure but I'd say there might be other comments that Board members want to make before we take a vote.

Mayor Wieczorek asked didn't you vote in favor in Committee.

Alderman Shea replied I'm not sure if last week whether I did...I did vote last week in favor of it, yes.

Mayor Wieczorek stated the other thing I think everybody should keep in mind is that we received a letter from Attorney Rodier complimenting the City on its participation in this program and if it were not for the City of Manchester who knows where this thing would have gone. So, I don't think we want to be in a position to derail this.

Alderman Shea stated in answer to your question I can vote in favor of something but yet have controls, your Honor. So, I know that I'm on the Committee for that.

Alderman Girard stated there is a motion on the floor and unless there is a move to amend that motion, I would like to move the question.

Alderman Hirschmann stated seeing how you brought up Attorney Rodier's letter, I'd like to read the closing remarks of that letter to everybody here:

I would strongly recommend that the City seek compensation and reimbursement for their indispensable efforts in the hearings held at Concord, New Hampshire Public Utilities Commission in the upcoming months.

Alderman Hirschmann asked how are we going to get that, who is going to tell me how are we going to be recompensated for what we've put into these hearings.

Ms. Parsons replied in answer to your question, Alderman, in traditional rate making at the State utilities are always compensated through rate making for their participating in rate hearings. This one is kind of monumental insofar as a number of intervenors like the City never participated in hearings at the State level before and especially to the extent that this one has dragged on for a number of years. There is currently a House Bill 318 that would going through the Legislature to allow for intervenors such as the City of Manchester to seek compensation through rate making for their participation in those hearing processes as well. Specifically, that House Bill excluded municipalities and so it's really incumbent upon our Legislature to look at that, the folks that represent the City of Manchester and perhaps the City of Nashua who have also contributed a quarter of a million dollars towards the effort.

Alderman Hirschmann in reference to HB 318 asked are you going to testify that you want us to be recompensated for that money.

Mayor Wieczorek replied sure we want to be recompensated if we can.

Alderman Hirschmann stated you're going to testify right, okay.

Mayor Wieczorek interjected stop arranging my schedule, let me do it.

Alderman Hirschmann stated part two of this...we have already spent \$1.6 million on this program, so this \$808,118 tonight will bring us to \$2.517 million before we make a penny on Aggregation...we're really slipping and sliding...do you want to see the facts before you shake your head, it's right there. Have the Clerk copy it over for everybody, might as well have the Clerk do that so that Alderman Girard doesn't get all upset at me.

Mayor Wieczorek stated your third question.

Alderman Hirschmann replied it's not a question, it's a statement, your Honor. We paid our auditors lots of money to come up with this management letter for the City and its says right here, Item 10...guys, please put the brakes on...monitor the cash deficit and aggregation fund. You now have a financial receivable of over half a million dollars for this audited year, not counting the money on the sheet I just gave the Clerk which will come out to \$2.5 million by the end of the next fiscal year. So, we're going to be almost \$3 million in the hole, hopefully, this gas contract you awarded is going to make some money because I personally think you're making a mistake if you let \$40,000 a month bills come to my desk for consultants to testify at hearings to say that we have to have aggregation, it's wrong. They've already spent over a year handing us bills of \$40,000 a month and sending them to our Committee and everybody in our Committee shakes their head...why are we doing this...we're paying for expert witness fees, it's wrong. If electric deregulation is going to happen the Manchester taxpayer shouldn't be hit so hard with this, it should be happening without the costs. So, I'm going to vote against this and if he wants to make an amendment, I'll make an amendment. It would be the \$508,000 number that I tried last week.

Mayor Wieczorek called for a vote on the motion that the Appropriating Resolution pass and be Enrolled and if it fails then you can make your amended motion.

Alderman Pariseau stated at the last meeting we had a discussion relative to moving that Incidental amount of \$300,000 from the purview of the Finance Officer down to the Board of Mayor and Aldermen. What happened in the meantime that it's still there with the Finance Officer.

Mayor Wieczorek asked was that an action that was supposed to have been taken.

Alderman Wihby stated it was passed as it was.

Alderman Pariseau asked didn't we have this discussion at the last meeting.

Mayor Wieczorek replied we did have the discussion, but this is the Resolution that passed.

Deputy Clerk Johnson stated there was a discussion relative to moving that item but there was no physical motion or vote of the Board to do so.

Alderman Wihby stated what passed was the motion that is on the floor today.

A roll call vote was taken on the motion that the Resolution pass and be Enrolled. Aldermen Girard, Thibault, Wihby, Reiniger, Sysyn and Pinard voted yea. Aldermen Shea, Rivard, Pariseau, Cashin, Hirschmann and O'Neil voted nay. Aldermen Klock and Clancy were absent. The motion carried.

Alderman Girard stated given the concerns that have been raised by Ms. Parsons with the State Legislation moved that this Board ask the Legislative Delegation to make changes to the legislation so that the City can recover its costs. Alderman Hirschmann duly seconded the motion. There being none opposed, the motion carried.

Alderman Klock asked that she be recorded in favor. Discussion ensued where a majority of the Board indicated she was not present during the discussion. Mayor Wieczorek stated the motion had passed and that was that.

5. Appropriating Resolution:

"A Resolution appropriating to the Manchester Airport Authority the sum of \$24,837,000 from Special Airport Revenue Funds for Fiscal Year 2000."

On motion of Alderman Wihby, duly seconded by Alderman Reiniger, it was voted that the Appropriating Resolution be read by title only, and it was so done.

Alderman Wihby moved that the Appropriating Resolution pass and be Enrolled.

Alderman Pariseau duly seconded the motion.

Mayor Wieczorek asked is the Airport here. Michael is everything okay with this.

Mr. Farren replied yes.

Mayor Wieczorek called for a vote on the motion. There being none opposed, the motion carried.

6. Appropriating Resolution:

"A Resolution Appropriating to the Central Business Service District the sum of \$225,000 from Central Business Service District Funds for Fiscal Year 2000."

On motion of Alderman Reiniger, duly seconded by Alderman Sysyn, it was voted that the Appropriating Resolution be read by title only, and it was so done.

Alderman Sysyn moved that the Appropriating Resolution pass and be Enrolled. Alderman Girard duly seconded the motion.

Alderman Pariseau asked is this appropriation of \$225,000 coming from the merchants or the property owners...they're own assessment.

Mr. Davis replied yes.

Mayor Wieczorek called for a vote on the motion. There being none opposed, the motion carried.

7. Appropriating Resolution:

"Amending a Resolution 'A Resolution appropriating the sum of \$3,300,415 from Recreation User Charges to the Recreation Division for Fiscal Year 2000.' to \$3,024,918."

On motion of Alderman Wihby, duly seconded by Alderman Thibault, it was voted that the Appropriating Resolution be read by title only, and it was so done.

Alderman Pinard moved that the Appropriating Resolution pass and be Enrolled. Alderman Sysyn duly seconded the motion.

Mayor Wieczorek asked, Ron, is everything okay with this resolution as far as you're concerned.

Mr. Ludwig replied yes.

Mayor Wieczorek called for a vote on the motion. There being none opposed, the motion carried.

8. Appropriating Resolution:

"A Resolution appropriating the sum of \$9,997,760 from Sewer User Rental Charges to the Environmental Protection Division for Fiscal Year 2000."

On motion of Alderman O'Neil, duly seconded by Alderman Pariseau, it was voted that the Appropriating Resolution be read by title only, and it was so done.

Alderman Shea moved that the Appropriating Resolution pass and be Enrolled. Alderman Rivard duly seconded the motion.

Mayor Wieczorek stated, Frank, do you have any problem with this.

Mr. Thomas replied no.

Mayor Wieczorek called for a vote on the motion. There being none opposed, the motion carried.

9. Appropriating Resolution:

"Amending a Resolution 'A Resolution appropriating to the Manchester Transit Authority the sum of \$651,000 for the Fiscal Year 2000.' to \$674,000."

On motion of Alderman O'Neil, duly seconded by Alderman Pinard, it was voted that the Appropriating Resolution be read by title only, and it was so done.

Alderman Thibault moved that the Appropriating Resolution pass and be Enrolled. Alderman Shea duly seconded the motion.

Mayor Wieczorek asked is Donald Clay here. Donald, any problem with this.

Mr. Clay replied no.

Alderman Pariseau stated at the last meeting they sent a letter relative to equipment, is that in this \$651,000.

Mayor Wieczorek replied no, it's in the \$674,000.

Mayor Wieczorek called for a vote on the motion. There being none opposed, the motion carried.

10. Appropriating Resolution:

"Amending a Resolution 'Raising Monies and Making Appropriations for the Fiscal Year 2000' to \$189,002,211."

On motion of Alderman Klock, duly seconded by Alderman Pinard, it was voted that the Appropriating Resolution be read by title only, and it was so done.

Mayor Wieczorek stated why don't we open this up for discussion because this is our final resolution regarding the City budget.

Alderman Wihby stated if we could proceed with this new sheet.

Alderman Shea stated that is going to revise your figures, Dave, because it was off.

Alderman Wihby replied yes. I have some new sheets that was just run off, numbers that were corrected after having worked with a couple of departments that had contacted us on numbers that were wrong.

Alderman Shea stated his total figures were off, Dave.

Alderman Wihby stated we had worked on some new numbers last Thursday which is what I had sent to the Board and it made some assumptions and it was a starting point for today, so I'll go over those sheets. But, the new sheet is a correction of those numbers and we can just go over. In the column marked "Public Hearing Expenditures" was the number that is sitting in front of us at the public hearing...the \$189 million. From there if we want to cut, we need to cut from that number so those last two columns where some cuts were made and can go over it if this Board wants to cut or doesn't want to cut or wants to go further and cut. We had sent a letter to all departments to be here and I had asked all of them if they had any questions or problems to bring them up, but if I could bring these up first, your honor. Basically, in the departments is was a one percent cut using their sheets that they had given them...minus, we threw back money that meant layoffs. So, if you look at the sheets the departments gave us there shouldn't be any layoffs in the departments using a one percent cut. This Board has to

decide if it wants a two percent cut or a three percent cut or if they're happy with the one or start picking and choosing from the departments. But, it's assuming a one percent cut, otherwise, we're putting back money in that was going to be a layoff. I think there was only one or two departments that were actually going to have to layoff if we gave them a one percent cut. It takes School and cuts 60 teachers from the number along with all of their benefits and also an additional \$1.1 million in expenses. It corrects all of the health insurance and dental insurance, all those numbers that were changed and revisited. It reduces the Contingency... Motorized Equipment was dropped \$20,000 which was a School car which would be paid for out of their budget instead of out of MER and again this is before... what is going to end up happening is all of the School number... everything that is on here that belongs to School will end up being revisited and one big number will be given to School noting we have to do that with the new law/decision that just came out. But, this is trying to get everybody on the same page before we make that switch. It calculates an additional \$11 million for assessments, it figures in an extra \$10,000 minus for County Tax, we actually got the rate for that. The big number that you see for School Food Service the benefits were in there and the benefits were in our number, so we took them out in our number rather than in their number, so that is why there is a big decrease in the School Food Service. Other than that there is just that one percent cut.

Alderman Sysyn stated you cut Schools more than one percent.

Alderman Wihby stated yes, Schools were cut more than one percent.

Alderman Sysyn asked how come you cut them more than one percent.

Alderman Wihby stated Schools were cut 3...60 teachers and \$1.1 million... basically, what it also does is it leaves the new positions in for the Solicitor's Office and that's not really a new position that person is already there, it gives the nurses to the Health Department, it funds the Park Consultant and the Highway Consultant but it also throws in the revenues for those two positions, it pays for the Police in the Contingency which is actually \$40,000 less in Contingency there which goes to the grants for the Police. It funds the Security person which is basically funded out of Human Resources and it funds the Parks Maintenance person. So, the only new position that is not there is the one in Finance which really wasn't a new position, it was an unfilled position and it takes out the Info Specialist and Channel 16 is not included on this and I have numbers if you want to throw them back in or take something out, we can adjust that today. So, basically what this shows at the bottom is the tax rate is down... is this is all just as it is, the tax rate would be a \$3.44 cut minus 10.5% and when you relate it to Claremont money it's about 40% of Claremont money given to tax relief. Now, in my note that I passed around and I had it sent to the Aldermen, I know that a lot of Aldermen were asking for at least 50%, some were looking for 75%, so what you have in front of you which is different than the one you had on Friday... to get to a 50% Claremont number would mean an additional cut of \$3 million which would have to be cut out of this number that is sitting in front of us which would give us a 50% tax reduction due to Claremont. If you're happy with the 40% then we're there, if you want 75% then every million dollars is a substantial cut. So, I guess what we should do is

anybody who wants to add positions to take out the positions, if you want to talk about one, two or three percent cuts for departments or you want to talk about putting back money into the School Department or taking more out of the School Department, I guess that should be the discussion that we're having...all the other numbers we're not going to find it in miscellaneous items or health benefits or anything else. These are the final numbers we've come up with, so anything further is going to mean reductions or additions to the budget.

Alderman Sysyn asked what was the percentage on the schools, it's more than one percent.

Alderman Wihby replied five percent, I think. It would be 2.4 for teachers and 1.1 for expenses, so we cut them 3.5% and 3.3% would be 5%, so we cut them 5%.

Alderman Sysyn stated won't that hurt the middle school openings.

Alderman Wihby stated they are here today, so we'll find out what it means, but it also means...

Mayor Wieczorek interjected I'll have schools since this is our largest single budget and I know there are some questions, so I'm going to have them address the issues. Are there any other questions from the Aldermen before I have him come up.

Alderman O'Neil stated, Dave, you said you cut the 60 teachers...that's 60 of the 77 new teachers, so that they're still getting 17 new teaching positions and that's worth \$2.4 million.

Alderman Wihby stated I have the breakdown...\$2.232 million for teachers...we use an average of \$37,204. But, basically it was the 60 teachers plus the \$1.1 million in expenses and the other money they picked up \$600,000 or whatever it was were the benefits which were in our line item.

Alderman O'Neil asked what was the net increase over last year for them.

Alderman Wihby replied maybe \$61.9 to \$66.5 which is the first column we have on this sheet would be last year's expenditures.

Alderman O'Neil stated I know that everything is going to get lumped together, but what was your recommendation with athletics.

Alderman Wihby stated what we did was to cut across the board one percent, so it didn't mean any layoffs, so athletics was cut one percent or \$12,000.

Alderman Girard stated before I start I'd like to apologize to members of the Board, the Clerk is handing out something that I have been playing with and I had not intended to pass it out tonight, so apologize for getting it late to the Board. But, I have been working on some numbers and I took something of a little bit different track than Alderman Wihby and I'm putting it on the

table now, so that the Board can consider...maybe if it wants to visit some policy issues and the reason why I decided to release it tonight is Alderman Wihby's statement that if we can find another \$3 million we can get the budget down to a point where 50% of the Claremont money is being returned to the taxpayer. I'll hit the highlights of what I've done here real quickly because there really aren't a whole lot to hit. Basically, the department numbers are not changed. The only changes that I have made to the department numbers, with the exception of School and I'll address that in a second...the only changes that I've made to the department numbers are the corrections that were necessary to be made for various problems that we've had with personnel salary and things of that nature. The savings or the money that I found came in a couple of different areas. Actually, I should note that I did make a couple of additions to School Athletics, I added \$45,000 so that the City could fund \$15,000 each to the three high schools FIRST teams. To be candid, I think that is a very worthwhile endeavor, I didn't know where else to put the money, so I put it there with the idea that would help them with their fundraising. In discussion with the Deputy Finance Officer made some changes to the revenues for the Tax Collector's Office. We added some revenues to auto registration because the Airport said that they're expecting at least 100 new cars in the next fiscal year to be registered in the City and there were some concerns with interest and penalty numbers, if I'm not mistaken, Mr. Sherman, that we adjusted downward. But, the real numbers came out of two areas. First, is the School Department and what I did to try to address a couple of things. There was \$2.3 million added to the School Department budget for pay raises. I removed that \$2.3 million and adjusted the benefits lines accordingly, for an overall savings of about \$3.3 million and as I've spoken privately with some of my colleagues here on the Board it has been said that it is only fair to give the teachers raises because the other City unions are getting raises as a result of Yarger Decker. I don't know that that is a universally true statement, but I also know that Yarger Decker wasn't done with the purpose of giving anybody across the board pay raises and I think given the struggles we have with this budget and the areas of emphasis that I think we need to give better priority to the School Department...I backed out \$2.3 million from the School Department's operating budget for those raises and I had the benefits line items adjusted accordingly. I also...having received several telephone calls about the middle school, I backed out \$1.8 million in salaries. The School Department had 45.5 full-time equivalence budgeted at \$40,000 apiece for the implementation of the middle schools...I took that money out and adjusted the benefit line accordingly. I also removed about \$1.2 million worth of expenses associated with middle school as best that I was able to calculate them which is how I came up with my School number. The other area that I addressed, your Honor, which is going to require policy consideration of this Board is the implementation of the Yarger Decker study itself. In discussions with Finance and Human Resources offices we figured that we could cut the salary adjustment account by 45 to 50 percent if we delayed implementation of the Yarger Decker study until January 1st. So, rather than budgeting for it to take effect on July 1st we would save about seven or eight hundred thousand dollars if we delayed implemented or at least budgeted for January 1. This, of course, is going to require some discussion and debate by members of this Board. There are varying opinions among City staff and some Aldermen as to whether or not implementation of Yarger Decker is imminent by all unions or whether or not there's a lot more haggling that needs to go through, but essentially that is how I came up with the numbers

that are here. I did not address the departments through the operating budgets because frankly I wasn't confident that I would be able to find the money we needed to find as a starting point by going through and nickeling and diming the departments, so I was looking for some things, frankly there are bigger chunks of money that are going to require some policy decisions and direction from this Board which is how I came up with the numbers I came up with and with that, your Honor, I'll just ask for my colleagues consideration.

Alderman Hirschmann stated I noticed he boosted the revenues for Schools by \$2 million.

Alderman Girard stated no, I didn't. What I did, your Honor, if I may. When we went through these revenue numbers I did several things. First of all, I took the State grant of \$36,878,752 and I called it School Adequacy Revenue, I left it by itself. The other revenue that was budgeted from Schools is in that \$13.435 million. If you take a look at the sheets that you received before under Non-Departmental items for Community Improvement there was \$1 million worth of revenue that was down there. I took that \$1 million worth of revenue and roll it back up into the State Adequacy number because that is where the Mayor originally took that number from. So, I've added no additional revenues to School I have just reflected where they're shown differently.

Alderman Hirschmann stated your other School number shows \$13 million.

Alderman Girard stated \$13,435,452.

Alderman Hirschmann stated Alderman Wihby's shows \$11.6 million.

Alderman Girard stated unless those numbers have changed then I'd have to ask the Deputy Finance Officer. Randy, we did not add anything to School, we just used the numbers that they submitted to the Mayor, if I'm not mistaken.

Mr. Sherman stated no, I don't think we did. I'm wondering though if the \$1.8 though is that Business Profits Revenue Sharing that we didn't back out, that may be. I'd have to go back and verify your items one-by-one, but we did not add any additional revenues.

Alderman Girard stated I would be more than happy to take a look at that discrepancy, Alderman Hirschmann, thank you for pointing that out.

Alderman Wihby stated there is additional revenue in here of \$1.8 million because it's not coming out of yours.

Mr. Sherman stated I think the \$1.8 million, I think again is the Revenue Sharing that was included as part of the School Adequacy Grant that we took out of the Aldermen's budget right before it went to public hearing.

Alderman Wihby stated the number should be \$11.6 instead of \$13.4.

Alderman Girard stated I apologize to the Board, I was unaware of that and thought it had been accounted for.

Alderman Hirschmann stated one final quick note on that budget, your Honor. But, on the budget overall the Delegate Chairman from Ward 8 came and spoke in front of us and I remember him saying that the number of \$39 million we could count on. Now, is that totally wrong, is that \$36 million from the State.

Mr. Sherman replied it's \$36 million but only about thirty of it is new money because they took some of the current revenues that you're already receiving.

Alderman Hirschmann stated if additional revenues did come, my only statement would be that if \$39 million did show up for some reason that the excess be given to Schools to make up...

Alderman Thibault stated I would like to ask Alderman Wihby a question. Where does this end up if you cut this one percent. Where do we end up as far as a tax rate reduction, we end up where exactly.

Alderman Wihby replied there are probably some numbers in Alderman Girard's that we could use to bring it lower, but right now if you're looking at the sheet that was passed out there is a \$3.44 cut on the tax rate or roughly 40% of Claremont's being used toward tax reduction. I know we had talked and you had wanted to see 50%, so in order to get that extra 10% though it's another \$3 million that has to be cut.

Alderman Girard stated I noticed that you have about another \$10 million worth or assessed value was that number cleared through the Assessor's.

Alderman Wihby stated I talked to him and it was like they wanted to be "conservatives". If you look back at the history of what we've done, we've had them \$25 million in I don't know how many years, so I dropped it to \$36 million.

Alderman Girard stated I tend to agree with you but they were pretty ardent with me that they didn't think it was going to be a banner year and they weren't so sure how conservative...I just wanted to know whether or not you and I got different answers.

Alderman Wihby stated I probably got the same answers, but we probably think alike on that one. Another thing, I think the revenues in Schools are going to be higher than what's on here because I can't figure out if we're going to have 120 new tuition students why we're not counting tuition higher than last year...that's a million dollars or whatever.

Mayor Wieczorek stated we'll get that answered when they get up to speak.

Alderman Shea in addressing Alderman Wihby stated the revenues that you projects a little bit different than some of the others, but do you feel that you have been right on the money or kind of a little bit lower, a little bit higher...

Alderman Wihby stated I think everybody has been conservative on the revenue estimates. You talk to three or four that we questioned and some say that everything is picking up, we're doing great, and now they're saying geez I anticipate our having not so good a year, so I don't know if for instance Assessor's is saying we want to keep the same number and Building is saying this is a banner year for us. Those two don't jive...there's something wrong there. I didn't raise revenues a lot. Where are the number you're looking at, it's only \$300,000.

Alderman Shea stated Information Systems is one.

Alderman Wihby stated that's the additional revenue from Claremont, is that what that is...the two-fifty of whatever it was.

Mr. Sherman stated the two-fifty was the Claremont money for administration.

Alderman Wihby stated they gave us one percent or something which is the additional revenue, otherwise, I used the same numbers that the Mayor used.

Alderman Pariseau stated I just wonder if it's appropriate that we have the School Superintendent address Mr. Wihby's figures and see how that would affect the School Department.

Mayor Wieczorek stated I am going to give them an opportunity to make a presentation here, so that you can find out and they can correct any misinformation we may have if there is misinformation and go from there.

Alderman Thibault stated, Dave, again if I might. Now, you said that we would cut the tax rate by \$3.48, right.

Alderman Wihby replied \$3.44.

Alderman Thibault stated but if we also look at what the State is going to be charging us \$6.50 per thousand, I believe. So, that is still going to be an increase of \$3.00 per thousand.

Alderman Wihby stated that is built into this. It would be on an average house \$345 a year they'd save on a \$100,000 valuation. This was a starting point because I know that most of the Aldermen I talked to they were talking of at least going 50%. I sat there and rather than just cutting School \$6 million let's cut them with the 60 teachers were and hear what that's going to

do and then this Board can make the decision as to where they are going to cut another \$3 million if that's where they want to go.

Mayor Wieczorek stated we'll ask the School Department to make a presentation, Superintendent who would you want to have start. Oh, wait a minute. I think Frank has to go...does anybody have anything for Frank before he has to leave, any questions for him.

Alderman Wihby stated, Frank, in the number there no layoffs, right. And, if this Board chooses to cut another one percent are there layoffs in there.

Mr. Thomas stated as far as my operating budget as noted in previous correspondence you've gotten into forcing me to cut resurfacing, so any additional cuts will be in the resurfacing dollars that are out there in my operating budget.

Alderman Wihby stated we threw in \$200,000 more for resurfacing, is that that number in there.

Mr. Thomas stated under your proposal it was an additional \$200,000 allocated but in order to achieve a one percent cut we would be cutting into that approximately \$12,000.

Alderman Rivard asked if we cut you, Frank, and you've got to go into the paving funding mechanism it's not going to affect the \$500,000 from the registration fee. We're not talking about that.

Mr. Thomas stated no, you're correct, Alderman. There's \$550,000 in the CIP, of which \$500,000 of that is from the auto registration.

Alderman Rivard asked that can't be cut, correct Mayor.

Mayor Wieczorek replied that is correct it is a dedicated fund.

Alderman Wihby stated there's an additional \$200,000 in the budget that was put in.

Alderman Hirschmann in reference to the new position asked didn't we discuss the engineer's position being charged off to bonded projects to save that \$50,000.

Alderman Wihby stated that's with the additional revenues for that position is already included in here so it is a wash between the new position and the revenues.

Alderman Hirschmann stated so it's being charged off to those projects.

Alderman Wihby stated Frank agreed to that, I guess, right.

Mr. Thomas replied yes.

Mayor Wieczorek asked any other questions for Frank before he leaves.

Mr. Thomas in reference to the PBS budget, a one percent cut in Public Building Services represents \$49,000...that money will have to come out of the corrective maintenance line item.

Alderman Wihby stated out of the \$200,000 or something you had sitting there.

Mr. Thomas replied no, there was a total request in the CIP for \$500,000 plus another \$75,000 for life safety issues which was reduced by \$350,000 assigned to the operating budget and that \$350,000 was further reduced down to \$320,000, so in order to meet the one percent cut in PBS there would be an additional \$49,000 cut out of the corrective maintenance line item which covers contract work or corrective work over \$1,500.

Alderman Wihby stated you would have over \$270,000 in there.

Mr. Thomas replied that is correct.

Mayor Wieczorek stated now we'll have School come up.

School Committee Member Cook stated I'm Chairman of the Finance Committee of the School Board. A memo which came out on Friday from Alderman Wihby was a shock and distressing to us. The School Board adopted a budget and sent to you what we considered to be what we needed to meet the School District for the coming year. As designed, it did not raise School taxes but the subsequent action of the Legislature, in fact, School taxes go down \$6.00 per thousand. The Claremont money is education money for education funding as a result of suits about education and not anything else. The budget was adopted after careful consideration of the needs and priorities of the schools throughout the City elementary, middle and high schools, northend, east side, southend and west side. This budget provides the ability for us to do many things and as the Mayor said in his budget message, it's taken a long time to catch up, we now have the chance to catch up. This budget allows us to staff the schools in such a way that they are not only able to do the job in tight quarters but to do it safely. And, if you don't think safety in schools is important think about what's been going on in the country. To cut 60 positions out of this budget is unconscionable, it will threaten safety, it will threaten the ability to do the job and it's unrealistic. It's a meat axe. We considered \$15 million worth of requests from the schools and we gave you a budget to do the job. This budget includes \$1.13 million for math curriculum and other textbooks, materials and supplies at \$700,000 that do not vary on whether you have increased middle school implementation or not, they follow the students. The staffing in the budget which is 77.5 positions allow us to do all kinds of things throughout the schools. The number 60 isn't related to anything. It allows full implementation of the middle school concept. There is more misinformation floating around about middle schools than you can shake a stick at. Since 1994, the City has gone toward middle schools. Every middle school in the City is going to be partially implemented or totally implemented next year. The fact that

there is a group of parents who are concerned about middle schools, I'm concerned. As I said at the public hearing I have a kid going into the seventh grade at Hillside next year and I'm concerned about the middle schools, but we have come up with a staffing plan and we have many of the middle school principals here who unanimously think we should go to this plan. The fact that there are a group of parents who are concerned about it doesn't mean that everybody understands it and I think you should remember several things about it. In 1994, we agreed to go to middle schools, it was explained...I don't know what was said I wasn't on the Board in terms of staffing, but it was explained and you spent \$9 million to build a school designed for middle school, architecturally designed for middle schools with that program in mind. Last year, you added \$2.5 million for a middle school. We have 6th, 7th and 8th graders at Hillside and Parkside already. This is not a new...maybe we can do it, maybe we can't project. At McLaughlin, we have 6th graders and next year we'll have 6th and 7th and the year after that we'll have 6th, 7th and 8th. The middle school curriculum is partially integrated already. The addition of modular classrooms at the schools where we intend to put them - Hillside and Southside - are not some kind of a luxury. They enable us to have an adequate, not a surplus for sure, capacity to implement middle schools at those places to take pressure off the elementary schools. This is not an either or game, this is a zero sum game. You're going to have "X" number of kids in the Manchester School system next year and you're going to have to house them and you're going to have to teach them and you're going to have to buy supplies for them and you're going to have to take care of them. And, if you don't put modular classrooms with their teachers that are misunderstood these are not trailers, these are not things without bathrooms, they have air conditioning. They are two classrooms plus bathrooms that fit right into the middle school concept for team teaching. If you don't put four of them at each of those two schools you will probably end up adding modulars to Smyth Road, Hallsville, Jewett, Highland Goffs Falls, and continue to use them and perhaps to add to them at Bakersville, Parkery-Varney, Parkside, Beech Street, Northwest and if we have a fairly serious increase in enrollment that we don't expect over the summer we can't rule out any elementary school and that's not a scare tactic, that's the truth because you're going to overcrowd your elementary schools where you can afford it the least, if you don't make it available at the middle schools. The increased staff required next year, most of it, if not all of it is to keep up with the size and needs of our population. This is a very diverse population, you've heard about it before - English as a Second Language, Special Education students, and the additional staff necessary to accommodate these folks. We're trying to meet minimum standards, not luxury standards, minimum standards. Seventy-seven point five positions have been requested across the Board, 45.5 of those are at middle schools. Most of the costs...you can cut...last year when we had these budget hearings we talked about what's it going to cost to open McLaughlin. You don't have an opening of McLaughlin this year, you have filling the new space at Parkside which is going to require some new staff so that you can do it. But, you don't have a whole new school coming so you don't need a new principal, you don't need a lot of things...so, you don't have a number that just can be cut to implement middle schools this year because supplies are going to be used for those students whatever school they're at. Student/teacher ratios have to be maintained wherever they are. You're still going to have additional students and need additional assistant principals. Guidance counselors are necessary. We are so understaffed in guidance

now that you probably get complaints about it the way I do. We estimate that \$2,065,362 of our costs are for middle schools, but if 6th grades stay where they are \$1,800,484 of that money is still needed which is a difference of \$264,878, not \$1.1 million. We presented the budget that we need. We've gone over it with you, we've given it to you in detail. It wasn't intended to be a starting point, it wasn't a negotiating position. It's a vehicle to do what we need to do in a time when we can do it, we've got the money. This Board has been elected to set educational policy in Manchester to run the schools properly. The budget is before you and we respectfully request that it be funded. The Mayor has seen fit to present it to you as well and has stated that it allows us to catch up with the things we've been unable to do in the past. If cuts of the kind set forth in Alderman Wihby's memo are made we will ask the Mayor to exercise his authority and veto the budget and we'll be glad to answer your questions.

Mayor Wieczorek asked is there anybody else from School who wishes to make statements or are you ready for questions.

School Committee Member Stewart stated I Chair the Athletic Committee of the School Board. Before I give you my athletic plea though I need to add something to Mr. Cook's remarks and that is that last Tuesday night a number of parents did talk to you about the middle school concept and their concerns. They presented petitions to you which we also received at the School Board. I should tell you, however, that last week on Tuesday night as we were all meeting and last Thursday night meetings were held at Parkside Junior High and at Hillside Junior High to introduce to parents that same concept. I can only speak to the Hillside parents because those are the people that tend to call me. Over the weekend I received ten calls...people that were previously concerned that had had their concerns mitigated and I think that that's important for you to know because that indicates a much larger number of people, but people who were vehemently opposed to the concept now feel much more comfortable and coming forward saying my questions were answered, my concerns have been addressed and I'm feeling much better about this especially in light of what the principals and the teachers talked about those evenings and you need to know that because we weren't privy to that information Tuesday night when you received this information. To go onto athletics -- I realize that the budget is going to become one but I need to tell you about athletics. We have 17 line items in the athletic budget. Of those, five are variable expenses. Those being salaries, telephone, supplies, medical supplies and equipment. Salaries - coaches have not received a salary adjustment, folks, in ten years. This is the tenth year. We'd be entering the eleventh in the fall. Second area - Telephone - our telephone expenses have increased for the purposes of safety. Many of our coaches are in remote fields with kids practicing. If there were an injury or something that happened we have supplied cellular phones to those particular coaches...ones that are out on cross-country trails, for example, so that if there is an injury that occurs or something happens they can be in touch with the proper authorities and so that's the reason that telephone expense has gone up. Three other variable areas happen to be supplies, medical supplies and equipment. Our entire expense for those three areas next year is \$18,900 for 129 teams, 2,750 students. Even though that's variable I guess I don't consider it variable when you talk about that. The rest of our expenses are fixed expenses. The NHIA set what our fees are, they set how much we have to pay

tournament officials, we don't have choices in those things...those are set for us and so although a one percent decrease doesn't sound like much to you and \$12,000 doesn't sound much. I can tell you that when we set the budget it was very honest, it was very realistic and really was a bare bones budget because of the number of fixed expenses we have in our budgets, so I just need you to understand what the ramifications of that area when we're making decisions. I thank you.

School Committee Member D'Allesandro stated I think we have a rare opportunity in the history of the State of New Hampshire to do something that's extremely important for education. We're the largest School District in the State, we have 17,000 plus students in our system. We were pretty innovative in 1919 when we put kindergarten in for the City of Manchester. We've plodded along and when I talk to businessmen in the State of New Hampshire they say the one thing that they need are qualified workers, they can't get enough qualified workers. Where do those qualified workers come from. They come from a school system that not adequately, but excellently takes care of the needs that those children manifest. In order to make the quantum leap into the next millenium we are going to have to have well-educated students. Manchester has been given a number of challenges and one of them is the fact that the demographics in this community have changed dramatically in the last few years. Immigrees are coming into this City as they did in the early 1900's, we have a responsibility to educate those people. We took a quantum leap by accepting the middle school concept. We brought the west side into parody with the rest of the City by adding an addition to the Parkside Junior High School. An addition that had been long needed. Every one of my children has gone through the Manchester School system as I'm sure yours have. You know the strengths and the weaknesses of the system. The fact of the matter is we've never been able to really have an opportunity to fully fund the educational opportunities. This is our chance to be bold, innovative and creative in terms of giving to our children what they need to succeed in the next millenium and when they succeed, we succeed because they become taxpayers, they become productive workers, they are the cornerstone upon which this State is built. We're talking about funding education and attitudinally education has become a priority item, it wasn't a priority item. When I taught at Bishop Bradley High School I had to convince parents to get their children to stay in school. They wanted their children to drop out and get a job. That mentality has changed and why has it changed. Because you cannot succeed in life without an education. That education begins K through 12. This system has got to provide that education. We can't do it with classrooms of 35 students. Alderman Shea is a former principal, you know what it's like in a classroom with 35 or 40. I taught 40 kids in a classroom, it's an impossibility, it cannot be done. By reducing student/teacher ratios what we do is we control an environment, we provide for quality education and we provide the mechanism for success for those young people, that is extremely important. Brad Cook talked about safety in schools...I'm the Chairman of the Discipline Committee for this City...I hope to tell you how many children we're expelling because of abhorrent behavior; that's an awesome responsibility to expel a 14 year old child and put them out. We shouldn't be doing that. We can compensate for that by adequately funding our schools. As a member of the Legislature I had a rare opportunity to work in solving an education problem. As members of the Board of Mayor and Aldermen you have a rare

opportunity to create an educational environment in the City of Manchester that's not only positive, but it's progressive. The schools need to be funded. It's a need that has manifested itself time and time again and we've suffered through some difficult times in Manchester and we have made it through these times. This is an opportunity for us to reach out and to move forward. It is absolutely essential that we fund this budget, we can't afford 60 less teachers, Alderman Wihby, we can't afford it. We can't afford it because the future of this City and the future of this State hangs in the balance and we can't afford not to do our job and do it well. It's really incumbent upon us. I'm a taxpayer in the City of Manchester, I've been a taxpayer in the City of Manchester for the last 35 years, I have a responsibility, I want to live up to that responsibility, I know all of you do. But, this is a rare opportunity. In this life we're given very, very few rare opportunities when we can make the difference and each one of you have an opportunity to make the difference. Thank you very much for your attention. Thank you.

Superintendent Tanguay stated I would just like to add a couple areas of clarification. The School Board budget that was approved was without the known revenues that we know today. By that I mean the State revenues were not a known quantity. The Board did approve a budget which basically will almost fully implement the middle school concept lacking 8th grade for the McLaughlin School. Once the revenues became known from the State the Board chose not to go back and ask for more money, they said we will live with that budget and administration is comfortable with that budget. What it does again is almost fully implement the middle school, also starts addressing the minimum standards in terms of class size and course offerings. The \$36 million plus another \$25 million which is from the State property taxes reduces the School/City tax by about \$12.00 and bringing in the State tax for about \$6.60...the net affect as School Committee Member Cook mentioned about \$6.00 on the School tax rate which is combining the State tax and the City tax. The proposed budget cut of about \$3.5 million would certainly be a tragedy and have a disastrous effect on education in Manchester. We have all fought hard, including the Aldermen, to properly fund education and despite the fact that we worked together in addressing the educational needs we have not met all of those needs. With the Claremont money we now have that opportunity to begin some catch up, if you will. The Statement of Standards have to be addressed, this budget addresses some of those standards as they relate to class size, the ability to effectively implement the middle school program would be negatively impacted. Negotiations could also enter into the equation in terms of what we would be doing with negotiations and the accreditation which as you know for the high schools is now in a "warning" status would most likely be affected and might even go from "warning" to "probationary" status and I say that with respect for this Board, the Aldermanic Board and Mayor and based on our calculation of any serious budget cuts as being contemplated. The middle school concept probably would regress and that would be a shame because two Boards have agreed to do the middle school concept. Educationally, they are sound, it is beneficial to our students and necessary for our students. It addresses an age group that needs special programs and would also be addressing the Special Education needs. I think we have six teachers for Special Education as well as some ESL teachers, so staffing of 77 teachers is not limited to classroom teachers. We have, for example, about 24 classroom teachers (K-12), six Special Ed, 5.5 Guidance Counselors and that's to address minimum standards, 3 Assistant

Principals, one AD/504 Coordinator (mandated by law), one Conflict Resolution Coordinator which is a person (April Desrochers) and that position has been funded through State grants and are no longer eligible and now has to be taken out of General Fund. One ESL teacher which may not be enough, we will have to find money in this budget to hire more teachers. ESL as you know has grown from 400 to 800 last year to almost 1,200 this year. It's about 400 students each time, a very expensive program, very small class size and about 6.5 Instructional Support; that makes up a number...again, a major portion of that would be in the middle school implementation. Next year's cost would be considerably less and would hope at that point that since the funding from the State will be, as I understand, status quo for two years that we would be able to come in with a budget that probably responds to that and that is all I have to say at this point, I will open up to questions, I believe.

Alderman Wihby in reference to revenues asked are we asking the same tuition amount that we're using this year.

Superintendent Tanguay replied I will let Mr. O'Shea go through the calculation on that.

Mr. O'Shea stated when we get into the revenues I have certain questions myself relative to revenues. What was the initial tuition figure that you had in front of you, Alderman.

Mr. Clougherty replied \$883,463 is what he has on his sheet.

Mr. O'Shea stated yes, that was increased. Our original submission was I believe in the area of around \$8.1 and that has been changed and the date of the change was about 5/18/99. I think you have the facsimile of the MS24 before you. And, that MS24 shows a drop of \$46 million in requested revenue from the City over last year.

Mr. Clougherty stated what you're talking about is the difference in the Statewide property tax, right.

Mr. O'Shea stated yes. On the State property tax I'm showing a figure of \$25,151,954 and I don't see it on any of these worksheets.

Mr. Clougherty stated what we're calculating here is a net tax impact on the Manchester taxpayers, not separating out into whether it's going to be a tax paid by local tax levy or State tax levy, it's the net tax.

Mr. O'Shea stated I don't see it on the worksheet shown as a revenue as such. you're aware though that we both have to submit it properly to the State the way we've shown in on the MS24.

Mr. Clougherty replied yes. They'll use that, Dick, when they're calculating the tax rates and breaking out how much is the School portion and how much is the City portion. But, for

purposes of this discussion what the Aldermen had asked for is what the net tax impact on the residents would be because from their perspective it didn't matter whether it was a State tax or a local tax, it's still a property tax.

Mr. O'Shea stated okay if you can on netting things out what will the adjusted...first of all, what's the total appropriation that we've requested to have the Board vote on.

Alderman Wihby asked the appropriation for what.

Mayor Wieczorek replied \$69,968,422.

Mr. O'Shea stated which has to match out on the MS24.

Mr. Clougherty stated once it's appropriated, sure.

Mr. O'Shea asked what is the figure that we've requested.

Mr. Clougherty stated I don't know, what is it, Dick, I don't have all of the background.

Mr. O'Shea replied \$102,659,537 and of that what is the net assessment to the City.

Alderman Wihby replied \$24,207,136. I'm using the \$101. number, I don't have the bigger number.

Mr. O'Shea stated your suggestion, Alderman, is a total appropriation of \$101. what.

Alderman Wihby stated it's not my number, it's on this blue sheet. I don't know what this is. You've got me lost, I asked a simple question...all I'm asking is...let me try to rephrase it. You have School Building Aid \$284,600 (projected) and then you have Tuition of \$8,883,463, correct. What is the tuition this year.

Mr. O'Shea replied tuition this year we're figuring to be about \$7.9 million.

Alderman Wihby stated so the additional...

Mr. O'Shea stated we won't really have that reconciled out until September.

Alderman Wihby stated we've got to use the revenue in our budgets, all of these numbers...

School Committee Member Cook asked are the 105 in there.

Alderman Wihby stated the 105 new tuition students are in there which is why it went from \$7.9 million to \$8.883 million.

Mr. O'Shea replied that is correct.

Alderman Wihby asked what had we figured on 105 time what.

Mr. O'Shea replied the tuition we're figuring will be off-hand about \$5,200.

Alderman Wihby asked are you going to meet the revenues this year of \$17.5 or are we up close to \$19 or where are we.

Mr. O'Shea replied we anticipate meeting our revenues.

Alderman Wihby stated I thought we were running ahead.

Mr. O'Shea stated we may be a little bit ahead, but as I said we haven't even billed out for the tuition completely for the second semester, so that's a big chunk of money.

Alderman Wihby stated so the tuition that is on the system now, is that three-quarters of the tuition or is that the full tuition.

Mr. O'Shea replied no, what you've got on the tuition right now is about 40% because we haven't billed on all of the Special Ed as of yet.

Alderman Wihby stated I thought we were already up to \$7 million that's in the system that's 40%.

Mr. O'Shea stated no that is in anticipation...actual cash received is about 40%.

Alderman Wihby stated what's in the system is the whole year.

Mr. O'Shea indicated that is correct.

Alderman Girard stated just a couple of statements. It's been said that we have the money and now we have a rare opportunity to do some things. Just doing some quick math here. If you take the amount of money the City will generate from the State property tax which is roughly \$25 million, add it to the aid that we will get from the State as a grant which is about \$37 million, then you take about \$12 million in other revenues that the School Department generates through tuition and other means and come up with a total revenue, tax and other, most of it tax of \$74 million. When you consider that the City of Manchester spends in the ballpark or would spend according to the School Department in their Fiscal 2000 request approximately \$100 million on schools, do you realize that the taxpayers still have to come up with an additional \$26 million which, this year, includes a million dollars to payoff the final portion of the deficit they ran in fiscal 1998 which I hasten to add was a full-funded budget request by this Board of

Aldermen. So, I have a little difficulty with the idea that somehow the Board of Aldermen of the City of Manchester has been nickeling and diming and cheating its kids out of a decent education. I asked the Finance Department to pull some numbers together and I just got them before the meeting today, but between Fiscal '94 adjusted for the 18-month period and Fiscal '98 spending on schools in this City rose, your Honor, by 30%. Overall School spending has risen in this City by 30%. Non-school spending in the City during the same period of time was up just under 5%. So, it rubs me a little raw here to hear that we're somehow being skinflints at the expense of our children and I wonder whether or not where we're spending our money is where we should be spending our money and those are policy issues that the Board of School Committee has to address which, frankly, in the budget proposal that I put forward is why I suggested removing the \$2.3 million and associated benefits costs for pay raises because last year this Board was told that if it got another \$900,000 the School Department would fully open McLaughlin. Well, guess what, they didn't. And, pay raises were given instead. I think we've got a question of priorities. Now, somebody made the charge that 35 kids in a classroom is absolutely unmanageable and it's a disgrace that Manchester would have that. Next, add the Manchester Public Enrollment report dated April 30, 1999, I only have the elementary schools. But, there isn't a classroom in this City with 35 kids. As a matter of fact, at Green Acres School the 4th grade has got about 30 kids in every class, at Smyth Road School the 4th grade has got 30 kids (in the three fourth grades), and there is one other school that I caught that had, I think, 31 or 32 students (Hallsville School). The idea that if we don't do middle school we're going to crush our elementaries with huge class sizes...when I look at this and see classes with low (20, 21, 19, one with 15 kids) take a look at these. I'd like to know exactly where the enrollment crunch is. It seems to me that we're creating one by moving to this middle school concept and it's all well and good for people to say that back in 1994 a fundamental decision was made to move back to middle school. You know what, I was around in 1994 as were a lot of people here and if anybody on this Board of Aldermen, at the time, or in the administration at the time had been told what the real cost of moving to middle schools were, I think there would have been far greater scrutiny and we can't blame that on the current administration because it wasn't present when middle school was first brought, your Honor. But, in my opinion middle school is driving a lot of these costs. Pay raises are driving a lot of these costs and somehow the idea that because we have the money we ought to spend it. I don't know what it means that we have the money. We've got \$37 million in new money from the State of New Hampshire and we're struggling to find a way to give the taxpayers a decent tax cut. Really, that's offensive logic. I understand better than most will give you credit for the problems and issues within the School system, I'm almost 30 years old and my father has been in the Manchester School system ever since before I was born, I understand the issues in the schools all too well. I think we've got some real priority problems, your Honor, and I think there's an awful lot of leap before your look taking place and I for one don't buy it.

Mayor Wieczorek stated so basically what from what you've said is they shouldn't get a raise and we should abolish the middle school concept.

Alderman Girard stated basically the proposal I made, your Honor, remove the pay raise money, it took out 45.5 teachers which were budgeted at \$40,000 apiece for middle school and it took another \$1.2 million in expenses. So, if you back out the teacher raises actually, the net effect of the cuts I proposed are actually a half-a-million dollars less than what Alderman Wihby has put on the table, there are fewer teachers cut although, Alderman Wihby, I don't know what number you used when you removed the 60, I don't know if you did it at \$30,000 or \$40,000 or how you did it.

Alderman Wihby stated \$37.024.

Alderman Wihby stated just looking at the difference between what Alderman Wihby has placed on the table and I've placed on the table I have a bunch of questions about the benefit numbers and how he got to where he got to and that's a good thing because he got them lower and I'm a bit envious, but the whole approach that we have to spend it because we have it when I don't believe we have it and that somehow in the process of doing what we've done over the past few years we've cheated our kids and not spent enough money is, in my opinion, just flat out disingenuous and wrong. Thank you, your Honor.

Alderman Shea stated I appreciate the work that the School Department has done and the members of the Board, I guess I'm coming from a different angle, I certainly do not agree that the teachers do not and should not be compensated fairly like every other City employee, so let's get that off the table. My concern is the concept of the middle school. At this time, as I sat down with Norm and the other principals I expressed my opposition because I felt, first of all that the people going into the middle school many of them have not been properly trained in middle school concept. The second point is that if emphasis should be placed...educationally, it should be placed in the lower grades...the 1st grade, the 2nd grade are the most important grades; that has been statistically proven, it's sound. When we begin to put children who are 10 to 15 years old into the same area without properly training teachers and having the facilities that is not a sound educational policy. We're putting immature children, 6th grade children with children that have been repeated once or twice 14 and 15 year old adolescents. You can just imagine if you child is 10 and a young girl or a young boy going into that kind of a setting, it is not sound when you do not have the right facilities, you do not have teachers trained properly. To implement a system you have to work at it. Any system that should have the middle school as its objective should have clearly defined types of objectives in mind, teachers should be trained. Many teachers at the 6th grade level do not want to go into the middle school, I know that for a fact. Teachers in my building asked to be transferred down to a 5th grade. So, we're asking people to go into situations that, in my opinion, are not educationally sound. We're going to interview 60 people for positions, it will place the junior high present principals at disadvantages because, first of all, they don't know what kinds of needs they will have until this type of philosophy is totally implemented in a sense that they are going to be selecting people that they don't know how they're going to be worked into the process because the process hasn't been clearly defined. Also, there are other points as I mentioned before this is a form in my judgment of outcome-based education. An outcome-based education is a dumbing down of

America. We don't have any clear types of programs for kids that are talented and enriched. We're going to put kids into team and peer instruction, we're going to ask kids to help other kids and as this indicates here as far as developmental highlights are concerned there are certain types of things that are, for instance, we're saying to children...I think it's like we're going to ask 10-year old children what they want. This is not sound academically and unless all of these things are properly defined...I know I met with you, Tom, and I met with the principal and I asked is this outcome-based education and you said no and he said yes. You know, the principal at McLaughlin School. An outcome-based education is the dumbing down of America and that is why I oppose this kind of a concept. As far as other types of expenditures the focus should be on the elementary level, lower class sizes for elementary kids, helping the ESL Programs and things of that nature.

Assistant School Superintendent Brennan stated I would just like to react to some of the comments you've made in terms of outcome-based education, that is a completely different philosophy. What the principal from McLaughlin said that there would be activities which naturally you would hope that something would come out of, it's a significant difference than outcome-based education. Secondly, in terms of curriculum, all of the programs we're talking about within the middle school is based on the curriculum. We have just completed an exhaustive attempt and we've received approval by the Board of School Committee for a new 6th, 7th and 8th grade curriculum and I would defy you, Sir, or any other member here to find the dumbing down effect within that curriculum. In fact, that curriculum has raised the bar for our students and has allowed for individuals to work at their own levels, yes, but they have been encouraged in terms of the options they have. We're not looking to dummy down. I don't want to dummy down. The middle school concept, when I came to New Hampshire in 1978, I worked in a middle school. This is not a fad, it's not something that's going to happen overnight. It's an effective way of dealing with students who are in an age where they're doing a lot of things. A lot of things are happening to them and you need to adjust how you do that, you don't put kids in a row like you do in high schools and say okay folks here it is, give it back, thank you very much, here we go. It doesn't work that way, it can't work that way because they don't work that way. The other issue in terms of having students who...sixth grade students in among the general population, it sounded as though you're describing a prison. Those kids will be working on teams, very seldom if at all, other than beginning in the morning will there be any involvement or interaction. The team concept stresses the working within small groups within segregated parts of the building. McLaughlin Middle School is a perfect example of how that functions. The team anchored by the science room...that is how we are going to attempt to do it in all of the other schools, that is what we need to do. In talking to the principals, particularly Mr. Donahue he has stated at no time has the current enrollment been in one place at one time, it just doesn't work that way. They will be off doing their things, there are no more bells. There will be no more bells, so there won't be a mass movement. Pablov will be disappointed but we will go on. Those are things that we need to consider, these are erroneous impressions, interpretations of what we're trying to accomplish in this District. It is not new, it is appropriate, and it's necessary. When we start talking about what we're going to do for our children this is one of the areas we need to focus on. I would like to commend Mr. Sherman...he was the only

individual I heard earlier on talk about what the bill is other than Mr. Cook, the legislation is about adequacy. It has nothing to do with tax relief, I'm sorry, it doesn't. The whole thing came about because there was inadequacy within the State of New Hampshire around educational issues. All we're saying is we need to adjust to that. If we were to follow either recommendations in eliminating 45.5 or 60 staff members we would devastate our schools in terms of planning of appropriate class size. Even if we don't do the so-called middle school concept, even if the 6th graders were to stay in their elementary schools, we still need 45.5 staff members at the middle school level, junior high, whatever you want to call it...those 6th, 7th and 8th grades, we need them. We need them to provide the education that the middle level student needs and to get back to this issue of not putting them all in a row, give them the information...Monday through Wednesday we give it to you, Thursday we review, and Friday you give it back. Great, you passed; that isn't what it's about; that is not what we should be striving to do in our School District and I don't think the Board of School Committee wants to do that. Nor, do I think many of you want to do it once we start talking about the benefits. There will be more opportunities for band, chorus, orchestra, the students will be allowed to participate in family and consumer science, technology and computers. All of the things that business tells us we need to do we're going to start to integrate at the 6th, 7th and 8th grade level. And, Sir, I agree with you the function and the focus should be in the lower elementary. I never denied that, I think it's very important. But, if we were to follow the 60 staff member reduction that would devastate again as I said and I use that word while thinking about it...that means we would have 17.5 teachers to place within our District (elementary and high school). We have an immediate need at the high school of over 15 although we only asked for 15 we need more than 15 teachers at the high schools, the accreditation is going to be an issue. No matter where you look at this continuum of enrollment there are pressure points, I'm not saying they're out-of-control, but there are pressure points and I believe the Board of School Committee has put together a budget that should be kept in place, I think we start getting some "buzz" words out there about OBE (Outcome-Based Education), Fuzzy Math...this is a fad. Those are all unfounded, all unfounded. Thank you.

Alderman Wihby stated it's nice to say that this isn't about Claremont but are you sitting here telling me that if Claremont hadn't come about that you would be sitting here in front of us asking for an additional \$8 million today, over last year's budget.

Superintendent Tanguay stated we did before we knew the money was coming.

Alderman Wihby stated you did, you had a good estimate that that money was coming, we even talked about it. You knew money was coming, Norm. Knowing that it was going to be like it was, you're going to tell me then that you would have come forward with an \$8 million increase.

Superintendent Tanguay replied yes.

School Committee Member Cook stated I think to add to that, Alderman, before the Claremont resolution which they're still working on, there was a \$7.2 million Foundation Aid addition that

had been passed in the interim proposal that Speaker Sytek got through last year. We knew about that money, we did not overspend that amount of money. We didn't ask for the entire \$7.2 million. The money put in which has now been consolidated into our budget for pay increases and benefits, which is in the appropriate place to be and I think there's a lot of stuff that came out of the court decision last week that's going to make everybody scramble around, but the budget we proposed and the budget the Mayor proposed which was based on \$13 million of money as I recall was what we were dealing with. We were not dealing with a larger Claremont amount and what we said at the School Board to the administration was come up with...to the extent possible something that doesn't raise taxes which we did and also the lowest responsible amount that we can do what we need to do in the schools, not what we want to do, that we need to do in the schools to address all the things that have been talked about. We didn't just say hang everything on the Christmas tree you want...that would have been a \$15 million budget and I think the point that we are trying to make is this is an historic opportunity to rectify some of the things that were wrong, to put an adequate school book in every kids hands to do all of the things we want to do and, frankly, I think it's an opportunity that we can't afford to miss.

Alderman Klock stated I have a concern...we've been talking about the Claremont money and Senator D'Allesandro says it's a rare opportunity or historic opportunity, Brad, as you've just stated and that's what kind of concerns me. Last year, when we were going through this process I was balked by members of the audience about the ABC Plan when I asked you about the money coming in and the money never came in and some of that money was supposed to be allocated towards last year's budget. My problem is that what happens in two years when and if it's overturned, the money dries up, something happens where that flux of money does not come in and we don't have it. What's going to happen to our bottom line figure when we're going to be needing "X" million dollars to continue on top of the additional increases that we've been seeing the past two years.

School Committee Member Cook replied given the budget that we've proposed and accepting the premise that you pose which is this money dries up, the tax rate would not to the schools go higher than it was. I think political probability and my crystal ball is as fuzzy as everybody's else in the world, but the probability that Claremont would be overturned in its entirety or that some reversing...the only way that would happen, frankly, would be for a reversing Constitutional amendment as opposed to a limiting Constitutional amendment to pass is remote and I don't know if Senator D'Allesandro wants to discuss that, he's in Concord every day and I don't know who you're referring to about the ABC Plan, but just for one person I accurately predict that on that it was unconstitutional from the beginning.

Alderman Girard stated I just would like to make one point...it was said that teachers are entitled to a decent living for the work that they do and I certainly for reasons I have already elaborated on agree with that, but just to put in perspective what we have here in Manchester, we have a salary scale for teachers that at its base level pay is \$24,493. At its top level pays \$49,085. Sixty-two percent of the teachers in the City of Manchester are at or above their maximum step and there are 14 steps. If this City treats its teachers so poorly, I wonder why

such a high percentage is at top step and I would further add that the average teacher salary in this City is \$40,831 and those numbers were produced for me by the Human Resources Department. By comparison, you could take a look at information that the City puts out in the Finger Tip Facts produced by MEDO (Economic Development Office) and these are 1997 numbers, the Manchester primary metropolitan statistical area which is basically Manchester and its adjacent towns has an average salary for all workers of \$30,640. In 1998, the average salary per capita income for all workers in the State of New Hampshire and this is put out by economic conditions put out by the Department of Employment Security had an average salary of \$29,022. I think if you were just to look at salaries alone, never mind the benefits that are received by employees of the School Department and generally the City of Manchester, I think you can hardly make the case that we're starving our teachers and you can hardly make the case that this isn't the living wage, I think you can hardly make the case that we're being unfair and once again I think this debate is about the priorities we have in spending and I'm getting tired of hearing this is for the kids and it's an historic opportunity because an awful lot of that new money isn't going to the kids, it's going into somebody's pocket. Thank you, your Honor.

Mayor Wieczorek recessed the special meeting to allow the public participation and regular meetings of the Board to meet.

Mayor Wieczorek called the special meeting back to order.

Alderman Shea stated in terms of the appropriation to the Manchester Aggregation Program moved to amend the appropriating resolution by moving the \$300,000 Incidentals from the Restricted Funds subject to the approval of the Finance Officer to Capital Outlay so as to increase that from \$5,000 to \$305,000 and that would place it directly under Frank Thomas' jurisdiction.

Alderman Wihby duly seconded the motion.

Alderman Girard stated I understand there is a desire by some to make sure that the Finance Department doesn't have any or as little say as possible, but you know what that \$300,000 is not there for Capital Outlay, doesn't belong in that line item, it should stay in Incidentals because it's there for those purposes and it seems as though we are going to try and find every way to stick a knife in this thing. Enough is enough.

Alderman Wihby stated I think what should have happened is it should be an Incidental line item, but it should be moved up and not under Capital Outlay, but just another line item for Incidentals brought up under the control of Frank Thomas.

Alderman Shea moved to amend the resolution appropriating to the Manchester Aggregation Program the sum of \$808,118 from Aggregation Fee for the Fiscal Year 2000 by moving the Incidentals line item in the amount of \$300,000 to read as the fourth item under direct control of

the department. Alderman Wihby duly seconded the motion. The motion carried with Aldermen Klock, Reiniger, Hirschmann and Girard duly recorded in opposition.

Alderman Wihby moved that the Appropriating Resolution pass and be Enrolled as amended. Alderman Shea duly seconded the motion. There being none opposed, the motion carried.

Mayor Wieczorek called a brief recess.

Mayor Wieczorek called the meeting back to order advising that a few departments were requested to stay to answer questions, and opened the meeting for questions from the Aldermen.

Alderman Hirschmann asked why the Building Department revenues were decreasing in 1999.

Mr. LaFreniere replied the projection is decreased from the adopted budget for FY99 by approximately \$250,000, however, the actual revenues realized in FY99 are closer to a million dollars or it will be by the end of the fiscal year and so because of that revenue shortfall which we didn't feel was prudent to replicate we wanted to try and be as accurate as possible with a number. We came in with a number of \$1.035 million in our original proposal and in going through the budget process we're asked to take a look at projections and determine whether there was additional revenues that may be realized based on our current analysis of the industry trends and construction evaluation trends. We're in a stage where we are actually issuing more permits and we've issued more permits this year than we had the year before but we also dropped our construction valuation for the same period by over \$20 million. So, where we took in to the beginning of April in the fiscal year period for FY98 \$80 million worth of construction valuation, we took in only a little over \$60 million for the same period in FY99. This is a trend that we have seen that appears to continue currently and we hope that it was prudent to come in with a number that reflected that. Now, what that said...the number that we have agreed would be an appropriate figure, the \$1.2 million is predicated upon the adoption of the new fee schedules. If those fee schedules are not adopted and implemented then that would have a direct bearing on the revenue picture. We did not design the new fee schedules with the idea of increasing revenues in mind. I think I've spoken to most of the Board either in public session or in private to explain our rationale there, we wanted to try and maintain a competitive advantage with some of the surrounding communities and not price ourselves at the top of the heap, if you will, with regard to our permit fee structure. But, there is always room to increase that if the Board feels it's appropriate and I think you can make an argument that because we are the largest City in the State we have a professional staff, we provide a more comprehensive service than a lot of the communities we are competing with in terms of their fees. But, that represents a policy decision that I would put forward to the Board and ask for your guidance on and wisdom with regard to how the schedule is ultimately adopted.

Mayor Wieczorek asked is your question answered, Alderman.

Alderman Hirschmann replied I guess so.

Mayor Wieczorek asked are there any other questions for the Building Commissioner. Leon, do you have any problems with the budget that is on the table for you.

Mr. LaFreniere replied I think it's a budget that we can make work, it's essentially a level-funded budget for us and we certainly hope it will represent a budget that will allow us to maintain the service delivery that we currently try to provide.

Mayor Wieczorek recognized Diane Prew, Information Systems Director.

Ms. Prew stated I'd like to speak to you this evening about the Micro-Support Specialist that I had requested in my budget. We are going to be bringing within the next six weeks City-wide Internet access for all of our City departments. This new service is going to provide lots of new capabilities both to the City employees and to the citizens of Manchester. We will providing E-mail services for all departments to communicate with the outside world, the outside world will be able to communicate with us, departments will have the ability to get out onto the Internet to search for information, visit websites, able to retrieve such information...there's bills from the Legislature, working with the Federal agencies which the Health Department does with the CDC and the Planning Department, the Solicitor's Office will be able to do their legal research, access to vendor information...we are constantly looking at year 2000 information that is provided. So, there's lots of information that departments will be able to avail themselves of in a very quick and efficient manner. We'll also be able to have telecommunicating allowing employees access from home. In our department we would use that to monitor our systems after-hours when we have tax bills or large projects running or we can make corrections to systems if something does occur without having to come in. So, it's quicker and it allows for a constant monitoring. We will have the capabilities to provide services more efficiently to our citizens, the ability for the citizens to access our systems, to look up what their tax bills or their utility bills may be or the status of their inspections. We'll be able to provide them this information even when our offices are closed...our systems will be up. Eventually, we will be able to provide actual services to the citizens. They'll be able to schedule their inspections, they'll be able to apply for jobs and eventually even pay their bills. All of this are benefits that can be derived from the Internet but it needs support. This is not something that goes without a cost. We will have the ability to have 600 PC's on that Internet if it's so desired and this will require staffing to keep things running, there are training issues, there are design issues, there is monitoring for the type of access...what's going on on them, what kinds of information is coming in, what kinds of information is going out. We are at the point where we have spent a lot of resources and time to build the City an infrastructure to be able to support this and we are just at that point where we can benefit from what we have built and give the kinds of capabilities to City employees to really start reaping some of the efficiencies that we should have and I would ask you to reconsider that position that I've asked for.

Alderman Wihby stated the total is \$47,292 is there any way that you could keep the position, but take something else out.

Ms. Prew replied I think we'd like to take a look at that, if that's an option, I would very much like to take a look at that.

Alderman Wihby stated why don't you come back to us on Monday.

Ms. Prew stated okay.

Alderman Thibault asked can you tell me, Diane, why the figure has changed from \$1,438,583 to recommended expenditures of \$1,687,068, why is there a \$250,000 difference there.

Alderman Girard stated there were Yarger Decker issues there weren't there, your Honor.

Ms. Prew asked which column are you looking at.

Alderman Thibault replied I am looking at the FY2000 sheet here. The tax rate expenditures were \$1,438,583 and the recommended expenditures were \$1,687,068.

Ms. Prew replied those are our expenditures for 1999 to the date that this was done, why is there such an increase in the budget. There are a number of issues. There is \$100,000 for software for Year 2000 that needs to be installed in the Tax Office. There are the Yarger Decker changes and there are some increases...there is the Internet access itself, the cost of an Internet provider that will provide access for all City departments.

Alderman Thibault asked what does that cost.

Ms. Prew replied that will cost us about \$1,700 a month for that access. Right now, what you have or individual departments are paying individually for whatever connection that they have.

Alderman Thibault stated after that they wouldn't have to pay that anymore.

Ms. Prew replied those will all go away and all those systems will be on-line. Right now, we don't allow computers with Internet access to be on the City's network because there were security issues that had to be addressed. All of that has been put in place right now and we are ready to open that up. But, you have situations that...

Alderman Thibault asked is that new position also included in that figure.

Ms. Prew replied no.

Alderman Thibault stated we're talking \$300,000.

Mayor Wiczorek stated if it were included, yes.

Alderman Girard asked, Diane, when the City is ready to go on-line are we going to be going through our own networking system or are we going to have an outside ISP.

Ms. Prew replied we are having an outside ISP.

Alderman Girard stated given the size of the City's network wouldn't we be wise to do that ourselves. I can't imagine that in the short run or long run it's going to be more cost-effective to use an outside vendor to provide access to 600 PC's.

Ms. Prew stated the City is not in a position to be its own ISP. We would have to contract with another organization to get access in any case. What the provider to us is what's called a "Second Tier Provider".

Alderman Girard asked who's the provider.

Ms. Prew replied we believe the provider is going to be BITS, it's a Manchester company. They in turn buy their access from SPRINT. So, we will have a T-line coming into the City. You have smaller organizations: there's Grolen...they're on a lower tier. So, when you look at it from that perspective the City really is...it's 600 PC's, it's a small organization relative to what's going on.

Alderman Girard stated but, it has the potential of becoming a much higher volume of use given its nature.

Ms. Prew stated right and we have...what we're looking at is a...the bid we went out for is a one-year contract with options to renew because we realize that there are other vehicles that may be coming down the road as technology progresses and such and there is MediaOne that's going to be providing services and such, so we're not doing this on a long-term basis. The infrastructure that we have built will support however we want to provide that access. So, that is in place and it is flexible.

Alderman Cashin stated, Diane, you said that we would get on the Internet and people would be able to do certain things from their home, so that means additional PC's...laptops or something.

Ms. Prew stated for those people that have laptops they would be able to use those.

Alderman Cashin asked how many people now have laptops in the City of Manchester.

Ms. Prew replied I would have to guess, but I would say that there is probably in the neighborhood of maybe 40 or 50 laptops and that's a guessestimate on my part.

Alderman Cashin asked how many additional laptops would be necessary to implement what you want to do.

Ms. Prew replied that would be on a department-by-department basis, the need. In our office, we have the need to monitor the system, we have a couple of laptops that are shared. If someone has a large project that's running over the weekend they would take that home with them to sign on and monitor. I don't see that are something that everyone would have to use. They can also load the required software onto their own PC's that they have at home and access through the Internet. It isn't that we would have to provide equipment.

Alderman Cashin stated so you're saying that they could add to their own PC's.

Ms. Prew stated they own PC's that they have at home if they so desire.

Alderman Cashin stated let's assume they don't desire; that means we've got to provide those PC's, right.

Ms. Prew indicated if there is a need. Now, not everyone in the City has a need to do that.

Alderman Cashin stated the point I want to make is that we're not just looking at the cost and the salary and the benefits of this person, we're looking at some additional costs because of equipment, you're going to have to have some additional equipment.

Ms. Prew stated you would only do something like that if there were a benefit to the City that justified that. You wouldn't allow people to access from home just for the sake of accessing from home. It would have to be a definite benefit. In the case of our department, it means that people don't have to drive in at two o'clock in the morning when there's a problem, it means they can just get up, go to their computer, do whatever it is they need to do and then they can go back to bed again.

Alderman Cashin stated I know it's eleven-thirty and I don't want to belabor this, but who is going to police this, who is going to see to it that it doesn't get out-of-hand.

Ms. Prew replied that there is software that is part of the systems that we have that have the capability of monitoring what's going on with the Internet. It records where people go, what they access, you can see times, you can see dates and times and the amount of time they've spent and the sites that they have gone to. So, if you're thinking in terms of someone from home would sign-on to the City network to go out onto the Web that would be very easy to see what was happening there. So, all of that can be monitored and there are also filters that can be installed to make sure that inappropriate sites aren't visited, all of those capabilities are there.

Alderman Cashin stated those filters are additional costs too, right.

Ms. Prew stated no, it's part of the software.

Alderman Cashin stated all we'll have to worry about probably is some extra laptops.

Ms. Prew reiterated again, if the department can justify that. The important part is being able to get the access for people to get the information, to exchange the information and there are certain organizations now that the City has to communicate with through the Internet. There are a number of Federal agencies...that's how they want their various departments to communicate with them. The Health Department, for example, I believe that Fred right now has two connections to the Internet. When I spoke with him he was looking at various levels of service and to what would make his department most efficient and he would like to be able to have his entire staff accessing the Internet so they can interact with CDC and the various bulletin boards that provide information to them and the information that they have to exchange with various agencies.

Alderman Thibault stated in line with what I was asking before, you were saying it was going to cost \$1,700 a month for this and I'm not sure if she's the one that can answer this, but how do we get back the money that other departments now are paying or in their budget have included this in their budget, how do we get this money back into the budget.

Mayor Wiczorek replied Alderman Wihby's already got it and then some, he's very generous.

Alderman Thibault asked have you looked into that.

Alderman Wihby replied I guess you can incorporate it into the one percent we took from everybody, but I don't know what the amount adds up to.

Alderman Thibault asked do you know what that figure is, Diane, right now How much are we paying a month through other departments into this Internet.

Ms. Prew replied it depends on what kind of a connection they have. Your average connection might be \$19.99 a month and then there's a telephone line associated with that. The major issue, I think, from the City's perspective is that you do now want systems like that on your network because they do open the network then to...

Alderman Thibault stated I guess the only thing I'm looking for is that to get back this money from these departments that are now paying that that we'll no longer have to pay it.

Mayor Wiczorek asked what's the monthly fee about \$20.00.

Ms. Prew replied yes. It's about \$20.00 a month.

Alderman Thibault stated we're talking at least \$50-60 a month.

Ms. Prew replied something in that neighborhood and then multiply that by the number of departments.

Alderman Thibault stated if you've got ten departments doing that, it's still a few bucks.

Ms. Prew stated you're going to, more and more over time, more and more departments are forced to it. The State is talking about communicating with the Tax Office for motor vehicle registration via the Internet. At that point, you have to look at access for your cashiers. The vital statistics in the City Clerk's Office, the State is looking to do that communication so the Clerk's in Leo's office will have to have access. Now, you can do that kind of access on a one-on-one basis, but at \$20.00 a month and a telephone line you can see where that quickly starts to escalate and soon after that \$1,700 a month is not a great deal of money and your systems are on the network. If we had to do that for the City Clerk we'd have to take those machines off the network and they wouldn't be able to participate in the rest of the functionality that takes place on that network.

Mayor Wieczorek stated okay, Diane, then you will be back on Monday and you'll take a look and see if there is any way that you can take the position and absorb it somewhere in your budget.

Mayor Wieczorek asked does anyone have any questions for Jay Taylor.

Alderman Hirschmann stated when we left off the discussion about his revenue of \$120,000 he was going to go back and talked to the MDC Board and in the meantime I did speak with the Finance Department and I was informed that MDC's net profits for this year or the last year were \$95,000. Maybe we could recoup 50% and leave them 50%, maybe we could ask for a \$50,000 revenue, what can you do for us, Jay.

Mr. Taylor replied I can't do anything for you because first of all I am not the Manchester Development Corporation. All I can give you is what my...

Alderman Hirschmann interjected maybe you can go back and speak with them.

Mr. Taylor stated I can do that, but their meeting isn't until June 11th.

Alderman Hirschmann stated you were supposed to have done that.

Mr. Taylor stated my understanding was that Finance was going to come in with a proposal, that's the way I understood that this was left. Not, that I was going to go back to MDC because...

Alderman Hirschmann stated maybe I'm mistaken then, what's going on.

Mr. Taylor stated the suggestion that you just made I think is a reasonable one and it's your prerogative to do whatever you want...it's in effect your money. All I would suggest here and all I can give you is my opinion...is that at the very least if you're going to take some of that revenue it should be done based on the net and not on the gross. Only so the reserves of MDC don't diminish using operational money to diminish the reserve. So, beyond on that I would say something along the 50/50 split is probably a reasonable proposals.

Alderman Hirschmann stated at one of our previous meetings we said they have over a million dollars in the bank. We didn't ask for any of that but we did say that if we asked for 50% of the net it would be about \$50,000.

Alderman Wihby duly seconded the motion.

Alderman Sysyn asked where did you get the \$50,000.

Mayor Wieczorek stated here we go.

Alderman Wihby stated he made a motion and I seconded it, take a vote and see on adding \$50,000 to revenues.

Mayor Wieczorek stated \$50,000 to revenues or 50% whatever is smaller or higher. Mayor Wieczorek called for a vote on the motion. The motion carried with Aldermen Klock, Reiniger, Sysyn and Girard duly recorded in opposition.

Mayor Wieczorek asked are there any other questions for Jay.

Alderman Girard asked, Jay, should we have a City Coordinator.

Mr. Taylor asked are we going to do that again.

Alderman Cashin replied no, go, good night.

Alderman Hirschmann stated one of the compassionate things that was said tonight was by Leslee Stewart about how the coaches and high school athletics had not had a raise in ten years, can't we give them back the \$12,000 we took out.

Alderman Wihby stated I would like to address that. In the last budget, we gave them the money to give raises and the School Department decides not to give raises and they spent the money. So, that money was there for them to give the raises and Leslee...I meant to ask her that question, but they had the money and the School Department said no. And, Leslee fought with them and she still lost.

Mayor Wieczorek stated they can do what they want with the money when they get it and it's going to be the same thing now even more so.

Alderman Wihby stated that is the only reason we put it in and we told them that.

Ms. Porter stated the only thing I wanted to say was with the \$5,000 cut that we have I am reasonably certain that we're going to be okay. I'm just asking please don't take another \$5,000 because that could be a problem; that is basically all I'm here for. If it goes any lower I probably won't be able to say we'll be okay.

Mayor Wieczorek asked does anybody have any questions of Finance.

Alderman Shea asked I just wondered how the investments that we're doing...how well are we doing in that regard, Kevin.

Mr. Clougherty replied I think we're performing the way we did last year. The difference that we have is that we're backing out \$500,000 for those Trust dollars that we have to set up differently in the past. Other than that, we think we'll be okay.

Alderman Shea in reference to investments asked are we making money on some of the things that...what are we working with just CD's or are we working with.

Mr. Clougherty replied no. We bid out banking services and as part of that we make sure that we get a competitive rate, so we're probably getting a better rate in our bank accounts than most other cities and towns simply because of our size and the way that we bid them out and the contract we were able to secure. I think we probably get an overnight rate that's better than the State of New Hampshire is getting now. so, we are competitive in that and we've heard that from independent sources and the auditors and others, so I think we're doing well.

Alderman Shea asked how does that show up in our budget and so forth.

Mr. Clougherty replied it's part of the Finance Department revenues. Now, that may change with the Claremont decision, with this court decision but things should be okay.

Alderman Shea stated the tax bills have been sent out, people paid, we get the Claremont monies before we have to spend them...

Mr. Clougherty stated it goes in the bank and it's earning money.

Alderman Girard asked will the court ruling affect the interest income that the City would have earned on "their" money. How is that going to affect our general fund.

Mr. Clougherty replied you've always earned on that money. It's just a question of if it's going to be charged to the School tax rate portion or the City tax rate portion.

Alderman Girard asked do we get to keep it, Kevin. The short answer please. Do we get to keep it on the general fund side or is it something that they keep and get to apply to their own budget as part of their own investments.

Mr. Clougherty replied it's all of the general fund. It's all being calculated in the bottom line that we have here. Now, once you have to go back and sort through the recent court decision some of that interest is going to have to go to the School side which will affect their rate and some of it will affect the City rate, but it's all the general fund and it's all reflected here for purposes of your calculation of the overall net tax impact.

Alderman Shea asked, Kevin, when do we have to give the School Department that we appropriate, do we have to give them that right away. Can we give it to them in drips.

Mr. Clougherty replied it says under the ruling that it has to be done on a reasonable basis. The way that every other city and town works is that the Treasurer from the School District or the Superintendent provides a cash flow to the City Finance Officer and he provides that money as they need it; that may be one way of doing it. We'll set up separate accounts and separate ID's. We had a meeting today with the Superintendent to how to transition into that. We want to be able to be flexible in terms of trying to meet their needs too. So, I think over the next year you're really going to see a transition period in a lot of these areas that we'll work into something for the future. But, right now, there is some discussion in that area.

Alderman Shea stated like quarterly or half-year or something like that would be appropriate.

Mr. Clougherty stated I think we're going to try to get to them monthly (up front) as much as they need it. Certainly, some months they are going to need more than others so we are going to try and take that cash flow into consideration.

Mayor Wiczorek asked, Kevin, is your budget okay.

Mr. Clougherty replied yes.

Mayor Wiczorek stated I am going to ask Alderman Wihby to recap where we are with the process.

Alderman Wihby stated the numbers that we are looking at that we passed out earlier is a 40% savings from Claremont and a lot of Aldermen had said they wanted 50% and higher. This represents 40%, we didn't do any changes today so we added \$50,000 which is basically nothing. So, in these numbers I want to reiterate all the positions are in, the new positions except for Info, Channel 16, and the Finance position. Those positions are out, so if you want to

put those back in we have numbers...the Channel 16 position would be \$36,000 and Info is \$42,000 and she's going to get back to us to see if she can put it in the budget. So, that Channel 16 position is out of this number.

Alderman Cashin interjected I think we're committed to that, Dave.

Alderman Wihby stated I'm just saying that it's out, do you want it back in.

Mayor Wieczorek asked is that a consensus here for the Channel 16 position to be put back in.

Alderman Wihby stated that position is \$36,283.

Alderman Girard noted that the numbers I laid on the table did not include the Channel 16 person.

Alderman Wihby stated we'll put it into HR's numbers.

Mr. Clougherty stated it had been in the Human Resources budget, so we'll put it back in there.

Alderman Wihby stated okay, so that position is in and the only one is Info noting she will get back to us to see if she can put it in her budget. This represents 40% of the Claremont savings. If we want it to be 50% we have to cut \$3 million. The only way you're going to cut \$3 million is looking at the departments and absorbing another one or two percent cut which will lead to reductions in staff. Right now, the one percent doesn't. If we go to another one percent or a two percent it will and if you're going to do that you are going to have to call them all back on Monday so you can let them know we're going to want to cut another one percent, what does it mean, how many are you going to layoff or you can cut the School budget, the School budget is still \$5.5 million or whatever higher than it was last year. On the tax rate where we are now is about \$3.44 lower than last year. So, on an average house a \$344.00 savings, on a \$100,000 valuation. In School what we did was take out 60 teachers, their benefits and \$1.1 million for expenses. So, basically we cut them \$3.5 million.

Alderman Pariseau stated can I ask a question relative to this court fiasco. If the School Department is to retain all the Federal funds, revenues, and all this other stuff and tuition and all that jazz how much interest are they going to collect on those revenues and can we go ahead and cut accordingly.

Alderman Wihby stated we are going to give them an appropriation and that appropriation is what they can spend. So, they can't spend our number plus the interest. They can only spend what we give them for a bottom line number.

Alderman Pariseau stated but they keep the surplus.

Alderman Wihby stated they can keep a surplus and then they have to use it the following year.

Alderman Girard interjected I wanted to jump in on this point because I...

Mayor Wieczorek asked can I wait to see if he's finished.

Alderman Pariseau stated so we can deduct...I don't know what that figure is from Schools. If we can come up with that interest figure for the revenues...

Alderman Wihby stated what we're looking at is an expense side, we're looking to appropriate a number. Whatever comes in on the revenue side helps our bottom line, but it doesn't help us appropriate them any money. So, they can only spend the number on the expense side that we give them; that is the number that we have to cut from.

Alderman Pariseau stated I don't have a problem cutting them \$5 million.

Alderman Wihby stated right now we are at a \$3.5 million cut in Schools. I guess I'd like to have the Mayor take a consensus on where we want to be. Is everybody happy with forty, do you want to see fifty, do you want to see seventy-five because that tells us where we are headed. We're going to meet at six-thirty on Monday.

Mayor Wieczorek interjected six.

Alderman Wihby stated six o'clock on Monday and Tuesday is the last day, so if we don't make it on Monday, we can make it on Tuesday, but.

Alderman Pariseau in reference to Monday or Tuesday asked where are the five days.

Alderman Wihby replied we already did that that is why we did the Mayor's numbers at Memorial, if you remember, so we'd have five more days.

Alderman Girard stated I don't remember who I was speaking to. It was either someone in Finance or it was the City Solicitor but with respect to what alderman Pariseau was asking I was told that the School Department could keep or take the revenue from those interest earnings and spend it even though it wasn't appropriated and I was told that the way to control that was to estimate that they would have \$500,000 worth of revenue from their interest and deduct that from their expenditures, so their overall levels would be the same because it gets back to that old surplus issue.

Alderman Wihby stated that is not true though.

Alderman Girard stated then I misconstrued something.

Solicitor Clark stated you probably got that from talking with me and I guess I wasn't very clear. The court decision does say that they get to earn the interest on their funds. However, to spend that interest it would have to be appropriated by this Board first as an estimated interest and you could take that into account when you appropriate their number.

Alderman Shea asked let's assume that they got interest of \$500,000 wouldn't that be deducted from their next year's budget if that were the case, Tom. In other words, if we appropriated \$64 million and they earned interest amounting to \$500,000 could that be deducted from their next year's budget.

Alderman Wihby stated whatever they wouldn't spend they would have a fund balance and any revenue we would offset the following year. But, we're only concentrating on the expense side that we've got to give them. We don't care about...we've taken into consideration the money they're going to get as close as we could. I still think they're off on tuition and there's more revenue there, but that still doesn't bother the expense side that we want to send them. So, right now we're looking at cutting them \$3.5 million and we're looking at an additional \$3 million to get the 50% which is where I want to get back to. Are we going for 50% or are we going to settle for 40%.

Mayor Wieczorek asked where is the Board on this, this is where we want to get some general idea.

Alderman Pariseau asked do we want to accept this June 1st budget.

Alderman Wihby stated if everyone is happy with 40% you'd accept that, I guess. But, what I'm trying to find out is if we want to go to 50%. Are we going to sit here at the next meeting and just look at each other and not know where to cut. It's either going to be layoffs in departments or additional money off from School.

Alderman Hirschmann stated with all of the comments from the crowd about Ward 2 not wanting their kids to go into the trailers and all that...can we cut...

Mayor Wieczorek stated those are not trailers, they are actually rooms that are air-conditioned, you've got bathrooms, it's heated...

Alderman Wihby stated we probably already cut them when we cut them \$3.5 million. We don't know what we cut them. They can do what they want, they can not give raises, they can do the middle schools...

Alderman Hirschmann asked what is the value of those trailers.

Mayor Wieczorek replied about \$150,000 apiece.

Alderman Shea stated I think the value is if you don't use them for the middle schools you're going to use them for certain elementary schools because if they don't move into the middle school you're going to have some areas that will need trailers. You have a few right now...Bakersville has a trailer and I think there's one at Highland and so forth and I don't object to having trailers for kids that are speech and language impaired or for kids that may be in a smaller ESL, but to put 25 or 26 kids that are 10-12 years old and sixth graders in trailers, I don't buy that, I don't think that's a good policy. But, you still will need certain trailers to compensate for the overcrowding.

Alderman Hirschmann stated my question was how much is in their budget.

Mayor Wieczorek stated you can't eliminate all of them. If that's what you're thinking about I don't think that's a possibility.

Alderman Hirschmann stated well, send them a message that we don't want them.

Alderman Klock interjected we sent them a message last year too, Keith.

Mayor Wieczorek asked where would we put them.

Alderman Pariseau asked, Mayor, what are you looking at other than your original proposal.

Mayor Wieczorek replied I think we have more work to do on School. I'm not sure that that problem is solved tonight and I think that I'm going to have to talk to them again this week, I don't know. We'll have to see where the heck they would go with this budget. I have to get some idea of where they would be going. We don't want to paralyze the system.

Alderman Thibault stated you'd like to cut them some more.

Mayor Wieczorek stated not cut them some more, you might have to give them some more.

Alderman Pariseau stated I don't think so.

Mayor Wieczorek stated that is why we have to find out what the sentiment of this Board is.

Alderman Shea stated supposedly Yarger Decker allowed for extra hours and if we're going to clobber the School Department let's be fair and spread the misery everywhere. You know what I'm saying. Why are we taking so much out of the School budget and saying maybe we can't touch this like your office or somebody else's. We're all taking a hit, everyone's taking a hit, so we can spread it around. I don't mind taking some money out of the Schools, but we don't want to paralyze them either; that's not fair either.

Alderman Pariseau stated in FY99 we appropriated the School Department \$65,923,925. With the current proposal that we have we're going with \$70,625,348 which is an increase of about \$5 million.

Alderman Wihby asked where are you getting those numbers from.

Alderman Pariseau replied I am getting those numbers from School, Athletics, and Food all together; that is what we've got to do. We can't break it down, we just have to give them one figure and they do with it what they want to apparently. So, I don't have a problem with giving them the \$70,625,348.

Mayor Wieczorek asked does that include the money we have set aside for the raise. No.

Alderman Pariseau stated I just took those three figures from...

Alderman Wihby stated keep it separate and go one-by-one. Which three are you adding together.

Alderman Pariseau stated this year \$1,207,122 (athletics), \$66,466,422 (school), and \$2,949,804 (food service).

Alderman Wihby stated you are then happy with the 40%.

Alderman Pariseau replied yes.

Alderman Wihby stated okay, so you're happy with the 40%. Where is everybody else. I'm not happy with the 40%. Let's go around the Board and see how everybody feels. I'm happy with over 50%.

Alderman Sysyn asked where are you going to get the extra 10%.

Alderman Wihby replied I don't know.

Alderman Shea stated I say if you're going to cut School, let's even off all of the numbers and cut everybody another one percent. I don't want to clobber Schools, we've clobbered them enough. By the time we get through they'll be bleeding.

Alderman Girard stated I would say that we should start at 50%, but one place we can take a look at is delaying implementation of the Yarger Decker Study. We can pick up about \$800,000 right there. The other place we should take a look at is pay raises for the School Department. Every dollar you cut in pay raises you pick up a dollar in benefits and if we're all worried about priorities and everything else...they're contract has to come to this Board, we don't have to

approve it. These are two areas in which we can do it and frankly you're not hurting the Schools if you say no to pay raises, you might actually be putting money into the kids needs.

Alderman Wihby stated this Board is not going to decide on pay raises or not. We're deciding on a bottom line.

Mayor Wieczorek stated this Board does have to approve the contract(s).

Alderman Girard stated so if we're going to turn around and say we don't want pay raises we have to turn around and not support a contract.

Alderman Thibault stated I would still like to try and get to that \$5.00 figure that I said a long time ago and I'm sure Bill would and others but where.

Alderman Wihby stated you've got two options. Alderman Shea is right. We've got the option of cutting department heads...

Alderman Thibault interjected stating if we cut another one percent off of most of these departments, maybe there are some departments that can absorb another one percent and maybe some can't. How do we get to find that out.

Alderman Sysyn interjected you would have to layoff people.

Alderman Wihby stated we have sheets in front of us that tell us what a one, two, or three percent cut is for all departments. You can go in those sheets...

Alderman Thibault stated you have the breakdown as to what department would have to cut personnel; that is what I would like to know.

Alderman Wihby stated everybody has it, not just me. Everybody has the sheets for a one, two, or three percent cut and what we did was when we looked at the one percent cut there was even some in there that had to layoff people, so we put that money back in. I know that if we go to a two percent cut, another one percent, there is going to be probably half the departments will have to layoff somebody with just a one percent cut. At least, that is what they are saying in their proposals they gave us and we all have that in front of us.

Alderman Thibault asked how much more would that cut the Schools.

Alderman Wihby replied if you did that, you're only saving \$600,000. What's the number...\$700,000. If you cut from all of the departments other than Schools, you'd be saving another \$700,000 and then if you're going to get to the 50% you are going to have to cut 2.3 from School, but still the number has to add up to \$3 million.

Alderman Thibault asked why couldn't we back up that Yarger Decker Study then, a little bit, maybe six months. How much would that give us.

Alderman Wihby replied that's \$700,000 to \$800,000; that's a proposal that you can do.

Alderman Thibault stated now we're heading towards that \$3 million real quick now.

Alderman Shea stated I don't want to be hard hearted, but if we're cutting 60 people from the School budget and we're concerned about cutting one or two...

Alderman Wihby stated we are not cutting 60 people, we are cutting 60 new positions.

Alderman Shea stated okay but they are still complaining that they need so many people...

Alderman Wihby stated we are going to be cutting employees from the City to give them new employees in the School Department; that is what we are going to be doing if we're going to cut another one percent from the City part.

Alderman Thibault stated if we picked up another \$1.5 million like we just figured now, where does that bring us...\$4.00-\$4.50.

Alderman Wihby indicated another \$1.5 million would get you 45%. I don't know, Mark, what does that mean for Decker if we were to cut it in half and implement it January 1st.

Mr. Hobson replied Alderman Girard asked Howard Tawney and me a question...you'd be pretty much cutting it in half if you delay it until January 1st.

Alderman Wihby asked what does it mean, what are the consequences.

Mr. Hobson replied we have negotiations this Friday with the collective bargaining groups, the coalition. I think it would certainly derail...I think I told you that last week when I met, I think it would certainly deflate a lot of what we've been trying to do with the study and I think it would also derail a lot of the negotiations process.

Alderman Wihby stated so negotiations would probably not take place until January 1st.

Mr. Hobson stated if we made that announcement on Friday that that would be the Board's intent, you would certainly start to see people sort of wholesaling back and forth. David is sitting out there and he's been at every single negotiation along with me and Howard, I don't know how he feels.

Alderman Hirschmann stated I just spent a moment with the Finance Officer...the tax rate in 1995 was \$28.66 and what I'm saying is if we rolled the clock back five years, right now you

have \$29.11 on the table, so to roll the clock back five years you only need to make up 45 cents to give the taxpayers the rate of 1995.

Alderman Wihby stated I'd like to give them 1990.

Alderman Hirschmann stated, David, that's nice but I don't want to cripple people. If we made up 45 cents we would have rolled the clock back five years.

Alderman Wihby stated who chooses what year to go back.

Mayor Wieczorek asked what about the folks on this side, Real.

Alderman Pinard stated as I listened to everybody I spent about five hours today going around the ward and something that I didn't realize in Ward 6 that the population in Ward 6 is almost all newlyweds and young couples and have children that go to school at Green Acres and McLaughlin and Weston and in all of the conversations and the cut tonight the only ones that are going to get hurt are the kids and I feel strongly from all of the conversations today that we know we have to cut somewhere and if you look at the major industries throughout the country when the pennies are pinching they go and layoff people, but if we have to take that road to serve our kids and these property owners I think we should look into that.

Alderman Sysyn stated I don't want to layoff anybody.

Alderman Wihby stated doesn't it make more sense if you are going to layoff people that you cut the Decker Study in half, doesn't that make sense, the more people you layoff.

Alderman Pinard asked, Mr. Mayor, is there any project we have that we can hold back.

Mayor Wieczorek replied this is the biggest one, the Yarger Decker Study.

Alderman Pinard stated well, if we have to take a hit on that or the Riverwalk or whatever I think we've got to look at...

Mayor Wieczorek stated you're talking about bond projects, they won't have that impact.

Alderman Wihby asked what would \$800,000 get.

Mr. Sherman replied that would get you down to \$28.89 and you're at 42% of Claremont.

Alderman Wihby stated I have one more question on Alderman Girard's budget. If you add up your total revenues you've got \$83.256 and on my \$82.155, so there's \$1.1 million there. Where is that, is that something that I forgot.

Alderman Girard replied I'd have to take a look.

Alderman Wihby asked the \$13.435. Where did you get that for Schools.

Alderman Girard replied I think we've been over that. I am going to meet tomorrow morning with the Deputy Finance Officer to make sure that the numbers that I have here are what they should be. There was another error or two that we picked up in taking a look at it again. A couple of Aldermen here have asked me for a narrative explanation of the changes that I made, so I will be meeting with him tomorrow. I will make sure that all of the numbers are where they should be, I will get that narrative out in the Courier to all of the Aldermen and my thought is that between what we've got here and what Alderman Wihby has put on the table will come up with something that will get us that 50% of Claremont back to the taxpayers.

Mayor Wieczorek asked, Alderman Reiniger, do you have anything you'd like to say.

Alderman Reiniger stated certainly, we do want to aim for an effective budget. I think we can easily get away from that and we're focusing on 50/50 not these arbitrary numbers and I guess that always happens in the final hours of the budget discussions...we decide what is effective, we make cuts that could take away key resources from departments. I think it's a mistake just to make across-the-board cuts for that reason. Also, I was unimpressed by the School testimony tonight. They were making their motions of appeals and making their ludicrous suggestions that further cuts would result in a Littleton, Colorado situation in Manchester; that was an irresponsible and stupid suggestion. So, I think we do have to take another look at the School funding and also insist on more accountability...there was no discussion of that.

Alderman Klock stated I tend to agree with Alderman Reiniger. I think that we need to take another look at the Schools, I think that it's a mistake to do 40, 50, 75...I think we also need to make sure that the budget is functional for all of the departments and we're not killing any one particular department, but I would like to see the percentage increase, if possible, to use more of that Claremont money for tax deductions.

Alderman Girard asked where would we be without \$37 million worth of Claremont money, we'd be looking at about a 15% tax increase and I think at that point we'd be taking a look at taking some pretty hard shots at the departments to make sure that that did not come to pass.

Alderman Wihby stated there is no way they would have come in with us; that is what I was getting at when I asked the questions.

Alderman Girard stated we have some other problems in this budget than just School...School's a good chunk of it, but School ain't all of it.

Mayor Wieczorek asked did you address it in your budget.

Alderman Girard replied I outlined what I thought were the major ones and as I said I will be getting a narrative to you tomorrow. I don't think anyone needs me to re-explain what I explained earlier in the evening. I put an awful lot of effort into that, your Honor.

Mayor Wieczorek stated you've been pretty vocal here all night, let's give somebody else a chance. Does anybody else have anything to say.

Alderman Cashin stated to say you're going to cut 60 positions from School teachers...what you're saying is that you are no longer going to support the middle school system, is that what you're saying. I guess you can't have one without the other...at least that's pretty much the way they explained it, if I understood it.

Mayor Wieczorek stated I'd say so.

Alderman Cashin stated they said they needed 45 teachers in order to implement the middle schools, they're asking for 77. So, there's still an arbitrary figure out there of 25 or whatever. Evidently, they are going to need...I think maybe we ought to sleep on this and come back and talk about it because to just arbitrarily say we're going to cut 60 out...as much as I want to return the tax money as anybody else I don't think we're being responsible by doing that and I'd like to know what effect it is going to have if, in fact, we do it before we make a final decision.

Mayor Wieczorek stated that is why I think there is still more that needs to be done. We want to make sure that what we're doing is going to be responsible.

Alderman Shea stated many of these positions in the middle school are really positions that are non-academic areas. They claim they're academic, but they're really not math, reading...for instance, at the sixth grade level now kids have reading, they have spelling, they have social studies, math, etc. Under this new system they are going to have what is called language arts. It's not predicated on anything that has to do with competition, it's all cooperation. It sounds good, but it's not going to work. But, they have three Assistant Principal's, three Guidance Counselors, four Art, three Tech Educators, four Music, two Essential Skills, four Family and Consumer Science...Foreign Language they should be teaching in the fourth grade or third grade...six classroom teachers. These people are going to be English, Math, Social Studies and Science, I buy that. But, some of these other things to me are just...I don't buy into it. I maybe "bread and butter" traditional type of person, but I don't buy into it.

Alderman Cashin stated I'll go along with you because you know more about it than I do. I'm sitting here tonight and I don't know what to do, to be honest with you, it's the first time in a long time I've been put into that position, I just don't know.

Mayor Wieczorek stated I know we're going to have to think about this a little bit.

Mr. Hobson stated I would like to work between now and Monday with some folks on the Yarger Decker numbers. I think it would be a real shame to derail what is happening with the unions right now. We've been working with them for 15 months.

There being no further business to come before the special meeting, on motion of Alderman Girard, duly seconded by Alderman Cashin, it was voted to adjourn.

A True Record. Attest.

City Clerk