

BOARD OF MAYOR AND ALDERMEN

January 15, 2002

**7:30 PM
Aldermanic Chambers
City Hall (3rd Floor)**

Mayor Baines called the meeting to order.

The Clerk called the roll.

Present: Aldermen Gatsas, Guinta, Sysyn, Osborne, Pinard, O'Neil, Lopez,
Shea, DeVries, Garrity, Smith, Thibault, and Forest

Absent: Alderman Wihby

Presentation by the Arts Commission of the 2001 Governor's Art Award
for Community Spirit to the City from the NH State Council on the Arts.

Ms. Georgie Reagan stated what we are going to do here is finally present to Mayor Baines and to the City of Manchester who are the ones who have earned this award and the name of the award is the Community Spirit Award and I think it is well-deserved and so much work generates from this particular room that we think a lot of the credit certainly emanates from where we are all standing. This is an award for the entire community and I have to say just to begin this that it was an incredible honor when the Mayor asked me to represent him at the Governor's Awards Night and I hate to say this, Mayor, but this is the best it is going to get for you tonight. We are going to present this to you and we are also going to invite the people who did so much, the Art Builds Community Council and they certainly epitomize what community spirit is all about. They are the ones who documented all of the paperwork that everyone felt compelled to send in because they were so anxious to have Manchester receive this award. I want you to know that we were in very prestigious company. We were with Portsmouth and Exeter and Wolfeboro so it is the ultimate compliment for us to have this award, especially considering the people we were with.

Mayor Baines asked who are the women you are with.

Ms. Reagan answered to my left is Grace Freije who is also an Art Commissioner and Althea Haropolous and we are going to bring this award up to you and pray that we don't drop it and hopefully we have a photographer and then we were going to invite everybody from Art Builds Community up here and if Francoise Elise is here, while she was not a winner it was a

very prestigious thing for her to be nominated for the Art Leadership Award. You can have this Mayor if you take better care of it than we did. The artist was invited to come this evening and the snow kept her away but she is more excited about this than we are. Her name is Jane Kaufman and she is from Durham.

Mayor Baines stated I do want to thank everybody involved in the Arts Community. As we know, I think it was about two years ago that Art Builds Community got off the ground. They have done a lot of work and, in fact, just recently announced the appointment of a full-time person to help bring that spirit I guess to even greater light than it is right now. The arts are alive and well in Manchester. There are a lot of great things happening with the arts and the Currier Gallery and the symphony, the philharmonic, the operas, the NH Institute of Art...all of the different arts institutions are working with a synergy that is perhaps unprecedented in the history of the City. I thank all who have been involved in this effort. It is a great award for the City because I think it is a symbol of the great future of our City with the arts as a cornerstone especially related to the quality of life for our community. I congratulate everyone involved in this wonderful honor for our great City. Thank you very much.

Ms. Grace Freije stated this seems like a wonderful time to be living, working and doing things in Manchester. The year 2002 is very promising indeed. As Georgie has mentioned, I am part of Art Builds Community, the organization which nominated Manchester for this Governor's Community Spirit Award and I am joined here with a number of people who are from the Art Builds Community Council and if I could just ask them to stand because it is so nice to think that on a snowy night they came out to say that art is alive and well in Manchester. I did also want to say thank you to the Aldermanic Board because we have a history with you and you have a history with us. A year and a half ago we came to this Chamber and asked you for some financial support as we were trying to create a cultural plan for Manchester and about nine months ago we came and presented the completed plan to the Mayor and Aldermanic Board and it was accepted unanimously and with great pleasure. Then as now you appreciated the benefits that a strong art and cultural community provide to the City. Now intuitively I think we have always known that art and culture contribute to the quality of life but we also know that it contributes to the economic welfare of the town and now with this new Federal Education Act that was just signed into law by the President, the arts have been defined as a core subject placing it on the same footing as other academic subjects, which makes us feel really good. I will add my congratulations to Georgie, particularly to Manchester for recognizing even before it was signed into law that art and culture are really core to the success of our City. Thank you very much.

Presentation by Scott Bassett of McGladrey & Pullen, LLP relative to the City's fiscal 2001 audit.

Mr. Scott Bassett stated I am an audit partner with the firm of McGladrey & Pullen. We were engaged by the City of Manchester to perform an audit in accordance with government auditing standards for the year ending June 30, 2001. This year we have the report on the financial results much sooner than the prior year. Our report date this year is October 19 compared to April the previous year. A lot of issues were resolved during the course of the last 12 months and I think when you take a look at the financial results of the City they are very positive and I am proud to report on them. We have issued an unqualified opinion on the financial statements, basically a clean opinion, stating that we were able to perform our audit in accordance with generally accepted auditing standards and that the financial statements present in conformity with generally accepted accounting principles. The report you have before you this year will be submitted to the GFOA for a certificate of reporting excellence. This is the first time that the City of Manchester will do that and hopefully next year when I am back here I can report to you that we were awarded that for the fiscal year ending 2001. As you see the financial statements this year, major changes will be presented next year on the financial statement presentation. The Government Accounting Standards Board has adopted GASB34. A lot of measurement issues and financial presentation will change dramatically from how you see them today. I would like you to keep that in mind as you go through the current year. There are things such as depreciation, capitalization of infrastructure assets and MD&A (management, discussion and analysis) that will be presented in the reports in the future. I would like to take you through some of the highlights of the report this year and open it up for questions. Please interrupt me at any time and I will do the best I can to answer those questions for you. For fiscal year ending 6/30/01, the general fund ended with the fund balance of approximately \$19,700,000 (page 28 and 29). As you can see, the undesignated/unreserved fund balance is \$3.7 million. This was an increase from the prior year of approximately \$1.5 million. Also there was an increase in the revenue stabilization fund to \$9 million or an increase of \$800,000 for the year. The financial results on the general fund indicate an increase in the fund balance of \$3.8 million. That is on page 30. Revenues for the general fund approximated \$98 million compared to expenditures of approximately \$95 million for the year. Of that, taxes were \$59 million and the collected rate in the current year was 98.64%, which was the highest in the last 10 years. From that standpoint, when you look at rating agencies they look at your collection rate and your fund balance and your ability to raise taxes so those are two very positive results within the City this year. If you turn to page 32 and 33, the enterprise funds which consist of the Aviation fund, EPD, Water Works, Recreation and Aggregation has a net income of approximately \$10,700,000. The Aviation fund accounts for \$9.7 million of that net income in the current year. If you turn to page 35, it presents the revenue and expenditures for the general fund budget to actual. We had budgeted \$96.6 million of revenue and received \$96.3 million with a favorable variance of \$258,000.

Alderman Gatsas stated I noticed there is no management letter.

Mr. Bassett replied if you recall last year, I present the financial results of the City in the first meeting and then I follow-up with the management letter at the next meeting.

Alderman Gatsas asked but I believe you had a management letter inclusive in that first meeting.

Mr. Bassett answered I know that my plan is to go over the management letter with this Board at the February meeting. I am issuing a management letter.

Alderman Gatsas asked will we be able to go through this audit report again with the management letter.

Mr. Bassett answered if you prefer, yes. Budgeted expenses of \$96 million with actual expenditures coming in at approximately \$91.6 million with a favorable variance of \$4.5 million. The net result on a budgetary basis is a favorable variance of \$3,056,000 for the year. The notes to financial statements document...there are a couple of things that I want to bring to your attention. Note one discusses the various component units of the City and the accounting policies and procedures within the City. They are pretty consistent with the prior year. There are no major changes with the accounting policies and principles this year. I would then turn your attention to Note 8, which starts on page 56. This note lays out the long-term debt within the City. I bring this to your attention because under the new accounting requirements starting next year this will be on our balance sheet and measured against your assets within the City. It will be similar to commercial accounting where we are measuring assets and liabilities and these liabilities will be measured against your assets. Right now they are typically measured against other debt, which is classified as an amount to be raised with future taxation. Next year this will be measured against your fixed assets and also as a liability in your fixed debt property plant and equipment depreciated as an asset within the balance sheet.

Alderman Shea asked how will that affect the budgetary status of the City in terms of their achieving low rate loans and things of that nature. Will it have an adverse effect?

Mr. Bassett answered fortunately or unfortunately you are going to have two basis of accounting. The way you have gone about adopting your budget and the measurement we have seen here on a budgetary basis for the general fund will be one basis of accounting and then we will also have the full accrual basis of accounting, which will measure all of the governmental fund types. To answer your question, on the budgetary basis these type of liabilities will not be shown on that balance sheet but on the full accrual basis of accounting they will be shown and we will have a reconciliation between the governmental fund type and the full accrual basis within the body of the financial statement.

Alderman Shea asked will that have an adverse affect when the City goes out to borrow money.

Mr. Bassett answered my feeling is that I believe that the rating agencies are still going to look at the key benchmarks that they look at now. They are going to look at economic growth and ability to raise taxes and pay taxes and debt on the funding of your various pension plans. So, in my opinion it may have some but what the rating agencies have used for a long time will be the same benchmarks that they use now.

Alderman Gatsas asked are the Enterprise fund assets going to be included as assets of the City.

Mr. Bassett answered the Enterprise funds will remain within the business type activities, pretty much as you see them know but you will see the Aviation fund be considered a major fund and the other funds will be grouped together. Right now they will still be classified under the Enterprise fund assets. Note 10 discusses the employee benefit plans of the City, again something that rating agencies do take a look at. Both plans remain adequately funded as far as actuary results of the latest actuary evaluations done. The last item I wanted to bring your attention to that we talked about is GASB34. I just caution you that it is going to be a lot of work within the Finance Department to get the statements in compliance with GASB34. You are a Phase I community and a lot of catch-up has to be done as far as your depreciation expense and MD&A's and formatting these financial statements. It is a big undertaking and I just caution you how you budget and the results in the first year could be different then what the expectations may be.

Alderman Lopez stated to follow-up on Alderman Gatsas' question, do you have a management letter now.

Mr. Bassett replied it is in a draft format. Part of our due diligence or what I do for each department that I do have a management letter for in a final format is I go over it with them and make sure that I am factually correct with my comments and then I follow-up with my recommendations. That is the process that we completed today. With a few modifications, we will have a draft management letter within the next week or two.

Alderman Lopez asked and you are going to come back at the next Board meeting.

Mr. Bassett answered yes and discuss the management letter with you.

Alderman Lopez asked will we receive that management letter in plenty of time to analyze it.

Mr. Bassett answered absolutely. I will make sure that I get it to the Finance Department.

Mayor Baines stated if we get this letter we will send it out immediately instead of waiting to include it with the Board agenda.

Alderman Gatsas asked can you show me...I believe that we hired or we engaged with a company to take a look at claims in the health insurance.

Mr. Bassett answered yes.

Alderman Gatsas asked is it in here.

Mr. Bassett answered if you see the large variance that you had on a couple of the general...if you look in the front there you will see from a budgetary standpoint where we had budgeted \$2 million for...I guess it was an unknown from both the revenue side and expense side and we had budgeted approximately \$2 million. I believe the amount that came in on the revenue side on page 75 you will see the health audit recoveries. We had budgeted \$2 million in revenue. The actual result of those recoveries were \$92,000.

Alderman Gatsas asked is that audit completed.

Mr. Bassett answered I am not sure.

Mr. Sherman answered no.

Alderman Gatsas asked for how much longer is it ongoing.

Mr. Sherman replied they have actually only done the preliminary for one year for just the City side. By the time we got them on Board, I believe it was last November, by the time they got all of the records from all of the healthcare providers they had really just done one preliminary run through the files. Again, at that point it had not included the School District. So that \$91,000 was really just right up front the things that jumped out at them. I believe that we have a second report from them as they have gone into more detail and it was closer to \$300,000. Now obviously Anthem is contesting some of those items.

Alderman Gatsas asked that is just on the City side.

Mr. Sherman answered I believe the second report included some of the School District.

Alderman Gatsas asked and that is only for a one-year period.

Mr. Sherman answered yes.

Alderman Gatsas asked how far back have we requested them to go.

Mr. Sherman answered we were going to go for three years. I think that is what our contract allows. Obviously as they go through we can also include 2002.

Alderman Gatsas asked of the \$300,000 how much is in protest by Anthem.

Mr. Sherman answered I am not sure but I can get you those numbers.

Presentation by members of the Board of Trustees of the Manchester Employees' Contributory Retirement System relative to amending Chapter 218, Laws of 1973 of the City Charter.

Mayor Baines stated this item is being referred to the Human Resources Committee on January 29 at 5:30 PM and all Aldermen are invited to attend.

CONSENT AGENDA

Mayor Baines advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

Minutes Accepted

- A. Copies of minutes of meetings held on October 16, 2001; November 7, 2001 (two meetings); November 20, 2001 (two meetings); December 4, 2001 (two meetings); and December 18, 2001 (two meetings).

Ratify and Confirm Poll Conducted

- B. Approving the setting of polling hours for the State Special Primary Election to be held on February 5, 2002 from 6:00 AM to 7:00 PM (unanimous).

Informational to be Received and Filed

- E. Copy of a communication from Intown Manchester to the Parks Director expressing their appreciation for assistance in decorating Downtown Manchester for the holidays.
- F. Copies of minutes of an MTA meetings held on November 27, 2001 and December 11, 2001 and copies of the Financial and Ridership Reports for the month of November 2001.
- G. Copies of minutes of a meeting of the Mayor's Utility Coordinating Committee held on December 19, 2001.

- H.** Communication from the State NHDES advising of the receipt of an application from Intervale Land Co., Inc. for a RSA 485-A:17 Site Specific Permit to make improvements to hole #1 at the Intervale Country Club.
- I.** Communication from the State NHDES advising of the issuance of permits to operate two (2) Cleaver Brooks Boilers and One (1) Aeration Process Dryer.
- J.** Communication from the State NHDOT advising of traffic regulations on Route I-93 and Route 101.

REFERRALS TO COMMITTEES

COMMITTEE ON BILLS ON SECOND READING

- L.** Communication from the Arts Commission submitting a proposed ordinance amendment to Section 32.026 to increase the membership of the Commission from three to five members.

COMMITTEE ON FINANCE

- M.** Resolutions:

“Authorizing the Finance Officer to effect a transfer of up to Thirty Thousand Dollars (\$30,000) to Highway and up to Twenty Six Thousand Dollars (\$26,000) to Welfare from Contingency for New Horizons for French Hall.”

“Authorizing the Finance Officer to effect a transfer of Fifty Nine Thousand Two Hundred and Ninety Dollars (\$59,290) from Contingency to City Clerk for Election Costs for the Two Special State Elections Scheduled for February and March.”

REPORTS OF COMMITTEES

COMMITTEE ON HUMAN RESOURCES/INSURANCE

- N.** Recommending that a change in the Health Care Reimbursement Plan maximums from \$1,500 to \$2,000 be approved; and for such purpose Amended and Restated Health Care Reimbursement Plan, Flexible Benefit Plan Document, and Dependent Care Reimbursement Plan documents are enclosed and hereby adopted.

HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN O’NEIL, DULY SECONDED BY ALDERMAN PINARD, IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.

- C.** Communication from AT&T Broadband advising of the October 4, 2001 Federal Communications Commission decision regarding franchise fees.

Alderman Gatsas stated I believe we should refer this to Administration. I think we should have a little more discussion about the franchise fee increase.

On motion of Alderman Gatsas duly seconded by Alderman Thibault it was voted to refer this item to the Committee on Administration.

- D.** Communication from AT&T Broadband advising of a definitive agreement to combine AT&T Broadband with Comcast.

Alderman Gatsas stated again I would like to refer this to Administration because I believe there were some agreements that need to be completed before this merger happens.

On motion of Alderman Gatsas duly seconded by Alderman Shea it was voted to refer this item to the Committee on Administration.

- K.** Communication from the State NHDOT advising of contemplated awards.

Alderman Shea stated I want to know exactly where this comes from. Does anybody here know? What is the NHDOT?

Mayor Baines replied the NH Department of Transportation.

Alderman Shea asked why are these awards given to people and why are they on the agenda if it is a State situation.

Mayor Baines answered simply because it is a letter that we received.

Deputy Clerk Johnson stated the State Department of Transportation is advising the City in essence of certain regulations and awards contemplated. We have submitted that to the Board to make them aware of it.

Alderman Shea asked do people apply for these awards or are they just automatically given to them. In reading through there are different people given different awards. I don't want to belabor this but some people are in business and others are private individuals. Do we know anything about them?

Mr. MacKenzie stated these would normally be awards...it is not awards as you think of it. These are damages as a result of condemnations of various highway projects as I understand it. These are not grants or anything.

On motion of Alderman Shea, duly seconded by Alderman Sysyn, it was voted to receive and file this item.

Nominations presented by Mayor Baines:

Arts Commission

Georgie Reagan to succeed herself, term to expire December 1, 2004

Highway Commission

William Kelley to succeed himself, term to expire January 15, 2005

On motion of Alderman Thibault, duly seconded by Alderman Sysyn, it was voted to suspend the rules and confirm the nominations of Georgie Reagan to the Arts Commission term expiring December 1, 2004, and William Kelley to the Highway Commission term expiring January 15, 2005.

On motion of Alderman Shea duly seconded by Alderman Forest it was voted to recess the regular meeting to allow the Committee on Finance to meet.

Mayor Baines called the meeting back to order.

OTHER BUSINESS

A report of the Committee on Finance was presented recommending that a Resolution:

“Authorizing the Finance Officer to effect a transfer of Fifty Nine Thousand Two Hundred and Ninety Dollars (\$59,290) from Contingency to City Clerk for Election Costs for the Two Special State Elections Scheduled for February and March.”

ought to pass and be Enrolled.

On motion of Alderman Smith, duly seconded by Alderman Osborne it was voted to accept, receive and adopt the report of the Committee.

Report of the Committee on Lands and Buildings recommending that in accordance with RSA 80:80 the Mayor be authorized to dispose of certain property situated on Granite Street, known as Map 671, Lot 2, by executing deeds releasing all rights, title, interest, or claims in said property. Said property formerly owned by J. Daniel Fletcher was acquired by the City of Manchester by virtue of Tax Collector's deed dated October 5, 2001 and recorded in the Hillsborough County Registry of Deeds on October 11, 2001, in Book 6502, Page 2525.

The Committee recommends the Board find such property surplus to City needs and should be disposed of by other than public sale. The Committee recommends that said property be sold to Adrian J. Shephard of Jacksonville, Fl., for payment of taxes owed and associated costs. The committee advises that such disposition would be in the best interest of the City to avoid future liabilities to the City, and would allow the previous owner to continue residency at such location with no loss of taxes paid to the City.

The Committee notes that the Tax Collector, Board of Assessors and Planning Director have submitted reports enclosed herein, which reflect no reason why the property should not be conveyed to said Adrian J. Shephard.

The Committee further recommends that the Tax Collector and City Solicitor be authorize to proceed with disposition and prepare such documents as may be required, and that the Finance Officer be authorized to credit tax deed accounts as deemed necessary.

The Committee additionally recommends that the rules be suspended to place an ordinance authorizing disposition of said property on its final reading by title only without referral to the Committees on Bills on Second Reading and Accounts, Enrollment and Revenue Administration.

Deputy Clerk Johnson noted this is a report of the Committee on Lands and Buildings which would authorize disposition of a property situated on Granite Street, Map 671, Lot 2 by other than public sale for good cause and that all reports have been submitted.

On motion of Alderman Thibault, duly seconded by Alderman Lopez it was voted to accept, receive and adopt the report.

Based on the acceptance of the report, Alderman Forest moved to suspend the rules and place the ordinance on its final reading by title only at this time without referral to the Committees on Bills on second Reading and Accounts, Enrollment and Revenue Administration. Alderman Garrity duly seconded the motion. There being none opposed, the motion carried.

Ordinance:

“Authorizing the Mayor to Dispose of Certain Tax Deeded Property Known as Granite Street, Map 671/Lot 2.”

On motion of Alderman Lopez, duly seconded by Alderman Sysyn it was voted to read the Ordinance by title only, and it was so done.

This Ordinance having had its final reading by title only, Alderman Thibault moved on passing same to be Ordained. Alderman Sysyn duly seconded the motion. There being none opposed, the motion carried.

Communication from Alderman Shea requesting the Board officially name the baseball field at Prout Park the "Mickey Hanagan Baseball Field" and that proper signage be posted at this location by the Parks Department.

Alderman Shea moved to approve the request. Alderman Lopez duly seconded the motion.

Alderman Shea stated we have the art and culture and the athletic programs in the City, both of which contribute to the well-being of our citizens and Mickey Hanagan has done a wonderful job as far as coaching baseball and helping youngsters.

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

Mayor Baines stated it is a great honor for Mickey and an honor that our community has recognized his many contributions to athletics here in our community.

Communication from the City Clerk requesting approval that the first meeting in February be held on Wednesday, February 6, 2002 due to the State Special Primary Election scheduled for February 5th.

On motion of Alderman Osborne, duly seconded by Alderman Pinard it was voted to approve this request.

Warrant to be committed to the Tax Collector for collection under the Hand and Seal of the Board of Mayor and Aldermen for the collection of sewer charges.

Alderman Thibault moved to commit the sewer warrant totaling \$92,480.01 to the Tax Collector. Alderman Sysyn duly seconded the motion. There being none opposed, the motion carried.

Resolution:

"Authorizing the Finance Officer to effect a transfer of Fifty Nine Thousand Two Hundred and Ninety Dollars (\$59,290) from Contingency to City Clerk for Election Costs for the Two Special State Elections Scheduled for February and March."

On motion of Alderman Thibault, duly seconded by Alderman Pinard it was voted to read the Resolution by title only and it was so done.

On motion of Alderman Thibault, duly seconded by Alderman Osborne, it was voted that the Resolution pass and be Enrolled.

TABLED ITEM

Resolution:

“Authorizing Bonds, Notes, or Lease Purchases in the amount of Three Hundred Thousand Dollars (\$300,000) for the 2002 CIP 810802 Revaluation Project Phase II & III Project.”
(Tabled 11/20/01)

This item remained on the table.

NEW BUSINESS

Alderman O'Neil stated the Clerk is going to pass out a list of Special Committee assignments. In working with the Clerk's Office and some of the departments, we were able to scale back most of the special committees because some haven't met in a couple of years. These are the four that appear appropriate.

SPECIAL COMMITTEE ON AIRPORT ACTIVITIES
Aldermen Pinard, Garrity, DeVries, Gatsas, Thibault

SPECIAL COMMITTEE ON THE CIVIC CENTER
Aldermen Wihby, Guinta, Garrity, O'Neil, Sysyn

SPECIAL COMMITTEE ON RIVERFRONT ACTIVITIES
Aldermen O'Neil, Guinta, Osborne, Smith, Forest

**SPECIAL COMMITTEE TO REVIEW ENERGY CONTRACTS
AND RELATED PROJECTS**
Aldermen Wihby, Sysyn, Pinard, Shea, Lopez

Deputy Clerk Johnson stated we would ask that a motion be made to re-establish these special committees for the record.

On motion of Alderman DeVries, duly seconded by Alderman O'Neil it was voted to re-establish the special committees as presented.

Alderman O'Neil stated as a note on the second page and I don't know if there is an official title to the group yet, but these are the suggested representatives from our Board to meet with the School Board and try to work on some of the various issues that are outstanding.

Deputy Clerk Johnson stated it is my understanding, Mayor, that you wanted four representatives appointed to a joint committee and we did not have the name of the committee.

Aldermanic Representatives to the Joint Committee of School Board and Aldermen

Aldermen Wihby, Alderman Gatsas, Alderman Shea, Alderman O'Neil

On motion of Alderman O'Neil, duly seconded by Alderman Garrity, it was voted to approve the recommendations to the special joint BMA/School Board committee.

Aldermanic representatives to Planning Board

Alderman O'Neil stated one other issue that I know we need to get cleared up tonight and I don't know if I can make this in one motion but I would like to renominate and elect Alderman Sysyn to be our representative on the Planning Board and I would like to also nominate and elect Alderman DeVries to be our alternate. Alderman Forest duly seconded the motion. Mayor Baines called for a vote. There being none opposed, the motion carried.

Mayor Baines stated on the committee that is going to be dealing with the school issues, if we could work to establish a date certain for report back to perhaps a joint meeting of the Board of Aldermen and Board of School Committee especially anticipating the budget process that would be great.

Alderman O'Neil asked is that something we should establish tonight.

Alderman Gatsas answered good idea. My suggestion is April 1.

Alderman Garrity moved to set April 1 as the date for a report back to the Board of Aldermen and Board of School Committee from the special joint committee.

Alderman Lopez duly seconded the motion.

Alderman Garrity asked when do you expect the numbers from the School Board for your budget.

Mayor Baines answered February 1.

Alderman Garrity asked won't that affect the budget from the School Board.

Mayor Baines answered there are two phases to the budget process. One is the Mayor's and the then it becomes the budget for the entire Board of Aldermen. We will have some time to

make some adjustments. My budget will obviously not have this issue settled but we will have to make some preliminary estimates at that point in time and then we can make adjustments during the next phase of the budget process.

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

Alderman Lopez stated the Clerk has passed out a Resolution to support the Constitutional Amendment to prohibit physical desecration of the flag of the United States. I am not going to read the whole thing but I think that the most important thing is the Veterans have been working on this for a number of years and we have lost in the US Senate from anywhere between one to three votes in the past five years. The thing after September 11 that happened...I think two things happened. First, people went to their God and secondly they grabbed the flag of the United States as a country that they belong to. It was displayed throughout not only the City of Manchester but the world. I ask the Aldermen to pass this Resolution so that we can take it as the American Legion goes to its mid-Winter conference in Washington to present it to the Congressmen and Senators of the United States and also at the same time there is a petition that is attached and if you so desire to sign your name, I will be more than happy to collect them. The last thing I want to say is once this is passed I would presume that there are petitions at the American Legion throughout the City of Manchester if any resident wanted to sign a petition to protect the flag of the United States.

Resolution:

“A Resolution in support of a Constitutional Amendment to prohibit the physical desecration of the Flag of the United States.”

Alderman Lopez moved to adopt the Resolution. Alderman Thibault duly seconded the motion.

Alderman Gatsas stated I certainly don't have a problem with this Resolution but I am not really sure at the State level that we have...I think there is a piece of legislation that is coming through that is very close to this. I am just not sure if we are able to vote on it. I don't have a problem with it. I would just as soon abstain.

Alderman Lopez replied the only comment I would make is the State American Legion has worked through its people up there to bring it into the Senate and the House at the same time as the cities and towns across the State of NH are doing it.

Mayor Baines stated all we are doing is asking to adopt a Resolution authorizing the placement of petitions correct.

Alderman Lopez replied yes. It says, "The Board of Mayor and Aldermen of the City of Manchester request the U.S. House of Representatives and the U.S. Senate to propose an amendment to the U.S. Constitution for ratification by several states. It will give Congress the power to effect laws that will prohibit the physical desecration of the American flag."

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

Deputy Clerk Johnson stated the communication for Alderman Lopez also requests authorization for placement of petitions throughout the City Hall complex so I believe the Board would need to take action on that as well.

On motion of Alderman Lopez, duly seconded by Alderman Garrity, it was voted to authorize placement of petitions throughout the City Hall complex.

There being no further business, on motion of Alderman Thibault, duly seconded by Alderman Garrity it was voted to adjourn.

A True Record. Attest.

City Clerk